SUBSCRIPTION RATES

<table>
<thead>
<tr>
<th></th>
<th>Print Price</th>
<th>Online Price</th>
<th>Online + Print Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. $(US)</td>
<td>Rs. $(US)</td>
<td>Rs. $(US)</td>
</tr>
<tr>
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<tr>
<td></td>
<td>100</td>
<td>250</td>
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<td>300</td>
<td>9000</td>
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<tr>
<td></td>
<td>200</td>
<td>450</td>
<td>1200</td>
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<tr>
<td>Five Years</td>
<td>15000</td>
<td>800</td>
<td>24000</td>
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<tr>
<td></td>
<td>450</td>
<td>1200</td>
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<td></td>
<td>300</td>
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</tr>
<tr>
<td></td>
<td>200</td>
<td>400</td>
<td>1000</td>
</tr>
</tbody>
</table>

I enclosed a cheque/DD/DD/DD/ of Rs./$/€........................cheque/DD No........................
(Please add Rs. 100 for outstation cheques)

Name/Inst: ..........................................................................................................................
Address: ............................................................................................................................
...........................................................................................................................................
Tel. No. ........................................... email .......................................................... ..............

Signature

NOTES:
3. All subscription will be processed only against advance payment.

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Website: globalvisionpub.com
It gives us immense pleasure to present the June 2016 issue of Global Journal of Business Management. We owe this edition to the hard work of our academicians and researchers. GJBM is an internationally renowned journal. It provides a platform for researchers to publish their high quality research in management and allied disciplines. Research paper submissions to GJBM are screened and peer-reviewed to maintain highest ethical and technical standards.

The present volume touches upon some of the current issues in management, business and related fields. Seven papers, covering various functional areas of management, have been rigorously selected. The first paper *Impact of Advertising on Working and Non Working Women with Reference to their Purchasing Behaviour* by Dr. Sanjeev Bansal and Dr. Garima Malik reveals that the employment status of women makes a significant difference in this regard. The study also reveals the importance of quality for the selection of goods.

The second paper *Streamlining Governance in Public Sector Enterprises of North East Region of India* by Dr. Febi Varghese, Prof. Dr. R.K. Mishra and Dr. Vinanchiarachi Jebamalai suggests that authorities should urgently review the state of affairs and come out with a strategic action plan to improve the performance of these Enterprises, which could indeed serve as the propellant of rapid economic transformation in the North East region.

The third paper *Role of Leadership in Performance Excellence* by Sahadat Hossain and Fariha Saleh reveals a set of leadership characteristics which bring performance excellence instead of simple performance. Such characteristics appear to be quite similar to the nature of transformational form of leadership. To pursue sustainable achievement, organizations must focus on the reengineering and management process. Leadership traits uphold principles and provide guiding values to foster such processes. The fourth paper *Strategic Execution of Governance and ‘Right to Food’ in India* by Dr Budhi Sagar Mishra stresses on the importance of arriving at realistic poverty lines and estimating poverty ratios using realistic fines. The paper is an attempt to encapsulate the debate around the estimation of poverty lines and their insufficiency in ideating the destitute families.

The next article *Workers’ Participation in Management: in Indian Perspective* by Brajesh Kumar Parashar and Dr. Rakesh Kumar Tiwari takes a look at the facts concerning three aspects of WPM, which have been put through considerable discuss and disagreement in India: the scope to which employees benefits have been Protected & Forwarded, the effects on Organizational Development and Performance, and the impact on the execution of Trade Unions as an Institution.

The seventh paper *Promotive Psychological Ownership: Exploring its Relationship with Organizational Innovation* by Nitu Singhi and A.P. Singh investigates the relationship between promotive psychological ownership and organizational innovation.
All the papers report a plethora of findings that should be of interest to researchers. We are grateful to all authors and reviewers for their valuable inputs. We hope that our readers shall benefit from the knowledge so generated. We look forward to the continuous support of our authors and patrons, and invite recommendations and discussions for further issues.
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IMPACT OF ADVERTISING ON WORKING AND NON WORKING WOMEN WITH REFRENCE TO THEIR PURCHASING BEHAVIOUR

Dr. Sanjeev Bansal * and Dr. Garima Malik**

ABSTRACT

Almost everyone grows up in the world which is flooded with the mass media e.g. television, advertising, films, videos, billboards, magazines, movies, music, newspaper, and internet. Of all marketing weapons, advertising is renowned for its long lasting impact on viewer’s mind, as its exposure is much broader. The increasing number of women entering the workforce, this study compares employed and non-employed women on the importance accorded to various aspects of advertising and its impact on their buying behavior. Results clearly indicate that the employment status of women makes a significant difference in this regard. Study also revealed the importance of quality for the selection of goods.

Keyword: Advertising, communicating business information, working and non-working women, quality, consumer behavior, social media

INTRODUCTION

The non-personal communication of information usually paid for & usually persuasive in nature, about products (goods & services) or ideas by identified sponsor through various media. In today’s media landscape where it’s very difficult to shape consumers attitude and intentions and move them to next level of buying process, advertisers find it even more difficult and challenging to break through the clutter of competing advertisement. The advertising industry has experienced dynamic changes over the last several decades. The changes have been good in terms of Technology advancement, Medium and more methods to attract consumers and on Creativity. This study represents how creativity impacted advertising, also understanding the value of creativity in advertising through the review of various literatures. The importance of creativity factor in advertising has got wide recognition by many researchers, practitioner, but there is a miss of true & systematic research to define advertising creativity and how it relates to ad effectiveness. The

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review study discusses some campaigns that have left their strong impression on consumers. The presented review study tries to come up with some evidence of creativity by reviewing expert views, past literature in advertising, studied advertising campaign and marketing activities. The study discusses different forum on how creativity works, and what makes an ad to travel good or poorly. It summarized the value of creativity in advertising through Expert interviews, published material and related secondary data to understand the logic. Advertising is used for communicating business information to the present and prospective customers. It usually provides information about the advertising firm, its product qualities, place of availability of its products, etc. Advertisement is indispensable for both the sellers and the buyers. However, it is more important for the sellers. In the modern age of large scale production, producers cannot think of pushing sale of their products without advertising them. Advertisement supplements personal selling to a great extent. Advertising has acquired great importance in the modern world where tough competition in the market and fast changes in technology, we find fashion and taste in the customers.

**Industry Overview**

Media has a monkey-see monkey- do effect. Women see the way other females appear in the media and they try to recreate their look. Actresses and models are getting thinner. “Advertising rules the marketplace and in advertising thin is ‘in.’ Twenty years ago, the average model weighed 8 per cent less than the average woman, but today’s models weigh 23 per cent less” (Beauty and Body Image in the Media). Abercrombie models are all very thin and their clothing sizes run very small. If a customer does not fit into their clothing, it could lead to self-esteem issues.

Woman in society often feel bad about their body image if they do not have the same figure as a model. They want to have a slender body because of what they see in advertisements. “Over three-quarters of the covers of women’s magazines include at least one message about how to change a woman’s bodily appearance-by diet, exercise or cosmetic surgery” (Beauty and Body Image in the Media). In a 1992 study of female students at Stanford University, 70% of women reported feeling worse about themselves and their bodies after looking at magazines. 54% of women belong to a gym to achieve an ideal body and some women take on unhealthy habits and develop eating disorders (Industry Statistics).

There has been a rise of anorexia in women in each decade since 1930. The increase in eating disorders through the years has coincided with a decrease in women’s ideal body weight as portrayed in the media (Wiseman, Gray, Mosimann, & Ahrens, 1992). In 1992, over five million people in the suffered from eating disorders, such as anorexia, bulimia and binge eating (The National Center for Health Statistics). Today, 10 million females are fighting a life and death battle with an eating disorder such as anorexia or bulimia (Statistics: Eating Disorders) “The internalization of the media’s thin ideal produces heightened body dissatisfaction which leads to the engagement in disordered eating behavior” (Statistics: Eating Disorders).

Every day of our lives, we are exposed to dozens of advertisements, whether it be on television, the radio, in magazines, on billboards or signs, or anywhere else that companies try to reach us in an effort to promote the products they sell. Advertisers appeal to our hopes, dreams, wants and desires, and exploit our insecurities in an effort to sell us a product, ranging from cars, to household
appliances, to a bottle of shampoo. Advertising affects everyone, whether they acknowledge it or not, and it often promotes something that is out of reach to the average person, such as great wealth, or a perfect body. Advertising often carries an overload or excess of meaning, such as statements of power, wealth, leisure, and sexual allure, and they also convey meanings of race and gender. (“Introduction: Media Studies”) As this paper will demonstrate, advertising is an extremely powerful tool which has the ability to change the way we perceive ourselves.

Of particular interest is the effect that advertising has on women. Women are continually bombarded by advertisements in which they are told, directly or indirectly, that they must be thin in order to be beautiful, and they are marketed products that they are led to believe will help them achieve their desired body image of being thin. Women become convinced that they must look like sexy all the time, when in reality, it is almost impossible. Women often begin dieting in order to attain the perfect body that they are striving for, and they occasionally undertake more extreme measures to lose weight, such as bulimia or anorexia, all because they are led to believe, by advertising, that they must have a perfect body. Women are also sexually objectified in advertising, and viewed as merely sexual objects. This paper will explore in depth how women are portrayed in advertising and, more importantly, the impact which it has on them.

‘Strategy’ decides roadway to a company’s targets and goals. Marketers in India have now started experimenting with new Medias and communication tools to woo consumers. Though conventional strategies (like reaching the audience through TV and radio) still appeal the masses, there is an emerging class of consumers who access modern techniques to seek information and entertainment.

Marketing strategies, thus, form blood-lines of any business as the company’s future can be forecasted based on their efficacy and effectiveness.

**Market Size of Advertisement Industry in India**

With the luxury market expected to grow at over 20 per cent year on year, PE investments in the luxury segment are expected to increase and support the enhanced size of the Indian luxury market. High internet penetration across tier-II and tier-III cities along with high disposable income shall lead to approximately 80 million transactions on the internet by 2020. As a result, the luxury consumption is going to increase manifold in the country. With this level of growth and subsequent investment from luxury businesses, it is estimated that by 2020 the luxury market in India will be responsible for employing 1.8 million people. This will not only help in preserving traditional craft skills and heritage, but will also support communities, create employment and provide training.

The online advertising market in India will touch Rs 3,575 crore (577.97 million) by March 2015, a 30 per cent rise from Rs 2,750 crore (US$ 444.59 million) in March 2014, as per a joint study by the Internet and Mobile Association of India (IAMAI) and IMRB International. Of the current Rs 2,750 crore (US$ 444.59 million) digital advertisement market, search and display contribute the most - search advertisements constitute 38 per cent of total advertisement spends followed by display advertisement at 29 per cent, as per the study.

The Internet’s share in total advertising revenue is anticipated to grow twofold from eight per cent in 2013 to 16 per cent in 2018, as per a joint report by Confederation of Indian Industry (CII) and PricewaterhouseCoopers (PwC). Online advertising, which was estimated at Rs 2,900
crore (US$ 468.84 million) in 2013, could jump threefold to Rs 10,000 crore (US$ 1.61 billion) in five years, increasing at a compound annual rate of 28 per cent. Also, according to the report, Indians paid Rs 25,200 crore (US$ 4.07 billion) to access the Internet in 2013, a figure greater than the Rs 22,300 crore (US$ 3.61 billion) the print medium garnered in subscription and advertising.

Social Media as a Strategy

Marketers are increasingly launching social media campaigns to leverage on the reach of internet for strategic purposes. Social media has become a unique instrument to conduct communication between not just two parties (the company and the consumer), but between multiple entities (i.e. the company, its clients, stakeholders, employees, external talents etc.). Thus social media creates an eco-system where companies can get an edge to create, sustain, and leverage links that strengthen their position in the marketplace.

For instance, American Express has its presence in both - B2C and B2B spaces. It has recently set up conversational platforms, both independent (e.g., Open Forum) and on mainstream social media platforms (e.g., Amex on Facebook), aimed at enhancing its communications with small businesses and potential investors. They continuously power their websites with news relevant to their audience (e.g., facts and trends about small businesses), as well as post challenging and forward-looking questions aimed at involving their audience and strengthening interactions between small businesses.

LinkedIn is another social networking site for professionals that has emerged a hotspot for marketers. Indian users have reasonably increased their visit to the site.

Social media experts indicate that unlike other popular social media platforms like Facebook and Twitter, LinkedIn provides a ‘niche’ platform for brands targeting professionals who, in general, have more purchasing power and disposable income than visitors of other sites.

Recent Developments

• Chinese personal computers (PC) maker Lenovo is vying for a substantial market share in the Indian smart-phone space. The company has already started executing strategies that will enable it to achieve the desired position. Lenovo has recently launched six new models to the Indian market and has inked deals with three national distribution chains while forging a partnership with HCL Care for after-sales service. Two of the confirmed national distribution chains are Redington India and Ingram Micro. Moreover, in order to convince the Indian customer that Lenovo is more than just a PC company, it is initiating multi-crore advertising and marketing campaign.

• Marketing strategies are equally important for the Indian Government as well. The Government intends to revamp its global marketing strategy and allow private companies to participate to attract more foreign tourists to the country. In this regard, the tourism ministry plans to assess the effectiveness of its offices overseas. After the assessment, some tourist offices may be expanded or relocated, according to a report prepared by a working group on tourism for the 12th Five-Year plan. The ministry is also contemplating to appoint marketing representatives to expand its presence overseas.
The initiative is expected to help Government achieve its goal to attract 20 million tourists by 2020 from 6.2 million now.

- Marketers make all sorts of attempts to woo consumers. They believe that tempting consumers at a sub-conscious level is one way to attract them.

For instance, the popular Canadian brand Woodland states that footfall in its stores has shot up substantially ever since the company has started spraying its signature leather fragrance in the aisle area of its various stores across the world, including India. India Inc has just started noticing such concepts as strategies for marketing.

Besides Woodland (which is already using its signature leather fragrance in stores and at its various corporate offices), Forest Essentials is using a signature lemongrass scent in each of its outlet. The Indian brand that also sells Ayurveda cosmetics has created its own lemongrass fragrance, versions of which are now being supplied to selected hospitals and hotels in India.

**Marketing and Strategy- Road Ahead**

Industry body Nasscom in collaboration with Absolut Data Research and Analytics, has released a report: ‘Marketing Analytics – An opportunity for India to Lead’ which states that the Indian marketing analytics industry is expected to grow from its present value of US$ 200 million to US$ 1.2 billion in 2020, growing at a CAGR of 25 per cent. The report highlights that the companies are increasingly using marketing analytics insights to gain competitive advantage in the market.

**REVIEW OF LITERATURE**

Fullerton & Ronald (1999) suggested that From 1927 to 1933 the later-famous sociologist Paul F. Lazarsfeld directed nearly 40 market research studies through his Office of Economic-Psychological Research at the University of Vienna. He and others wrote conceptual papers on the studies. Hitherto moldering in archives, these studies and papers constitute an important historical body of work on consumer behavior— pioneering research by some of the most capable social scientists of the Twentieth Century. The purpose of this paper is to explain and to evaluate, critically and historically, the Office of Economic-Psychological Research’s methods and findings on the role of advertising in consumer decision-making. J.A.Barach (1969) Suggested that the persuasion of advertising is examined in terms of the risks women face in their decisions as consumers. Experimental results relate self-confidence, risk style, and product importance to the effect of TV commercials on brand choices for regular and instant coffee, shampoo, margarine, and household wraps. The data confirm the curvilinear effect of generalized self-confidence on persuasibility. They also show that persuasion is strongly affected by a woman’s risk style. The effects of these psychological variables are enhanced for more important products, while the overall level of persuasion decreases as importance increases.

Goodstein, Ronald (1997) presents information on a special session of the 1996 Conference of the Association for Consumer Research (ACR) on research on advertising effectiveness in terms of advertising’s effect on prices Summaries are offered of papers presented at the session on topics including the connection between advertising and price elasticity, on the impact of positioning strategies on consumer price sensitivity and on the impact of advertising and sales promotions on...
brand choice. Leigh & Thomas (1987) focuses on the study regarding the effect of women’s role portrayals on advertising effectiveness through the exploration of the responses of traditional and modern women on advertising commercials. The role of women were found to strongly influence effectiveness when targeting audience. Traditional women are more tolerant in embracing traditional values for themselves. In addition, attitudinal reactions to the role-portrayal execution were shown to be due to spontaneous role-related thoughts.

Thomas & Lindley (1985) The article presents a study whose purpose was to determine if women’s differential career orientations, that is, differences in their desire to work outside of the home, would result in different responses to experimental advertisements for a hypothetical magazine. Rather than using the familiar “homemaker/career woman” dichotomy, this study investigated the research question of differential response by using three categories of women who were “more or less career oriented.” Previous studies have found the Desire-to-Work Scale to be an effective means of distinguishing groups of women having different values and attitudes toward work and home. The results of this study indicate that the Desire-to-Work Scale can be an effective tool to better understand women’s attitudes toward advertising and the likely behavior that may result from that advertising. The women’s market has changed over time and marketers would be well advised to study the changes and alter their advertising to reflect them. This study has examined one aspect of the changes taking place: alternative career/home orientations of women. It is apparent that women hold distinct attitudes toward how they are portrayed in advertisements. It is important that marketers and advertisers engage in research to better understand how those attitudes might affect attitudinal and behavioral responses to their advertising campaigns.

Dickinson, Gill (2009) The article discusses the question of whether or not women are offended by the manner in which women are portrayed in advertising. Messages reflected in advertising are evaluated in view of an individual’s moral philosophy, the author’s state. Topics include the numerous factors that cause offence to advertising, the assumption that portrayals of women in mainstream media are negative, and the role of creative execution used in an advertisement in creating offence. Also discussed is how young women engage in comparison of themselves with others.

**METHODOLOGY**

**Research Objectives**

- To identify how advertising affects the buying decision making of women.
- To identify how working women differs from non-working women in buying decision making through advertising.
- To measure the satisfaction level of advertised products as compared to non-advertised products.

**Research Design**

This research is descriptive in nature. In this research primary and secondary data both used. To collect the primary data the questionnaire has been used (Annexure -I). Target respondents for the study Women in Delhi NCR. Random sampling method was used for the selection of respondents. Secondary data collected from Website, magazines and open access journals.
Demographic Profile

Table 1: Occupation of the Respondents

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housewife</td>
<td>20</td>
<td>38.5</td>
</tr>
<tr>
<td>Teacher</td>
<td>21</td>
<td>43.94</td>
</tr>
<tr>
<td>Govt. employee</td>
<td>7</td>
<td>13.5</td>
</tr>
<tr>
<td>Corporate</td>
<td>2</td>
<td>3.8</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

As per the above table, among the working & non-working women so respondents among the whole sample size of women were 40% teachers, 38% housewives, 13% govt. employees & rest 4% of them were corporate ladies.

Table 2: Spend your leisure time

<table>
<thead>
<tr>
<th>Activity</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watching Television</td>
<td>10</td>
<td>19.2</td>
</tr>
<tr>
<td>Reading newspaper</td>
<td>20</td>
<td>41.5</td>
</tr>
<tr>
<td>Magazines</td>
<td>15</td>
<td>28.8</td>
</tr>
<tr>
<td>along with friends</td>
<td>5</td>
<td>9.6</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

While conducting the research facts came to know the exact no. of women & their preferences for spending their leisure time i.e. reading newspaper is the highest by more than 38%, watching magazines came second in majority by 28%, reading television is third majority preference of women by around 18% & rest 10% of women choosed spending time with friends as their option.

Table 3: Decision Maker in your family

<table>
<thead>
<tr>
<th>Decision Maker</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Husband</td>
<td>13</td>
<td>25.0</td>
</tr>
<tr>
<td>You only</td>
<td>21</td>
<td>40.4</td>
</tr>
<tr>
<td>Other member of family</td>
<td>12</td>
<td>23.1</td>
</tr>
<tr>
<td>Kids</td>
<td>4</td>
<td>7.7</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>96.2</td>
</tr>
</tbody>
</table>

According to the survey we conducted in women 40% of the women replied that they are the decision maker in their family, while 25% of the women replied that their husbands play a major role in deciding which product to buy or not, 23% of the women replied that their other members of family takes any decision in buying a product especially in case of joint families. While talking about this 7% of the women replied that kids play major role in buying decision making process. These decision making activity was only for low & mid segment products.
Table 4: Advertising having impact on buying decision

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11</td>
<td>21.2</td>
</tr>
<tr>
<td>No</td>
<td>22</td>
<td>42.3</td>
</tr>
<tr>
<td>Somewhat yes</td>
<td>14</td>
<td>26.9</td>
</tr>
<tr>
<td>Very Rarely</td>
<td>3</td>
<td>5.8</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>96.2</td>
</tr>
</tbody>
</table>

Majority of the women i.e. more than 42% of the women said that no advertising doesn’t play any role in their buying decision making process of theirs, while 22% of the women said that yes advertising has a major role in their buying pattern. More than 26% of the women said that advertising has somewhat relation to the products they purchase & their buying pattern. Rest 6% said that very rarely advertising has connection with their buying pattern.

H0: Sales promotion has no association with online behavior
Significance level: 95%

Table 5: T-Test

<table>
<thead>
<tr>
<th>Test Value</th>
<th>t</th>
<th>df.</th>
<th>Sig (2 tailed)</th>
<th>Mean Difference</th>
<th>95% Confidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales promotion influence your shopping</td>
<td>46.256</td>
<td>319</td>
<td>.000</td>
<td>2.388</td>
<td>2.29</td>
</tr>
</tbody>
</table>

According to the table above, we can conclude that the significance level or the p value is less than 0.5 so we will reject the null hypothesis in favor of alternative hypothesis which is Sales promotion has association with behavior.

Table 6: Advertising media influenced most in choosing product

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print media</td>
<td>12</td>
<td>23.1</td>
</tr>
<tr>
<td>Radio</td>
<td>20</td>
<td>38.5</td>
</tr>
<tr>
<td>Television</td>
<td>15</td>
<td>28.8</td>
</tr>
<tr>
<td>Word of mouth</td>
<td>3</td>
<td>5.8</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>96.2</td>
</tr>
</tbody>
</table>

Most of the women answered that television advertisements affected them the most i.e. 48%. 24% of them said radio while travelling & listening to advertisements. 6% of the women said word of mouth advertising affects them a lot in buying decision making. & rest 12% of the women said print media advertisements are very much effective.

H01: Promotion does not affect (increasing) expenditure
Significance level: 95%
According to the table above, we can conclude that the significance level or the p value is less than 0.5 so we will reject the null hypothesis in favor of alternative hypothesis which is Promotion does affect (increasing) expenditure.

Figure 1: Competition between products advertised in the market

While asking about the competition in the market about advertised products 37% of the women says there are some choice in the products category, 25% of the women said that there are enough choice in the market, 27% of the women said that there is no choice among the products & rest 7% of the women said that they are not able to answer this question.

Trust on Quality of the Product

While asking about the women trust over quality of products being advertised through different types of media 34.6% of the women said that they agree with the quality of the products being advertised, 22% of the women were strongly agreed with dis statement, 25% of the women were neutral for this answer & only 11% said that they don’t trust the quality of the products being sold.

Has it happened that after being influenced by the advertisement you purchased the product, but the product was not up to the mark.
### Table 8: Quality of the Product not up to the mark

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>12</td>
<td>23.1</td>
</tr>
<tr>
<td>No</td>
<td>19</td>
<td>36.5</td>
</tr>
<tr>
<td>Very often</td>
<td>15</td>
<td>28.8</td>
</tr>
<tr>
<td>Cant say</td>
<td>4</td>
<td>7.7</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>96.2</td>
</tr>
</tbody>
</table>

By asking about user reviews from women about the products purchased which are being advertised, 37% of the women said that products were up to the mark & delivered their best. Only 29% said that very often it happened with them. 23% of the women said it happened with them that the product quality is not up to the mark. Rest 7% of the women said that they had not thought of this.

**MAJOR FINDINGS**

- Females are more concerned towards the quality of the product while buying, where it doesn’t matters that they are working or non-working.
- Self-image effects too much when females buy any products, i.e. the role played by the women in the advertisements whether it’s a role of working women or housewife.
- Advertisement often left some negative effects in the minds of customer, according to our research process that negative effects may be categorized in this sense that females neglect the price of the product & buy that advertised product at any cost.
- The most attractive media for working women is television & for non-working women it’s print media i.e. mostly newspapers. (Because non-working women have more leisure time as compared to working women & they stay at home spending time by watching television)

**CONCLUSION**

“A brand is the most valuable asset that a company can own”

Branding needs a shift of tactics and thinking on the part of marketing executives. With ever increasing customer awareness levels, marketers can no longer afford to be complacent about their brands & branding strategies.

Successful branding needs a structured approach with due attention to what seem to be very minor details. It becomes difficult for Indian brands to create a niche for themselves because of the abundance and proven credibility of the global brands.

Understanding the differences of perceptions of customers is the key to unlocking the market potential. We have to understand the credibility, positive associations and additional valuation that customer attaches with the successful brands. The perception of quality that is associated with the global brands is difficult to unlock but it’s easier to create a blue ocean of opportunities for Indian brands.

The way forward for the Indian brands is to go global themselves. Unless and until, Indian brands become competitive globally they can not sustain their domestic dominance because sooner or later they would be over taken by the global majors.

Vol. 10, No. 1, June 2016
Finally the task doesn’t stop with the one time creation of a successful brand. We have to measure its customer-connect, evolve it and consistently revitalize it to keep it relevant to the ever changing consumers. The relevance of consumer behavior to real estate studies is best accepted, perhaps, in the areas of development, brokerage and leasing. These segments of the real estate discipline have traditionally had the closest ties to the consumer. Still, real estate transactions are often modeled as solely economic transactions. Within appraisal, the sales comparison approach estimates the value of a property based on what consumers are willing to pay for individual components of the property. The study of consumer behavior examines which people value what components and why preferences change over time. Buyer attributes can be explicitly considered in appraisal to determine properties considered as having the same utility and amenities. Attitudes, lifestyle and tastes affect consumer preferences for space. Market analysts should not rely exclusively on census-based economic and demographic data from which they infer information about consumers. Incorporating information about consumer attitudes, preferences and perceptions into economic models of housing demand is critical to any reduction of the large margin of unexplained variance in housing consumption behavior. While this article serves as an introduction to consumer behavior applications to real estate study with an emphasis on residential real estate and homebuyers, the concepts are equally valuable to the study of other types of real estate and other decision making situations.

REFERENCES
STREAMLINING GOVERNANCE IN PUBLIC SECTOR ENTERPRISES OF NORTH EAST REGION OF INDIA

Dr. Febi Varghese*, Prof. Dr. R.K. Mishra** and Dr. Vinanchiarachi Jebamalai***

ABSTRACT
State Level Public Enterprises play a major role in the development of economy of the State, however it is observed that the contribution made by majority of the State Level Public Enterprises (SLPEs) in North East region is far from satisfactory. The authorities concerned should urgently review the state of affairs and come out with a strategic action plan to improve the performance of these Enterprises, which could indeed serve as the propellant of rapid economic transformation in the North East region.

Keywords: Public Enterprises, Performance, North East Region

INTRODUCTION
Public Enterprise has special importance in the economic and industrial development of a country. Lending credence to the ideology ‘intervene to industrialise’, strategic industries, the development of which fulfil the priorities of the government, cannot be left for development with the Private Enterprise since they are generally motivated by individual’s gains. The Public Enterprise is mandated with the formidable task of creating a strong infrastructural base, utility services and the key determinants of enhanced competitiveness. Hence it is rightly observed that: Public Enterprises without a plan can achieve something but a plan without Public Enterprise is likely to remain on paper.

In an internationally competitive environment, it is not the question of the survival of the biggest or smallest but the fastest. Only those who keep pace with the rapidly changing facets of processing, design and marketing survive and others fall apart. Many public sector enterprises rapidly catch such trends and enhance the efficiency factor by linking, leveraging and learning. Public Enterprises should be keen to establish links with dynamic sources of growth, leverage their resources with those sources of growth and thereby learn to be innovative. Also they should

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accept knowledge as a source and innovation as a force, knowing fully well that there is no other option to withstand competitive pressures for efficiency gains.

The State Level Public Sector Enterprises figure an imperative element of State economy and have played a very important role in the expansion of States after sovereignty. There are around 900 SLPEs in India, Kerala occupies the first place in terms of the number with 105 PSUs, West Bengal and Karnataka occupy the second and third places. In 2007-08, about 400 SLPEs, were profit-making and 354 were incurring losses. The SLPEs’ contribution to the country’s GDP stood at 7.11 per cent with a total investment of ₹ 3,13,000 crore and they provide job for more than 2 million employees across the country.

The performance of SLPEs in the North East (NE) region is not satisfactory, however there is scope for a potential growth. This study is an attempt to address the governance issues of SLPEs in NE States, their performance, the major challenges and remedial actions to be taken.

North East India: A Prelude

North East India comprises the States of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. The importance of the NE can be explained in terms of its geographical and economic significance. Geographically, there is a need to strengthen this part of the nation on account of its strategic location on the Indian map and economically, it is very vital to develop these States of the Indian Union to bring them on par with the other states.

Since Independence the problems of development of the NE have been confronting the policy-makers. This region has a chain of hills terrain except for the plains of Assam and Tripura. The region receives a heavy rainfall and the plain areas are afflicted by devastating floods. It has severe transport and communication problems. The literacy level for the region is comparatively very low. Socially and more so culturally the inhabitants of this region are, by and large, different from the other parts of the country.

The concept of financing planned economic development as applicable to the other parts of the country does not hold good with this region. As opposed to this gloomy picture, there are certain bright spots too. The region is rich in forest produce, viz. teak, bamboo and cane. Rice, tea, coffee, jute and rubber crops make real contribution to the economy. Silk is one of the traditional industries of the region. Various fruits, particularly pineapples, are available in plenty. Coal, limestone and glass-sand are found in large quantities. The region is fairly well endowed in energy resources and one of the most important energy resources is oil and gas. The region is predominantly agricultural and this has hindered the development of the infrastructure for industrialization. The human resources of this region are relatively under-developed and the entrepreneurship and risk-taking capability are lacking in the region. Private capital has not been forthcoming and the investments in the traditional industries have dwindled.

The growth of Public Enterprises (PE) in the region is imbalanced, slow and inadequate. There are 108 PEs in the region, of which 40 are in Assam, 6 in Mizoram, 5 in Arunachal Pradesh, 14 in Meghalaya, 5 in Nagaland, 10 in Manipur, 15 in Sikkim and 13 in Tripura. All the enterprises put together occupy 10 percent of the total SLPEs in India.
Streamlining Governance in Public Sector Enterprises

PERFORMANCE OF SLPES IN NE REGION

The SLPESs are established in NE are into various activities viz., financial, manufacturing, promotional, utility and welfare. These include the State Financial Corporations, State Electricity Boards, State Road Transport Corporations, Housing Corporations, Industrial Development and Investment Corporations, Plantation Corporations and Welfare Corporations for the amelioration of the scheduled castes, scheduled tribes and backward classes of the society. Based on their activity, enterprises are broadly categorized into Financial, Promotional, Manufacturing, utilities and Welfare.

The performance of SLPESs in Assam, Meghalaya and Sikkim is fairly good when compared to the other States in NE region. Table 1 explains about the performance of SLPESs in NE region based on the indicators viz., Total Investment, Capital Employed, Turnover, Net Profit/Loss, Accumulated Loss, Number of Employees and Return on capital employed, grants and subsidies.

Table 1: Performance of SLPESs in NE Regions

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investments</td>
<td>3303.78</td>
<td>4279.20</td>
<td>4770.07</td>
<td>5040.05</td>
<td>5545.52</td>
<td>5749.35</td>
<td>6301.72</td>
</tr>
<tr>
<td>Capital employed</td>
<td>2167.65</td>
<td>2422.80</td>
<td>3712.61</td>
<td>4127.44</td>
<td>5444.88</td>
<td>5111.14</td>
<td>4762.35</td>
</tr>
<tr>
<td>Turnover</td>
<td>-654.66</td>
<td>-674.30</td>
<td>195.06</td>
<td>304.60</td>
<td>472.65</td>
<td>522.41</td>
<td>539.30</td>
</tr>
<tr>
<td>Net Profit/Loss</td>
<td>-6494.62</td>
<td>-6481.84</td>
<td>-995.08</td>
<td>-1048.61</td>
<td>-1164.57</td>
<td>-1207.06</td>
<td>-1267.39</td>
</tr>
<tr>
<td>Accumulated loss</td>
<td>4819.25</td>
<td>20054.67</td>
<td>23723.92</td>
<td>26642.32</td>
<td>24192.42</td>
<td>22588.92</td>
<td>10117.3</td>
</tr>
<tr>
<td>No. of Employees</td>
<td>10097.68</td>
<td>9638.49</td>
<td>9708.18</td>
<td>10223.84</td>
<td>10629.02</td>
<td>9620.69</td>
<td>9881.46</td>
</tr>
<tr>
<td>Total Return on Capital employed</td>
<td>-34.45</td>
<td>-76.64</td>
<td>17.19</td>
<td>129.97</td>
<td>148.82</td>
<td>240.79</td>
<td>89.33</td>
</tr>
<tr>
<td>% of total return on capital employed</td>
<td>1.179</td>
<td>1.40</td>
<td>204.29</td>
<td>64.18</td>
<td>113.935</td>
<td>125.13</td>
<td>138.45</td>
</tr>
<tr>
<td>Subsidies/Grants</td>
<td>1.66</td>
<td>3.07</td>
<td>6.01</td>
<td>113.26</td>
<td>102.15</td>
<td>73.58</td>
<td>29.35</td>
</tr>
<tr>
<td>Central Govt.</td>
<td>569.39</td>
<td>257.13</td>
<td>306.63</td>
<td>425.23</td>
<td>470.22</td>
<td>462.14</td>
<td>362.08</td>
</tr>
<tr>
<td>State Govt.</td>
<td>613.84</td>
<td>319.86</td>
<td>355.91</td>
<td>763.99</td>
<td>795.8</td>
<td>800.12</td>
<td>432.77</td>
</tr>
<tr>
<td>Total</td>
<td>21.61</td>
<td>35.56</td>
<td>47.87</td>
<td>88.32</td>
<td>295.74</td>
<td>270.75</td>
<td>152.63</td>
</tr>
</tbody>
</table>

Source: Compiled from Institute of Public Enterprise Database

Investment

The total investment made in SLPESs has gradual increased from Rs. 3303.78 crore in 2005-06 to Rs. 6301.72 Crores in 2011-12 (Table 1) and the major investments are made in power and manufacturing sector. Table 2 & 3 indicated that out of eight states in NE, Assam ranked first in investment followed by Meghalaya and the number of SLPESs are also more in Assam followed by Meghalaya. Though the number of enterprises are almost same in Sikkim and Meghalaya, the investment in Sikkim has come down due to decrease in long term loans in Sikkim Power Development Corporation Limited. Whereas Meghalaya invested more in power sector during 2010-11 and 2011-12. When compared the total investment made in India and NE region, the level of investments made by NE region is found to be very low.
Table 2: State-wise Ranks on Performance Indicators

(Rupees in Crores)

<table>
<thead>
<tr>
<th>State</th>
<th>Investment</th>
<th>Rank</th>
<th>Capital Employed</th>
<th>Rank</th>
<th>Turnover</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assam</td>
<td>3312.69</td>
<td>1</td>
<td>2239.19</td>
<td>1</td>
<td>2879.21</td>
<td>1</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>25.80</td>
<td>8</td>
<td>49.07</td>
<td>7</td>
<td>7.44</td>
<td>5</td>
</tr>
<tr>
<td>Manipur</td>
<td>56.48</td>
<td>7</td>
<td>27.42</td>
<td>8</td>
<td>4.67</td>
<td>7</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>1569.81</td>
<td>2</td>
<td>1859.79</td>
<td>2</td>
<td>463.31</td>
<td>2</td>
</tr>
<tr>
<td>Mizoram</td>
<td>92.4</td>
<td>5</td>
<td>79.44</td>
<td>5</td>
<td>1.55</td>
<td>8</td>
</tr>
<tr>
<td>Nagaland</td>
<td>77.71</td>
<td>6</td>
<td>70.27</td>
<td>6</td>
<td>5.36</td>
<td>6</td>
</tr>
<tr>
<td>Sikkim</td>
<td>371.47</td>
<td>4</td>
<td>1101.26</td>
<td>3</td>
<td>89.37</td>
<td>3</td>
</tr>
<tr>
<td>Tripura</td>
<td>795.36</td>
<td>3</td>
<td>555.69</td>
<td>4</td>
<td>81.50</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Compiled from Institute of Public Enterprise Database

Table 3: State-wise Investment

(Rupees in Crores)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Assam</td>
<td>1724.09</td>
<td>2284.41</td>
<td>2480.30</td>
<td>2744.13</td>
<td>2747.7</td>
<td>2939.88</td>
<td>3312.69</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>14.59</td>
<td>11.56</td>
<td>19</td>
<td>21.21</td>
<td>24.29</td>
<td>47.73</td>
<td>31.06</td>
</tr>
<tr>
<td>Manipur</td>
<td>47.38</td>
<td>39.37</td>
<td>43.49</td>
<td>99.81</td>
<td>97.375</td>
<td>111.47</td>
<td>56.48</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>896.84</td>
<td>1290.33</td>
<td>1372.40</td>
<td>1291.34</td>
<td>1313.6</td>
<td>1483.76</td>
<td>1569.81</td>
</tr>
<tr>
<td>Mizoram</td>
<td>76.76</td>
<td>89.23</td>
<td>92.95</td>
<td>102.50</td>
<td>93.28</td>
<td>90.6</td>
<td>92.4</td>
</tr>
<tr>
<td>Nagaland</td>
<td>87.49</td>
<td>59.74</td>
<td>65.19</td>
<td>68.4</td>
<td>57.26</td>
<td>7.79</td>
<td>77.71</td>
</tr>
<tr>
<td>Sikkim</td>
<td>147.10</td>
<td>158.95</td>
<td>206.49</td>
<td>218.86</td>
<td>557.26</td>
<td>489.55</td>
<td>371.47</td>
</tr>
<tr>
<td>Tripura</td>
<td>309.51</td>
<td>345.58</td>
<td>488.02</td>
<td>593.22</td>
<td>631.27</td>
<td>595.23</td>
<td>795.36</td>
</tr>
</tbody>
</table>

Source: Compiled from Institute of Public Enterprise Database

Table 3 shows that in Arunachal Pradesh the investments have gradually increased over a period of time. The major investments are in Power and Financial Enterprises. Among all sectors, the power sector had the highest investment. The power sector investment represented the equity contribution made by the State Government i.e., Hydro Power Development Corporation of Arunachal Pradesh Limited. In Assam the investment over the period has increased significantly and the huge investments are in three major sectors viz., Power, Service and Agriculture sectors. There has been marginal increase of 9 per cent in the other sector during this period. In Manipur during the year 2011-12 there is a sudden drop in total investment. This is due to decrease in investments in four SLPEs in manufacturing sector which had been liquidated during 2011-12. In Meghalaya also power sector has received major portion of investment compared to other sectors viz., infrastructure, manufacturing and service sector. In Mizoram the investments are at the highest during the period 2008-09. This is mainly because of the increase in equity in some of the SLPEs that are into Finance, Handloom, Food Processing, Electronics and Agriculture Marketing and increase in loans in Industrial Development and Financial SLPEs. Due to this there is an increase
in total budgetary outgo also during this period. In Tripura also the investments have improved all through the period. The investments in power sector have increased due to investment in the form of loans to Tripura State Electricity Corporation Limited while the increase in manufacturing sector was due to equity contribution in Tripura Jute Mills Limited during the period.

**Capital Employed and Turnover**

Capital employed is the value of the assets that represent the company’s ability to generate revenue. Turnover embodies how quickly the inventory is sold. A high turnover means that goods are sold quickly, while a low turnover means that goods are sold more slowly. Fig 1 and 2 show that the capital employed and the turnover in the SLPEs of NE region and all India respectively. Capital employed showed an increasing trend all through but the total turnover has experienced a slight decrease during the year 2011-12 in NE regions as well as in all India too. It was observed that Assam stands first in capital employed followed by Meghalaya. In case of turnover all the States in NE region showed increasing performance, among them Assam ranked high. The capital employed and turnover is very low when compared with total SLPEs in India.

![Figure 1: State-wise Capital Employed (Rs. in Crores)](image-url)

*Figure 1: State-wise Capital Employed (Rs. in Crores)*
From the Fig 3, it is observed that in States of Assam and Meghalaya the net losses were minimized during 2010-11 and 2011-12. This may be attributed to financial restructuring of Assam State Electricity Board. During this period Assam Gas Company Limited and Assam State Minor Irrigation Corporation Limited made profits. However, heavy losses were incurred by some of
the SLPEs in Assam. Despite the profits made in few enterprises the State as a whole could not make much profit due to heavy losses incurred in other enterprises. In Arunachal Pradesh even though two enterprises have made profits, one enterprise made huge loss which made the entire State to run into losses. Tripura Forest Development and Plantation Development Corporation Limited contributed to profits. During the last five years the NE region could not make net profits and has incurred losses all through. This is mainly due to the non-performance of many of the enterprises in NE region. In Sikkim the net loss was high during the year 2010-11 and was minimized in the next year mainly due to major profits earned by Sikkim Industrial Development and Investment Corporation Limited.

**MAJOR CHALLENGES**

The major challenges faced by SLPEs in NE region are summarised below:

a. **Operational Bottlenecks:** These include shortcomings caused by the internal and external phenomena. Internally, un-conducive functional management, bad project management, sub-optimal choices of technology and financial structures and absence of proper business systems and procedures. Externally, inadequate power supply acted as the major operational problems.

b. **Policy and Strategic Issues:** It is noted that the SLPEs do not interface adequately with their respective State Governments. This has constrained them in designing appropriate capital structures, selecting suitable product-mix and in going for the much-needed managerial reforms. A comprehensive system for the performance evaluation of PEs is conspicuous by its absence. Assam is, however, an exception in this context. The government of Assam has set up a Department of Public Enterprise.

c. **Professionalisation:** The concept of professionalisation has not permeated into these enterprises. The finance wings of these enterprises are bereft of chartered and cost accountants. Those holding the post of Executive Directors and Managing Directors have not had a systematic exposure to management concepts and decision-making techniques. The training and human resource development plans have not found favour in these enterprises.

d. **Boards of Management and Tenure of the chief executive:** These enterprises have unwieldy Boards. The civil servants are often jam-packed in the boards. The terms of the board members and the managing directors have turned out to be very short.

e. **Sickness:** Of the 108 SLPEs, more than half have been incurring cash losses. In Assam alone 15 PEs incurred cash losses during the year 2011-12

**ACTION PLAN**

The major action plans to circumvent these challenges and governance issues of SLPEs are given below:

a. **Nodal Agency:** There should be a nodal agency to deal with the issues of common interest to all SLPEs. This can be either a specific department or agency, or part of an existing department, or other professional agency, with specific responsibility to attend to this work. The nodal agency should undertake or arrange to make a review of all investments.
made in public enterprises, sector-wise, with reference to their financial viability and performance, as well as the achievement of the objectives set for them, and the direct and indirect benefits flowing to the state. The nodal agency should have the responsibility of assisting the administrative departments in setting out the objectives of new enterprises with reference to state development priorities, and in respect of existing enterprises with reference to their corporate plans and the departmental policies to set such objectives. All proposals for new investments in existing SLPEs and for launching new PEs should be closely scrutinized by the nodal agency with reference to their financial viability and social objectives. The nodal agency in order to fulfill these responsibilities should build up a core of competent professional staff, but not necessarily by recruiting full-time employees.

b. **Top Level Management:** The state governments should have institutional arrangements and well-thought out procedures for selecting suitable persons for the posts of Chief Executive and full-time Directors of SLPEs. Once a person is selected, he should be allowed to continue for a long term, not less than five years, to enable him to implement the programmes envisaged.

In case of larger PEs, the selection should be based on a wider area of consideration, with a view to choose the best among the possible candidates. In all the states there are several SLPEs in the manufacturing and trading sectors which produce goods and services that are also made by the private sector. In such SLPEs commercial objectives dominate and even, if there were social objectives such as stimulation of industrial growth in backward areas, these objectives are achieved by the very act of setting up such PEs and only the commercial objectives have to be continued. In all such cases, it is necessary to have the leadership of the enterprise vested in a single person who can be the Chairman and Managing Director.

The appointment of full-time Chairmen in addition to full-time Chief Executives has led in several cases to the creation of dual poles of leadership within the enterprise which do not function harmoniously. This should be avoided. The state governments should also ensure that the Boards of management are compact bodies consisting of persons with the requisite experience to guide the strategic management of the SLPEs. The Boards should be decision-making and not deliberative bodies.

c. **Memorandum of Understanding (MoU):** The state governments should setup a procedure by which the administrative Ministries have periodic discussions on the programme of each SLPE and arrive at an action plan/MoU. Such action plan/MoU should contain at least the agreed views on physical production targets in key result areas (KRAs). The nodal agency would help in finalizing the MoU/action plan and they would undertake annual evaluation of the performance of SLPEs with reference to the agreed targets in the MoUs.

d. **Corporate Vision:** All enterprises in the state sector should prepare a corporate vision plan for both short-term and long-term based on an analysis of their strengths and weaknesses, and a realistic assessment of resources which could be mobilised. These plans should examine the original objectives set for them and the current environmental conditions, and set out specific objectives to be achieved by the enterprise for a specific period.

e. **Restructuring:** As most of the states have a number of loss-making SLPEs, and such enterprises would come up with rehabilitation or even restructuring proposals like merger,
closure, divestiture or capital restructuring, the state governments should set up suitable institutional arrangements to take speedy and effective decisions.

The PEs which are continuously making losses have to work out in detail programmes of restructuring the physical and financial areas so as to come to a position of “no loss” within a period of, say, five years. When the restructuring involves disinvestment of certain units or activities, or mergers with other organizations, this should be worked out in consultation with the nodal agency and administrative ministries.

**CONCLUSION**

In any development strategy for the NE region, the SLPEs will have to play a vital role. In order to perform well, these enterprises will have to restructure their functional strategies and initiate steps in the direction of restructuring and reformation. This will not be possible as long as these enterprises do not bring about far-reaching changes in their corporate strategies and interface mechanism and they should have a special focus on strengthening their monitoring and evaluation systems. Perhaps, the setting up of a nodal agency in each state in the region may provide a new direction to their working.

Many a times the internal causes are found more predominant compared to external causes and the internal causes of sickness are powerful and decisive in bringing down the performance of many PEs. However, Public Enterprises can definitely be run efficiently, effectively and profitably, protecting the large interest of the Public, provided, it is led by competent professionals having proper Vision, Passion, Integrity and Transparency in their area of operations.

A healthy and democratic organisational culture is the primary force to enhance the organisational commitment of the employees which can create the required conducive environment and steer the organisation to climb the ladder of operational efficiency and thereby fulfil the strategic priorities of Government in running the Public Sector Undertakings. The authorities concerned should rewrite the policy interventions towards revamping the operational efficiency of Public Enterprises so that these organisations could contribute significantly to ecological compliance, economic efficiency and social inclusion.

**REFERENCES**


ROLE OF LEADERSHIP IN PERFORMANCE EXCELLENCE

Sahadat Hossain** and Fariha Saleh**

ABSTRACT

This review examines the recent theoretical and empirical development in the leadership literature, as many leadership theories are proposed in the recent years. This paper discusses the impact of leaders in performance excellence initiatives. We discuss leadership as learned values, attitudes and behavior. Since, leaders often determine followers’ future as well as their own, it is essential that they should learn appropriate values, attitude and behavior, so that they can lead an organization in a positive direction. Performance is considered the outcome of all cumulative efforts in an organization. Excellence of performance is a wider concept, where leadership has a pivotal role to play. This review of research reveals a set of leadership characteristics which bring performance excellence instead of simple performance. Such characteristics appear to be quite similar to the nature of transformational form of leadership. To pursue sustainable achievement, organizations must focus on the re-engineering and management process. Leadership traits uphold principles and provide guiding values to foster such processes.

Keywords: Leaders, Leadership, Performance excellence, Transformation, Sustainability

INTRODUCTION

Leaders are those who can influence others’ behavior and action, who will direct followers’ behavior as they wish. Performance excellence initiatives involve the way organizations develop strategic objectives & action plans, engage customers for long-term marketplace success, and use information to improve performance. In performance excellence, employees are engaged, developed and recognized. Governing an organization is an art based on scientific data and information. Efficiency and effectiveness of any organization are developed through different initiatives taken by policy level employees. Leadership role played by top management often necessitates changes in the organization. If those initiatives are not driven by proper rules and policies then expected output may not be generated. Therefore, only a smart match between the leadership role and performance excellence can sustain an organization’s success in the long run.

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Good leaders know their own values, strengths, limitations and are able to control emotions and behaviors. They must strive for personal development by engaging in continuous learning and are willing to seek help when needed or admit when they make any mistake. They should be able to adapt to stressful or dynamic situations and be able to maintain a balance between their work and non-work lives. Leaders must maximize the potential of others and motivate them to attain shared goals. They must be able to manage individual and group performance, with an understanding of group dynamics and team building. Leaders must actively listen and communicate effectively to persuade others and build consensus & trust. They should be empathic toward individual emotions & needs and be able to resolve conflicts in a respectful manner. Leaders use task-specific knowledge and experience to guide the group to attain their goals. Leaders must engage in problem solving, delegation, time & resource management, and eliminating barriers to performance. Leaders also strive for results and provide feedback to ensure effective contributions from all constituents.

There are many success factors which drive an organization toward performance and operational excellence. These include Support from the top, Cooperation from business units within organization, credibility within the organization and ability to measure results. The term performance excellence has been significantly used in Malcom Baldrige quality criteria which Latham (2008) mentions as the results and process that essentially lead to a primitive understanding of the performance excellence as a qualitative transition and sustainability of the organization in a long run. Previous research has extensively focused on increasing performance as a result of different leadership styles. Substantial research literature is found regarding the leadership significance in Balridge model (Wilson and Collier 2000; Flynn and Saladin 2001), that summarize quality improvement as a cause of transformational leadership styles (Laohavichien, Fredendall, and Cantrell 2009), whereas a relatively meager focus was given to the roles of leadership as enabler of quality excellence (Luria 2008; Jabnoun and Al-Ghasyah, 2005). System thinking and organization system have got adequate attention in research literature (Senge 2006; Ackoff 2006). On the other hand, leadership itself acts as a criterion of performance excellence (Prybutok and Cutshall, 2004) and organization system & system thinking play a vital role there (Latham, 2013), while the focus on the combination of system and leadership is relatively low (Ackoff, 1998).

Research Purpose

Remarkable endeavors have been undertaken in the past to illustrate the impact of leaders’ role on performance of the organizations (Hambrick and Mason, 1984; Hambrick, 2007) and leadership effectiveness (Gordon and Yukl, 2004), while few of those are found to be qualitative, which can create greater insights and understanding (Glynn and Raffaelli, 2010). This research is a qualitative attempt to review the leadership literature in the context of performance excellence of the organization. Such performance excellence is keenly different from simple performance which can be viewed as thinking and behavioral attributes of the leaders to the overall organizational transformation process (Corbin and Strauss, 1990). Hence, this research will clarify the differences between performance and performance excellence, whereas the outcome of this research will enable us to have a comprehensive understanding of the role of leadership in performance excellence initiatives. As performance excellence has a significant focus on organizational transformation,
this research will essentially enhance the understanding of organizational change, which ultimately helps to conceptualize leadership approaches, leadership behaviors and activities, cultural aspects and the characteristics of the individual leader (Latham, 2014).

METHODOLOGY

This research is a review of literature on the relationship between leadership and performance excellence. The approach of this article starts with making a critical distinction between leaders and leadership from various dimensions, as well as differentiating performance excellence from performance. Then it moves towards depicting a relationship between leadership and performance excellence based on theoretical evidence. Afterward, this research highlights its contribution to existing literature, along with suggesting future research directions.

The research areas chosen for analysis were selected by investigating some popular and effective terms including ‘leader’, ‘leadership’, ‘effective leadership’, ‘transformational leadership’, ‘performance’, ‘performance excellence’, ‘excellence in performance’, ‘excellence of organizational performance’, ‘leadership role in organizational performance’ and ‘leadership role in performance excellence’ in the EBSCO Research Databases (which include Psychology & Behavioral Sciences Collection, PsycINFO, Business Source Premier/Complete and SocINDEX) and LexisNexis. Moreover, a review of relevant references cited in the selected articles was used by a snowball method to identify other articles of interest. The generated articles from the database were thoroughly reviewed to ascertain their relevance to the concept of relationship between leadership and performance excellence relationship. More than 30 articles were reviewed and their citations were counted and analyzed according to relevance, in order to determine the articles that have the most impactful contribution to this research topic. Some of the articles found through citation analysis and database searches were not included as those did not address the issues related to the concept. Different papers mentioned in the review have been cited to the references and studies that have been consulted to clarify the ideas in-depth are also used as references.

Leaders and Leadership

Throughout the world, people recognize real leaders. They are the ones with credibility and trust. They understand that there are no zero places in history. All people sometimes lead and sometimes follow. Each person must choose whether to lead in a positive or negative direction and whether to become a primary leadership force in the history and future of the world. People who inspire others to follow them are great leaders, but the best leaders encourage and inspire people to follow themselves (Pryor, 1993). Alderson and McDonnel (1994) argue that leadership is more than just creating followers. Leadership involves trust of a person to another person. That trust is based on values, visions and actions which are important to all parties concerned. Pryor (1993) also pointed out that leader must serve as role model to make the right decision and implement it. However, most effective leadership is based on empowerment of employees and such empowerment builds the root of most effective leadership. In most of the cases, people are not born leaders. Generally, it results from learned values, attitudes and behaviors. Since they lead the future of many people of the organization, it is very important to learn appropriate values, attitudes and behaviors to lead the organization in a positive direction. Good leaders always take care of their followers, because they believe that each individual is valuable.
Pryor (1993) also discusses the differences between power and leadership that is not about one’s of rank or position. It is about one’s attitude and interpersonal behavior. Leadership seeks to engage people, not enrage people. Empowering leadership involves sharing power with subordinates and raising their level of autonomy and responsibility. It is manifested through specific behaviors such as encouraging subordinates to express opinions and ideas, promoting collaborative decision making, and supporting information sharing & teamwork (Arnold et al., 2005). To empower followers, leadership tends to create psychological ownership of a task, heightened efficacy & commitment, and higher levels of coordination & collective information processing (Cohen, Chang & Ledford, 1997; Zaccaro, Rittman, & Marks, 2001).

Participation and consideration are perhaps the most visible indicators of a team leader’s management style. Participative team leaders consult their team members, solicit their input, and involve them in the decision-making process (Burke et al., 2006). Thomas (1977) suggests that the key to resolving conflicts in a group is to understand the underlying power structure within the group. A participative team leader creates an environment in which power is dispersed more evenly among the team members. Such power equity limits the ability of individuals or subgroups to unduly dominate the conflict resolution process in the team at the expense of others, thereby creating a more open and productive approach to resolve conflicts as they occur (Burke et al., 2006). Participation sets the tone in which the leader exerts his or her influence over the team and has been shown to be positively related to learning within teams (Sarin and McDermott, 2003). Thus participative leadership in teams should therefore be positively related to the use of functional conflict resolution strategies and negatively related to the use of dysfunctional conflict resolution strategies within the team.

Kidd and Christy (1961) also reviewed the studies of high-involvement leadership which suggest that when leaders delegate decision-making authority, team members become more actively engaged in discussions and communication improves among them (Kidd and Christy, 1961; Wilemon and Thamhain, 1983). In contrast, low-involvement or autocratic leaders discourage team members from actively communicating and participating in team activities (Bolman and Deal, 1993; Stewart and Manz, 1995).

Yulk (1999) finds greater subordinate motivation, satisfaction and performance as outcome of transformational leadership. Transformational leadership motivates employees to go beyond standard expectations by transforming followers’ attitudes, beliefs and values as opposed to simply gaining compliance (Bass, 1985; Yukl, 1999). Bass (1990) suggests that one reason transformational leadership can increase performance is because of its impact on proactive work role behaviors. Leadership is considered as a key determinant of organizational commitment (Mowday, Porter and Steers, 1982). Transformational leaders link a group or organization’s mission and goals to collective values and ideologies; they emphasize the collective identity of the group or organization and display exemplary behaviors (Shamir et al., 1998). Researchers interested in charismatic leadership behaviors have also suggested that such leaders enhance followers’ identification with the leader, and their identification with and attachment to the concerned group or organization (Kark, Shamir and Chen, 2003), but Bass (1985) concludes charisma as a component of many transformational leadership models. Thus, transformational leaders create high levels of organizational
commitment (Avolio et al., 2004). The role of leadership is considered to be a very important element for the organizational and business success.

Transformational leaders act as role models to the followers to bring changes in the organization. They use sense of identity and set high moral values with expression of confidence and competence (Avolio & Gibbons, 1988). The same research also argues that transformational leaders are receptive to opposing opinions and cooperative with their followers, which helps to create a sense of trust among them. Transformational leaders also create vision as a reflection of collective interest which is viewed as focal point that acts as the conceptual map of the organization (Shamir et al., 1993). Such a map creates self-efficacy and sense of identity among the followers. Northhouse (2015) concludes that transformational leaders are the social architects too, who clarify the emerging norms and values to create a shared meaning of the purpose of the organization and its employees. To be the social architect, other researchers like Hughes and Terrell (2007) stress on ability to recognize and manage one’s own emotions, along with effectively responding to others’ emotion. Apart from other kinds of leaders, the transformational leaders focus on moral uplifting (Avolio, 1999), which means going beyond self-interest and needs for the purpose of protecting the interest of team, organization and community (Howell & Avolio, 1993; Shamir et al., 1993).

Gary Kelly, the CEO of Southwest Airlines, is an example of a great leader because she is very real when dealing with her employees. The employees and leader know what they stand for. Kelly made the working environment very friendly, empowered her workforce and the company gained more market share than its competitors. The leaders of the southwest airlines live up the customers’ and employees’ expectations. Another great leader is the coach of the Atlanta Falcons Team Mr. Mike Smith. He always said that, to know the team, leaders must understand followers as people not as professionals. He is proof that ‘you win the locker room first then you win in the field (Gordon, 2013).

Three important leadership theories that have focused on contextual factors in determining leadership effectiveness and are worth mentioning, include Fiedler’s Contingency Model of Leadership, Hersey and Blanchard’s Situational Leadership Theory, and House’s Path–Goal Theory of Leadership. Fiedler’s Contingency Model of Leadership effectiveness (Fiedler, 1967) proposes that leadership effectiveness depends upon the fit between leadership style and the degree of situation favorableness. According to the model, leaders can focus on tasks (versus relationships) when the context, in terms of leader–member relations, task structure, and position power of leaders, is either highly favorable or highly unfavorable, while relationship-oriented leaders are more effective in moderately favorable situations.

The focus of Situational Leadership Theory, developed by Hersey and Blanchard (1969, 1982), is on the fit between leadership style and readiness level of the follower, which is determined by the follower’s ability and willingness to complete a task. An autocratic decision-making style is effective when followers have low ability and willingness levels, while a delegating style is effective when readiness levels of followers are high. In the same vein, the Path–Goal Theory (House, 1971), suggests that follower and workplace characteristics are important determinants of the type of leadership styles that a leader must follow. For example, a directive style is appropriate when the followers have low ability and tasks are unstructured & complicated, while participative style may be better suited for followers with high ability and internal locus of control.
Unlike the situational leadership and contingency theories, transformational leadership is based on some broad generalized concepts which don’t mention specific set of behaviors appropriate in specific situations. Moreover, Bass and Avolio (1990a) argue that transformational leadership can be developed to all employees of the organization which positively impact organizational performance. Such performance will be the outcome of taking exemplary quality initiatives, team development, group decision making and reorganization (Bass & Avolio, 1994).

**Conceptualization of Performance Excellence**

Review of management literature reveals a variation in defining the concept of performance. Sackett, Zedeck, and Fogli (1988) argued that performance is what an employee is “able to do”. In the other way, such ability may be considered as maximal performance. Another attempt to define performance referred to what an employee is “going to do” which has been termed as typical performance (DuBois et al., 1993). While introducing performance as a maximal or typical was helpful to understand other aspects of performance. Barnes and Morgeson (2007) argued that performance inconstancy in both maximal and typical performances may affect organizations’ methodology in measuring performance and gradually its outcomes.

While the individual behavior aspect was previously included in the conceptualization of performance definition, some authors have included the time and sequence factors in defining performance. Motowidlo, Borman, and Schmit (1997) defined performance as “the aggregated value to the organization of the discrete behavioral episodes that an individual performs over a standard interval of time”. They also argued that the performance episodes in whole have greater impact ultimately than performance events separately. However, the greater the attention that authors gives to define performance, the greater the chance to standardize and manage performance in a form that satisfies organization’s goals and objectives effectively.

In 2005, Bronson Methodist Hospital (BMH) received the 2005 Malcolm Baldrige National Quality Award (MBNQA) for its performance to increase its patient satisfaction (from 95 percent in 2002 to 97 percent in 2004) (National Institute of Standards and Technology [NIST], 2005). Additionally, it succeeded in decreasing its mortality rate from 4.8 percent in 2002 to 3.5 percent in 2005 (NIST, 2005). Furthermore, it was considered by Fortune Magazine as one of the top 100 employers (NIST, 2005). BMH focuses on both patient needs with “listening and learning” methods, as well as employee needs such as development, learning, health, and wellness (NIST, 2005). In 2003, 2004, and 2005, BMH was among the 100 Best Companies for Working Mothers identified by Working Mother Magazine (NIST, 2005). According to NIST (2005) report, BMH received Michigan Quality Leadership Award in 2005 and 2001 which clearly reflected a significant relationship between leadership and performance excellence initiatives.

The term generally known as a business excellence in Europe is also commonly used as performance excellence in United States (Simamora, 2013). Conti (1997) concluded that performance excellence is the core of most quality awards around the globe, which Edgeman and Scherer (1999) termed as the holistic way of doing work that balances expectations and needs of the stakeholders. Such excellence leads to the possibility of long-term organizational success through customer relation, operational, marketing and financial excellence. There are various elements which
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act as legitimate enablers to performance excellence where leadership is considered as the central attention that ultimately prepares the organization to identify the threats and immune to unsettled crisis. Critically, performance excellence considerations deal with prioritized stakeholder’s segment whose expectation must be balanced against the organizational competencies (Simamora, 2013). The same research conducted by Simamora (2013) also argues that mapping and identification of leadership considerations in regard to performance excellence, should count the values and competencies that will impact the overall way of working. But, these will essentially depend on effective deployment of competencies organization wide and assessing them against the objectives.

Evans (2007) defined the term performance excellence as “an integrated approach to organizational performance management that results in delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability; improvement of overall organizational effectiveness and capabilities; and organizational & personal learning”. This definition suggests that performance excellence initiatives require a contribution in (1) improving the perceived value of organization’s outcomes for all organization’s stakeholders; (2) maintaining organizational continuous improvement and sustainability; (3) utilizing of organizational and personal experiences in the development of organization’s resources. Evans (2007) suggested that there are several aspects must be taken into account by organization in order to achieve performance excellence:

- A culture, focused on quality and meeting the needs of customers and stakeholders.
- A plan that supports high performance which provides direction to the entire organization and leads to the development of “best practices”.
- A clear commitment to the well-being and development of employees.

Wheelwright (1989) pointed out six characteristics of competitive advantage:

1. focuses on customer wants and needs
2. provides significant leverage in contributing to the success of the business
3. provides a unique match of the organization’s resources and the opportunities in the environment
4. is durable and lasting
5. provides a basis for further improvement and
6. provides direction and motivation.

Evans (2007) explains that focusing on performance excellence and quality would give the organization those characteristics of competitive advantage. He argues that performance excellence initiatives such as Six Sigma projects significantly contribute in satisfying customers’ wants and needs as well as in aligning organization’s strategy with its resources. Evans (2007) also suggests that performance excellence initiatives will positively contribute to influence the organization’s bottom line to work collectively and effectively. Performance excellence will provide the organization with direction, motivation, and a culture that focuses on improvement and learning (Evans, 2007).

Performance excellence is a characteristic of today’s most outstanding organizations, and is a requisite for providing high quality goods and services. Organizations have begun to recognize that performance excellence and lasting improvement cannot be accomplished without significant
attention to the quality of the management practices used on a daily basis (Evans, 2007). Managers realize that the approaches they use to listen to customers, develop long-term relationships, develop strategy, measure performance and analyze data, reward and train employees, design and deliver products and act as leaders in their organizations, are the true enablers of quality, customer satisfaction, and business results (Evans, 2007).

Leadership and Performance Excellence

Excellence in regard to an organization refers a comprehensive viewpoint including different dimensions to attain and sustainably retain the organizational objectives. In this regard, leadership may be of many types. According to Roberts, Miles & Blankenship (1968), theory X prescribes autocratic leadership practices, emphasizing tight, unilateral control. On the other hand, McGregor suggests, more modern leadership concepts (Theory Y) rest on a set of underlying attitudes or assumptions, which holds that people learn to seek responsibility and that the capacity to exercise creativity, self-direction, and self-control are widely distributed among the employees. Logically linked, these attitudes are reflected in leadership practices or behaviors which focus attention on the development and utilization of human resources, encouraging broad participation in decision making, emphasize joint goal setting between managers and their subordinates, and the design of challenging, rewarding, self-directed, and controlled tasks.

The role of leaders to ensure the performance excellence of an organization is immense. Leaders play a pivotal role in motivating the employees to guide their behavior to the right direction to generate the desired output. According to Lather et al. (2009), all exemplary leaders create a sense of mission, motivate others to join them on that mission, create an adaptive social architecture for their followers and generate trust & optimism. They also extend that successful and effective leadership means fundamentally influencing others by establishing a direction for collective effort and managing, shaping, and developing the collective activities according to this direction.

Productivity is also a significant dimension of performance where leaders play a vital role to boost it up. Increase productivity leads an organization to achieve higher efficiency and hence, effectively achieving the strategic objectives of the organization. A continuous communication mechanism to handle the components related to the productivity dimensions is crucial to ensure increase organizational performance. According to Ahmed et al. (2010), leaders are required to ensure that proper protocols are followed and they must evaluate the performance of employees against clearly defined expectations. In addition, leaders must provide their employees with immediate assistance when requested. Therefore, communication must be permitted to flow freely, absent of interruption.

The structure of an organization aligned to its strategy, plays a dominant role to channel the performance of the employees. In designing the structure, leadership of an organization must play the role of effective coordination with a visionary outlook. The survival of any organization in this complex world of interdependence rests on the capacity of integrating its structural elements, the learning processes therefore; learning can be viewed as a vehicle that can lead an organization to success or failure (Imran, Rizvi & Ali, 2011). If any structure is not suitable or friendly to its member to learn, that may create stifle or inertia for the organization in the long run. Organizational Learning works like a catalyst to push forward the organization in a holistic way, where organizational
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learning leads to enhanced productivity and performance, measured through financial and nonfinancial variables (Imran et al. 2011).

Yeo (2007) conducted a qualitative study based on interviews of a large manufacturing firm in Singapore to ascertain the factors that lead to organizational learning and effectiveness. The results indicate that leadership is one of the most important factors in developing organizational learning system. It is also highlighted that, the best way to achieve organizational learning, is a continuous dialogue with employees and thus involving them in collaborative decision making. Organizational learning strategies that are being highlighted in this study are based on the institutional infrastructure with emphasis on performance.

Yang (2007) conducted a study on knowledge sharing & learning and their effect on organizational performance. The study was carried out on the hotel industry in Taiwan. The results strongly predict that knowledge sharing enhances the organizational learning capability. The study further highlighted that, in order to be effective, organizations have to adopt and create mechanisms that would retain the employees’ learning for long term effects.

The set tools of increased productivity, fixed guiding motivation principles as well as the structures, may not generate an optimum output for the organization. The changing external environment tremendously impact on the organization’s existing philosophy which necessitates a change of organization’s existing notion. The role of change management, as the part of effective leadership, is pre-requisite to create a best combination between the organization development initiatives and changing external environment. The success or failure of transforming the attitudes of employees is determined to be a byproduct of the leadership’s style to gain support of the change from their employees (Appelbaum et al., 2008). Engagement of employees to the change management process acts as a part of overall organizational process.

According to Ramanujam (2013), engagement is much more than attraction, retention, or commitment. Engaged employees are passionate about their work, proud of their organization, and are generally enthusiastic about coming to work each day. Engaged employees are emotionally connected to their work, and are willing to ‘go the extra mile’ to bring success to the organization. A highly engaged and motivated workforce can reflect the company’s core values, which ultimately strengthens the overall company brand. Ramanujam (2013) also summarizes three aspects of employee engagement. These are including the employees with their own unique psychological makeup and experience; the employers’ and their ability to create the conditions that promote employee engagement; and interaction between employees at all levels.

The practices of quality management and evolution of leadership theories have similar objectives in terms of organizational members’ work experience improvement and hence, enhancing organizational performance. But, it is still vague to match precise leadership styles in pursuit of quality management practices. As leadership model acts as an enabling factor; it evidently plays a significant role in effective quality management (Alharbi & Yusoff, 2012). The same research also considers leadership as a strategic issue to manage human resources. Such notion stresses on managerial capacity to enhance commitment in long run. Hence, a culture of creativity and innovation is created within the organization. Idris and Ali (2008) conclude that leaders should have the capability to materialize a formulated vision through managing all quality components to
shift the firm toward quality managerial practices. This is possible, only by a transformational leader who carries the capacity to inspire and channel subordinates effort to the right direction.

Researchers have also focused top management support as pre-requisite of quality improvement. An exploratory study based on Qatar Steel Company conducted by Salaheldin (2009), finds implementation difficulties of different quality programs due to lacking of top management support. Such finding is absolutely opposite of Salahedin’s notion that top management support and commitment lead to an organizational climate of cooperation, which produce positive results like productivity increases, quality improvement and enriched management styles. Quality Guru Deming predicted the role of visionary leadership in quality programs, which Laohavichien et al (2009) conclude as management role of giving flawless direction to the employees. Such argument is also supported by Anderson et al (2001) in their research findings regarding MBNQA. Pannirselvam and Ferguson (2001) revealed the strength of relationship between organizational performance and quality management where they found leadership as a considerable element which indirectly or directly influencing all system units. An empirical study conducted by Anderson et al. (1995) based on American and Japanese plants, found direct relationship between customer satisfaction and employee fulfillment. The authors focused on organizational leadership to create organizational form and configure organizational practices in pursuit of organizational survival. The study concludes that innovation is key to achieve quality excellence in processes, products and services that leads to customer satisfaction. Hence, it creates a theoretical platform for organizational survival, which is not sought from the leadership rather its innovation, acts as a means. Based on the Malaysian firms, Idris and Ali (2008) conducted a study which found adaptive capacity as a key for the firms to survive in emerging global economic order. The authors have termed this as transformational leadership, which combines best practice capabilities and hence, translate in financial performance. This means to the effective managerial approaches which brings needed organizational change. The transformational leaders create the vision through efficient communication and motivate employees to achieve such vision.

An organization creates its own dynamics and culture to overcome the critical issues to achieve excellence. Through the behavior and practices, both informally and formally, leaders instill the value to create a unique organizational culture. Although having potential of excellence, only few organizations are able to achieve such excellence. Researchers found the critical role of leadership regarding system philosophy which organization must adopt in a purposeful manner to ensure excellence. Systems can be understood by structures which assist organizations to exist, through creating some order in a chaotic world, and ultimately such systems move the organization forward (Bass and Bass, 2009; Campbell, 2006). Podsakoff (1990) maintain that system thinking is central, which underlines all disciplines. It provides a complete view to the discipline, which clarifies the process to bring effective change. The author also argues that such system thinking allows scrutiny of the structure, which lies beneath complex situation. The spirit of system thinking has been depicted by Peter Senge (1990) as inter-relationship, instead of linear casual chains which stress the change process, rather than portraits.

Among different types of leadership styles, perhaps, transformational form of leadership may create sustainable performance excellence for the organization in long run. On the other hand,
transactional leadership basically focuses on the technical meticulousness, to remain fit with the organization’s ongoing structure and process. Ussahawanitchakit (2011) finds that transformational leadership has played a significant role to explain and determine firms’ performance. It is a key tool, which helps firms to survive and sustain in turbulent markets and environment. It consists of charismatic role modeling, individualized consideration, inspirational motivation, and intellectual stimulation. First, charismatic role modeling is the ability of leaders to behave in charismatic ways, that causes subordinates to identify with them (Piccolo and Colquitt, 2006). Second, individualized consideration is the degree to which leaders attend to subordinates’ needs, acts as mentors or coaches, and listen to the subordinates’ concerns (Piccolo and Colquitt, 2006). Third, inspirational motivation is the ability of leaders to instill a sense of vision, by setting high work standards and expectations (Menguc and Auh, 2008). Lastly, intellectual stimulation is the support offered in nurturing creative and innovative solutions to old problems (Menguc and Auh, 2008).

**RESEARCH CONTRIBUTION**

This paper is a review of relevant literature regarding leadership role in the context of performance excellence. The relevant literatures enable us to conceptualize ‘performance excellence’ as a transition from current state to desired level, whereas ‘performance’ solely stands as the outcome as per required criteria. Leadership has a vital role to align organization system. Lewis, Packard & Lewis (2007) referred such system as organizational process with various excellence initiatives in different arenas. Such alignment has also been focused by Latham (2012) as congruence and consistency of vision, mission, values and overall organizational direction with individual effort which Bass (1990) and Colbert et al. (2008) describe as a pivotal dimension of transformational leadership. Alignment of leadership with organization system, will essentially lead towards competitive performance (Beer and Eisenstat, 2000). This research also implicates leadership role in framing the organizational vision and values within organizational environment, through ethical behavior. Such ethical behavior creates organizational sustainability by fulfilling mission and strategic objectives. These types of organizations will show agility to exert innovation and organizational learning, while positive customer experience would remain as the central focus. Leadership will also create a transparent and accountable governance mechanism to channel the performance to protect greater stakeholders’ interests, through instilling the societal concern within the strategic outlook. Moreover, Ford and Evans (2000) argue that coordinating human resources, measures and process have to be imparted in strategy deployment, which Kaplan and Norton (1996) supplemented as a part of comprehensive evaluation of employees’ performance. This comprehensive evaluation will gradually transform any organization in pursuit of performance excellence from a simple performance criterion (Latham, 2014). Although trait, contingency and situational theories have some links with organizational performance, it is evidently clear from this research that there are clues available that relate performance excellence to transformational leadership.

**CONCLUSION**

Having the right person in the right position precisely and getting effective leaders is central to achieving organizational success. Leaders should be assessed based on their capacity; otherwise, dealing with inappropriate behavior and incompetence will be inefficient. Dysfunctional leadership...
will be mirrored organization-wide. This situation can only be addressed by the right kind of leadership, which will correct the vision and ensure an efficient process for the organization.

People are the most vital part of Five Ps model and without people nothing can be achieved. All the ideas are useless, unless people implement all those ideas. Good leadership empowers people and empowered team members bring success for the firm. Some leadership theories focus on leadership traits. Pryor (1993) argues that many different traits have been noted, but no specific trait consistently correlated with good leadership. Leaders should able to acknowledge followers’ importance and they should use their ideas to implement different initiatives. The leader has to share his vision to the subordinates. Also, a leader should blame the process not the people for the project failure. A good leader should always inspire creativity and enthusiasm & also empower the people for ultimate success. A transformational leader recognizes subordinate success and works with the people who are struggling with the current process. A good leader should work for the improvement of the process, as well as, principles for the employees. Such a leader work as designer, teacher and steward for their followers.

This research concludes that transformational leadership is necessary to bring about performance excellence. However, this should not be amalgamated with bringing organizational change. Although, transformational leadership is positively related to organizational effectiveness and positive outcome, no clear causal evidences are found between transformational leadership and change of employees or organization (Antonakis, 2012). Moreover, transformational leadership elicits the allegation of being antidemocratic and elitist (Avolio, 1999; Bass & Avolio, 1993), which Yukl (1999) depicts as the lack of reciprocal relationship and shared leadership process. Lastly, charisma, as a dimension of transformational leadership sometimes originates ‘follower worship’ which is the pivotal problem of studying leadership (Bailey & Axelrod, 2001) and there is the risk of charisma being used for destructive purpose (Conger, 1999; Howell & Avolio, 1993). Such concern clearly delineates the scope of hindrance to make the performance excellence initiative sustainable for organizations. Further research involving a detailed qualitative primary data based on a firm or a set of firms may clarify the hindrances and justify the concrete effectiveness of transformational leadership dimensions in terms of excellence initiatives taken by those organizations.

REFERENCES


Role of Leadership in Performance Excellence


“STRATEGIC EXECUTION OF GOVERNANCE AND ‘RIGHT TO FOOD’ IN - INDIA”

Dr Budhi Sagar Mishra*

ABSTRACT
Objectively democratic governance regulates by the constitution with the prospect of, to protect, permute, nurtured, to every one of members of state under the constitutional uniformity. According to Article 21 of the Constitution of India, this provides the ‘Right to Life’ to all the citizens of India (Nations), which include the Right to Food. Still, India is struggling at 55th position out of 76 selected countries in Global Hunger Index, 2014. In a bid to ward off criticism, the governments keep on changing the criteria of poverty estimation. The official poverty lines give command over time to a lower and lower standard of living. With a steadily lowered standard, the poverty figures will always show apparent improvement even when actual deprivation is worsening. The importance of arriving at realistic poverty line and estimating poverty ratios using realistic fines is obvious. The paper is an attempt to encapsulate the debate around the estimation of poverty lines and their insufficiency in ideating the destitute families. The country requires right-ism-based governance approach and common entitlements insofar as essential humanistic rights of the citizen like food, education and health with concerned, to come out of the contemporary mire.

Keywords: Global Hunger Index, Humanistic Rights Right to life, Poverty lines National Food Security Act, Poverty Measurement, Headcount Ratios,

INTRODUCTION
Under Indian constitution, Article 21 provides the Right to Life to every one of the citizens of India including the Right to Food and, Article 47 of the Constitution, inter alia, provides that the State shall regard raising the stage of nutrition including the standard of living of its people and make the policy for enhancement of public health as among its most important responsibility and also ensured the duties of appropriate authority of governance for fair implementation. The Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights, to which India is a signatory, and emit farm duties to the entire State parties to recognize the right of every citizen to sufficient food. Eradicating acute poverty and hunger is one of the

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goals under the Millennium Development ambition of the United Nations. In pursuance of the constitutional obligations and obligations under the international conventions, providing food security is essential to implement by policy of Government’s.

At present India situate at the 65th spot among 79 nations which is listed by the International Food Policy Research Institute (IFPRI) according to Global Hunger Index (GHI) information 2012 in 2013, it was at 63rd position. In the year 2014, India climbed up high-speed to 55th position. GHI is calculated by considering two factors apart from child undernourishment: child mortality rate and the ratio of the Population measured on the basis of calorie-deficient. IFPRI reports that, the low socio-economic and health status of working women and house wife has been pushing the child malnourishment figure up. In India, 43.5% of children under five are underweight. According to the latest data on child under-nutrition, from 2005-10, India ranked 2nd (27th Report) to last on child underweight out of 129 countries. Although India is seen as a intensifying the power of economic and it is hoped that a trickle down will be benefited to the poor and marginalized; in the authenticity of the gap between the rich and the poor is on the rise. In her book “The Republic of Hunger” (2008), Utsa Patnaik concluded that on an average, families of 5 consume 100 kilograms of grain less per year as compared to the consumption during the Second World War (Jean Dreze). This is the spectra of starving India. Over half the children in India are malnourished and about one-quarter (1/4) are so severely malnourished that they have shrunken brains and stunted bodies. The new generation of millions of Indians will grow to maturity disabled. More than half of all women are anemic with pregnant and lactating women suffering severe anemia and other chronic deices due to malnutrition, and near about 3000 starvation deaths in every year are documented by NGOs. The immense majorities of those dying by starvation are scheduled caste (ST) and scheduled tribes (ST).

The democratic constitution provides to Right to Food is regarding lack of restrictions from hunger. In a narrow sense, starvation refers to the pangs of an empty stomach. Correspondingly, the right to food can be understood, roughly speaking, as the right to have two square meals a day throughout the year. In a broader sense, food shortage refers to under nutrition which then links with a wide range of entitlements, not only to food itself but also to other requirements of good nutrition such as clean water, health care, and even elementary education. However, the right to food in the narrow sense also deserves close attention, given the availability of enormous food stocks in the country (In 2001). These food stocks present a unique opportunity to ensure that nobody goes to bed hungry. Ensuring food security, however, has always been a challenge and The Right to Food case began with the plight of drought-affected people and mass starvation deaths when the food coffers of the Govt were overflowing”. The highest court agreed that the State was indeed responsible for providing nutrition and public health. The most persuasive argument to the court was that the Right to Food is directly related to the constitutional guarantee of Right to Life.

The National Food Security Act, 2013 attempt to change the debate from starvation and subsistence to self-esteem and justice. It marks a paradigm shift in addressing the problem of food security from the current welfare approach to a right based approach. The objective of the act is to “provide for food and nutritional security in human life cycle approach, by ensuring
access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto”. Near about 2/3 of the population are entitled to receive subsidized food grains so that nutritional status of the population, and especially of women and children, can be improved to enhance the quality of human resource of the country.

A new imperative aspect of remove hunger is how to recognize the level of hungry in the state. Basically poverty is a multi-dimensional” observable fact and starvation is unquestionably and with the most critical of its socio behavioral mechanism.

Hence, in order to identify the hungry, we need to identify the poor, the beneficiaries under the Act. Therefore, analyzing and understanding the way poverty is measured in India becomes imperative.

MEASURING POVERTY IN INDIA

The official Indian poverty measures, released by the Planning Commission, are based on consumer expenditure surveys conducted by the National Sample Survey Organization (NSSO) and are measured as Headcount Ratios (HCR) i.e. the ratio of the number of poor to the total population. A poor household is defined as a household with an expenditure level below a specific poverty line. The Planning Commission has periodically estimated poverty lines and poverty ratios for each of the years for which Large Sample Surveys on Household Consumer Expenditure have been conducted by the National Sample Survey Office (NSSO) of the Ministry of Statistics and Programme Implementation. These surveys are normally conducted on quinquennial basis.

Since the poverty line in India is based on consumption, not income, it obfuscates dependence on debt, use of common property resources, and informal social security. The poverty line, quantified as a number is reductionist. It does not capture important aspects of poverty ill health, low educational attainments, geographical isolation, ineffective access to law, powerlessness in civil society, caste and/or gender based disadvantages, etc. In spite of the diversity of opinion among experts on the methodology of measuring poverty and its criticism, the importance of quantifying it has been well recognized, especially since poverty alleviation and reduction is a national goal. Defining a poverty line is the first step in estimating poverty. A poverty line dividing the poor from the non-poor is used by putting a price on the minimum required consumption levels of food, clothing, shelter, fuel and health care, eta.

Working Group in 1962

The definition of poverty line in the Indian context was attempted for the first time in 1962 by a Working Group of eminent Economists and social thinkers after taking into account the recommendations of the Nutrition Advisory Committee of the Indian Council of Medical Research (ICMR, 1958) regarding balanced diet. The Working Group recommended (in 1962) that the national minimum for each household of 5 persons should be not less than Rs. 100 per month in terms of 1960-61 prices or Rs.20 per capita. For urban areas it was Rs. 125 per month per household or Rs.25 per capita. This national minimum excluded expenditure on health and education; both of which are expected to be provided by the state.
Dandekar and Rath in 1973

In their seminal work on poverty, the two economists used an average calorie norm of 2,250 calories per capita per day for both rural and urban areas, as a criterion to define the poverty line. On the basis of National Sample Survey data on consumer expenditure, the study revealed that, in rural area, the households with an annual per capita expenditure of Rs. 180 or Rs. 15 per month at the 1960-61 prices consumed on an average food with calorie equivalent of 2,250 per capita per day together with such non- food items as they chose. The corresponding figures in the urban area were Rs.270 per annum or Rs.22.50 per month at 1960-61 prices.

Task Force on Projections of Minimum Needs and Effective Consumption Demand, 1979

The methodology as formulated by the Task Force’ was used till 1993 in estimating the incidence of poverty in Planning Commission. The Task Force (1979) defined the poverty line as the per-capita expenditure level at which the average per-capita, per day calorie intake was 2400 calories in rural areas and 2100 calories for urban areas. The Task Force used the age, sex, activity specific calorie allowances recommended by the Nutrition Expert Group (1968) to estimate the average daily per capita requirements for rural and urban areas. Based on the observed consumer behavior in 1973-74 it was estimated that, on an average, consumer expenditure of Rs.49.09 per capita per month was sufficient for a calorie intake of 2400 calories per capita per day in rural areas and Rs.56.64 per capita per month for a calorie intake of 2100 per day in urban areas. Thus, the concept of poverty line used here was partly normative and partly behavioral. This way of deriving the poverty line, does not seek to measure the nutritional status, and more specifically the incidence of malnourishment or under-nourishment in the population. It focuses rather on the purchasing power needed to meet the specific calorie intake standard with some margin for non-food consumption needs.

Lakdawala Committee in 1993

In September 1989, the Planning Commission again constituted an Expert Group to consider methodological and computational aspects of estimation of proportion and number of poor in India and “to look into the methodology for estimation of poverty at national and state level and also to go into the question of re-defining poverty line, if necessary.” They advised that the poverty line approach anchored in a calorie norm and associated with a fixed consumption basket should be continued. The commodity basket was standardized at the national level and applied to all States. 1973-74 was continued as the base year for estimating the poverty line. They relied on disaggregated commodity indices from Consumer Price Index for Agricultural Laborers’ (CPI-AL) to update the rural poverty line and a simple average of suitably weighted commodity indices of Consumer Price Index for Industrial Workers (CPI1W) and Consumer Price Index of Non-manual Employees (CPI-NM) for updating the urban poverty line.

Tendulkar Committee Report in 2009

The current methodology for poverty estimation is based on the recommendations of Tendulkar Committee which submitted its report in 2009 and was accepted by the Planning Commission in 2010. The estimation of poverty continues to be based on private household consumer expenditure of Indian households as collected by the NSSO. The expert group decided to move away from
anchoring the poverty lines to a calorie intake as calorie consumption were not found to be well correlated with the nutritional outcome. They decided to adopt the MRP-based estimations of consumption expenditure as the basis for future poverty lines as against the previous practice of using Uniform reference period estimates of consumption expenditure. Even while moving away from the calorie norms, they revised minimum calorie intake to 1776 calories per capita for urban population and 1999 calories per capita for rural population. Separate allowance for private expenditure on transport and conveyance was also recommended. The new poverty lines enable rural as well as urban population in all the states to afford the recommended all-India urban PLB after taking due account of within-state and inter-state differentials incorporating observed consumer behavior both at the all-India and state levels.

Major departure from 1993 Expert Group:

- Moved away from calorie anchor but test for the adequacy of actual food expenditure near the poverty line to ensure certain aggregate nutritional outcomes.
- Uniform PLB based in the latest available observed household consumption data to both the rural and the urban populations.
- Inclusion of provision in price indices for private expenditure on health and education in urban and rural PLB.

NSSO did the large scale survey in 2011-12 (NSS 68th round). The summary results of this survey were released on 20th June 2013. The percentage of persons below the Poverty Line in 2011-12 has been estimated as 25.7% in rural areas, 13.7% in urban areas and 21.9% for the country as a whole. The respective ratios for the rural and urban areas were 4.1% and 25.7% and 37.2% for the country as a whole in 2004-05. It was 50.1% in rural areas, 31.8% in urban areas and 45.3% for the country as a whole in 1993-94. In 2011-12, India had 270 million persons below the Tendulkar Poverty Line as compared to 407 million in 2004-05, that is a reduction of 137 million persons over the seven year period.

Table 1: National poverty estimates (% below poverty line) (1993-2012)

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993-94</td>
<td>50.1</td>
<td>31.8</td>
<td>45.3</td>
</tr>
<tr>
<td>2004-05</td>
<td>41.8</td>
<td>25.7</td>
<td>37.2</td>
</tr>
<tr>
<td>2009-10</td>
<td>33.8</td>
<td>20.9</td>
<td>29.8</td>
</tr>
<tr>
<td>2011-12</td>
<td>25.7</td>
<td>13.7</td>
<td>21.9</td>
</tr>
</tbody>
</table>

In India, if street children and homeless people earn about Rs 100 a day, this makes them five times above the poverty line, even though many of them do not have shelter and live in dismal conditions. This is because in India, according to Tendulkar Report, a poor is one who earns below Rs. 32.16 per day in urban areas and Rs.26.03 in rural areas (Rs.4, 824 for a family of five in urban areas and about Rs.3, 905 for a family of five in rural areas.) The current official poverty line seems more like the destitution line. Reaching the poverty line is not a guarantee of being well nourished (since good nutrition requires much more than calorie adequacy), let alone healthy or well educated. The Tendulkar Committee Report further complicated matters by claiming,
for the first time, that the poverty line ensures ‘adequacy of actual private expenditure... on food, education and health’. That the Tendulkar poverty line is wholly insufficient for this purpose is self-evident from a common sense point of view. Moreover the calorie norms relate to an average for the reference group and not the minimum required for biological existence, given that there is a considerable variation in calorie requirement of individuals depending on their workload, age, sex and activity status.

The NCEUS (Arjun Sengupta) report had stated that nearly 77% of India’s people, totaling 836 million people, with an income roughly below $2 in PPP terms were living in a highly vulnerable condition, spending less than Rs 20 a day. The World Bank’s PPP estimate of Indian poverty was higher than 40% in 2005, while the Asian Development Bank arrived at almost 50%. The UNDP’s Multidimensional Poverty Index finds the proportion of the poor in India at a staggering 53% and concludes that the poorest region in South Asia is Bihar followed by Southern parts of Afghanistan.

According to the 15th ILC, the following criteria were considered in calculating the minimum wage which is an euphemism for ‘living wage’:

- Standard working class family is assumed to include two adults and two children;
- Minimum food requirement to be taken as a balanced diet of 2,700 calories per day per consumption unit;
- Clothing requirement to be based on per capita consumption of 18 yards per annum, which gives 72 yards per annum for the average worker’s family;
- For housing, the rent corresponding to the minimum area provided for under the government’s industrial housing schemes should be taken;
- Fuel, lighting and other items of expenditure should constitute 20 per cent of the total minimum wage.

While the government did not accept these recommendations, the Supreme Court approved these norms through its judgment in the case of U Unichoyi vs. State of Kerala, and in Reptakos Brett Vs. Workmen added another norm: 25% of the total minimum wage, to cover children’s education, medical treatment, recreation, festivals and ceremonies. These ‘minimum’ wages and poverty benchmarks are to be seen in the context of the soaring inflation and rise in prices of food and other essentials. A “living wage”, at current wage rates declared under the Minimum Wages Act, comes to Rs 247 per day for unskilled labour. The poverty line is seven times less than the minimum wage which itself is a “subsistence wage”. On the rural side a “Below the Poverty Line” (BPL) Census is being conducted by the Ministry of Rural Development every five years, beginning in 1992. The criterion for identifying rural poor, however, has varied from Census to Census. With a view to evolving a standard methodology, the Ministry of Rural Development constituted an Expert Group under the Chairmanship of N.C. Saxena in 2009. With the objective of putting in place a uniform criteria to identify the BPL households in urban areas so that objectivity and transparency is ensured in delivery of benefits to the target groups, the Planning Commission constituted an Expert Group under the Chairmanship of S.R. Hashim in 2012.
Under attack for its poverty lines, the Planning Commission admitted that the benchmark was “very low,” but “factual”. In a joint statement issued by Montek Singh Ahluwalia, Deputy Chairman, Planning Commission and Jairam Ramesh in 2011, they assumed,

“The present State-wise poverty estimates using the Planning Commission of Indian Methodology will not be used to impose any ceiling on the number of households to be included in different government programmes. The new methodology for determining poor households in rural areas would be based on the socio-economic caste census that is expected to be completed by January 2012. The census would take into account deprivations based on seven indicators worked out by the Rural Development Ministry. A similar census in urban areas would be undertaken later.”

On 3rd October, 2011, Montek Singh Ahluwalia said in a Press Conference:

“It needs to be emphasized that the Tendulkar poverty line is not meant to be an acceptable level of living for the aam- aadmi. It is actually the standard of living of those at the poverty line in 1973-74. This is clearly a level below which families are under severe stress, which is the basis of giving them exceptional support as embedded in various poverty amelioration policies including subsidized food and other facilities. The level low and therefore families slightly above the poverty line are also vulnerable. Recognizing this certainty, it is certainly not the view of the present Planning Commission that subsidized food should be limited only to those below the poverty line. Eligibility for subsidized food and other benefits will be widened to a much larger population, delinked from the poverty line.”

Therefore, we see an indirect admission by the Government that their poverty figures are not actually reflective of the reality in our country when it comes to covering basic human needs.

Under attack from the media, civil society and many individuals, the Government constituted another Committee under C. Rangarajan (former Chairperson of the Prime Minister’s Economic Advisory Council) to reassess poverty estimation.

In 2014, Committee Report by Rangarajan

The Committee deliberated upon the following matters:

(i) To provide an alternate method to estimate poverty levels and examine whether poverty lines should be fixed solely in terms of a consumption basket or if other criteria are also relevant;

(ii) To examine divergence between the consumption estimates based on the NSSO methodology and those emerging from the National Accounts aggregates;

(iii) To review international poverty estimation methods and indicate whether based on these, a particular method for empirical poverty estimation can be developed in India, and;

(iv) To recommend how estimates of poverty can be linked to eligibility and entitlements under the various schemes of the Government of India.

Dr. Rangarajan and the Expert Group under him dismissed the methodology adopted by the Tendulkar Committee and put the number of poor in India in 2011-12 at 29.5%(21.9% according to Tendulkar Committee’s estimates) of the total population. That means 3 people out of every 10 in India are poor. As per Rangarajan Committee, a person spending less than Rs. 1,407 a month (Rs 47/day, earlier Rs 33/day) would be considered poor in urban areas. In villages, those spending
less than Rs 972 a month (Rs 32/day, earlier Rs 27/day) would be considered poor. Defending his poverty estimates he said, “The World Bank also talks about purchasing power parity, Minimum per day expenditure of per person. They are talking about USD 2 per day whereas our estimate comes to USD 2.4. Therefore it (our poverty estimates) is in keeping with the international standards”. He said that instead of isolating the number at which poverty is pegged people should see the expenditure as one which is made by a household together in a month which is estimated at Rs 4,860 in villages and Rs 7,035 for cities for a family of five people.

Drawback of the recommendations can be delineated as follow:
1. It is still anchored in the consumption expenditure method and fails to acknowledge the multi-dimensional nature of poverty.
2. It has lowered the minimum calorie intake requirement which might lead to poverty being underestimated.
3. It doesn’t take into account the varied food and dietary habits of the people and links poverty to consumption of only on three basic nutrients (calories, proteins, fats).

But, even though beneficiaries under the NFSA were delinked from poverty lines, yet, their identification under the Act still suffers from many incongruities and due to lack of a better alternative fall back again upon arbitrary and unscientific determination.

**Recognition of Beneficiary under NFS Act, 2013**

The National Food Security Act under Section 2(3) talks of ‘eligible households’ ‘divided into priority households’ and the ‘households covered under Antyodaya Anna Yojana’ 28. Further, Section 3(2) ensures food security to the eligible households at subsidized prices up to seventy-five per cent of the rural population and up to fifty per cent of the urban population. Chapter 6 mentions about Identification of beneficiaries. Section 9 stipulates that the percentage coverage under the TPDS in rural and urban areas for each State shall be determined by the Central Government and the total number of persons to be covered in such rural and urban areas of the State shall be calculated on the basis of the population census. Section 10 mentions that the State Government shall, within the number of persons determined under Section 9 for the rural and urban areas, identify-

a. The households to be covered under the Antyodaya Anna Yojna;

b. The remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify.

In other words the central government will indicate the percentage of the entitled population, while the actual identification of the beneficiaries will be the responsibility of the states. The entire focus of the operational part of the proposed Act is on TPDS, which will provide food grains to households identified as living Below the Poverty Line (BPL) on the basis of the latest available poverty estimates notified by the Planning Commission. The Act does not prescribe any scientific or established mechanism for identification of beneficiaries and the multiplicity of categories is bound to lead to several identification errors.
These weaknesses in identifying beneficiaries by way of BPL census are sought to be corrected by determining eligibility for the priority category in a more scientific way by a Socio-Economic and Caste Economic Census (SECC) conducted by the States on the basis of parameters of deprivation determined by Ministry of Rural Development. However, the SECC is far from complete, so far only about 68 per cent survey is completed and there is no time frame within which the survey will be completed and in the absence of any obvious alternative, it is effectively falling back on the Below Poverty Line census to identify priority groups.

The distinction between ‘priority’ and ‘general’ households in the Act is wholly unnecessary and counter-productive. As it is, 25 per cent of rural households are entirely excluded from the public distribution system and it is unnecessary to split the rest into two groups. The Act seems to create justifiable entitlement but doesn’t guarantee a person that he or she is eligible for it. Until now, the main beneficiaries of the PDS were ‘below poverty line’ families. A census was conducted every few years to identify BPL families, based on some sort of scoring system. The cut-off scores were supposed to be set state-wise in such a manner that the proportion of families with a score below the cut-off (i.e. BPL families) matches the proportion of families below the poverty line according to the Planning Commission’s poverty estimates. ‘Priority groups’ are not fundamentally different from BPL households, and the Socio-Economic and Caste Census, which seems to be expected to identify priority households, is much the same as earlier BPL censuses.

**Socio-economic Image and Caste Census in 2011**

The last below poverty line census was conducted in 2002. The Planning Commission provides estimates of the percentage of the rural and urban population living below the poverty line in different States/UTs. That is, it estimates the “how much” of poverty. The SECC, 2011 on the other hand, provides information on the “whom” of the population living below the poverty line. Thus, for example, the Planning Commission estimate for a State could be that say 55% of the rural population and say 30% of the urban population living below the poverty line. SECC, 2011 will enable that particular State to identify the households who comprise this 55% and 30% respectively.

**Rural areas:** The methodology for rural areas has been using-the recommendations of Saxena Expert Group as the reference point.

**Urban areas:** The Planning Commission appointed the Hashim Committee Expert Group to identify, the methodology to conduct the SECC in urban areas. The 61St Round of the NSSO shows that urban poverty has registered a decline in percentage terms; however, it has increased in absolute terms by 4.4 million persons. The fact is that the number of urban poor is rising continuously since 1973-74 as per the uniform recall period. Rural Households will be ranked through a three-step process. A household with any of the following will be excluded automatically:

- Motorized two/three/four wheeler/ fishing boat, Mechanized three/four wheeler agricultural equipment, Kisan Credit Card with credit limit of Rs. 50,000 and above, Household with any member as a Government employee, Households with non-agricultural enterprises registered with the Government, Any member of the family earning more than Rs. 10,000 per month, Paying income tax, Paying professional tax, Three or more rooms with all rooms having pucca walls and roof, Own a refrigerator, Own Landline phone, Own 2.5
acres or more of irrigated land with at least I irrigation equipment, 5 acres or more of irrigated land for two or more crop seasons, Owning at least 7.5 acres of land or more,

- A household with any of the following will be included automatically:
  - Households without shelter; Destitute/living on alms, Manual scavengers;
  - Primitive tribal groups legally released bonded labourers.

The remaining households will be ranked using 7 Deprivation Indicators. Households with the highest deprivation score will have the highest priority for inclusion in the list of households below the poverty level. The following are the deprivation indicators:

- Households with only one room, kucha walls and kucha roof;
- No adult member between the ages of 16 and 59, (ii) Female headed households with no adult male member between 16 and 59, (iii) Households with disabled member and no able bodied adult member, (iv) SC/ST households, Households with no literate adult above 25 years, (v) Landless households deriving a major part of their income from manual casual labour.

After ranking households in this manner, a cut-off is supposed to be applied to identify ‘priority’ households-the main beneficiaries of the public distribution system under the NFSA. For instance, if the cut-off is two, then priority households will consist of all households with a score of two or more. The cut-off is supposed to be specified so that the share of priority households in the population is around 46 per cent i.e. the proportion of the rural population below the ‘Tendulkar poverty line’ with a small margin for targeting errors.

Example for Clear Delineation of Criteria

Seema, aged 55, lives in a two-room kaccha hut with her disabled husband who studied up to class 2. They own half an acre of un-irrigated land and a goat. Seema is incapable to take up any remunerative work as her husband needs constant care. Without any specific means of subsistence, they live on one meal a day. Gaffar, aged 38, never went to school but he learnt to read and write in a night school. Aside from harvesting the odd sack of grain from his small patch of land, he earns a pittance as a weaver. The family is struggling to make ends meet and two of his five children work as child labourers. Meetu, aged 40, lives on his own - family earning more than 10 thousand per month deserted him as he suffers froth HIV/AIDS. He has been left to his own devices, in a one-room brick shed on the outskirts of the village. He is too weak to work. Compassionate villagers give him rice from time to time, with some vegetables on festivals.

What do these people have in common? Each of them belongs to a ‘zero score’ household-a household that will get a score of zero in the Socio-Economic and Caste Census (SECC), if the census reaches them tall. Since Seema, Gaffar and Meetu have a score of zero, they are certain to be left out from the priority list, even before the census begins. Even though they are fictional characters but it would be easy to find real-life examples of such situations, or of other stark cases of poor - even destitute -households being left out of the priority list because they have a zero score. In fact, even households with a score of one are almost bound to be left out, since the cut-off is unlikely to be less than two.
The odd nature of this scoring system can be appreciated in more general terms by considering Adivasi (tribal) households—the most disadvantaged section of the rural population. Since most Adivasi households possess a little bit of land, however unproductive, and a house (often a mud house) with at least two rooms, the first and last ‘deprivations’ in the list will not apply to them (note that even land possessed as a matter of traditional rights, without legal title, is to be counted as ‘owned’ by the SECC). Further, since large majorities are likely to have at least one able-bodied male adult aged between 16 and 59 years, the second, third and fourth criteria will not apply to them either. It follows that most Adivasi households will have a score of only one, unless they are ‘lucky’ enough to have no literate adult, in which case their score will shoot up to two. But even a score of two may not catapult them into the priority club. And if it does, Adivasi communities will be oddly split down the middle, between ‘score one’ and ‘score two’ families—a very divisive situation.

CONCLUSION

In fact the official poverty line gives command over time to a lower and lower standard of living. With a steadily lowered standard, the poverty figures will always show apparent improvement even when actual deprivation is worsening. The importance of arriving at realistic poverty lines and estimating poverty ratios using realistic lines is obvious. All current official welfare schemes, whether they give access to affordable food through the PDS or access to affordable medical insurance through the Rashtriya Swasthya Bima Yojana (RSBY), rely on identifying beneficiaries using the official poverty estimates. Given that these are gross underestimates of the true extent of poverty, a much larger number of deserving families are excluded than are included at present.

While academic debates can continue on the appropriate measure of poverty in India, its extent and whether it is decreasing over time, it is unacceptable and counterproductive to link the official poverty estimates to basic entitlements of the people, especially access to food. Food security should be provided to all citizens, not a particular group that can vary according to administrative decisions because a rights-based approach cannot assign a basic human right to only a subset of the population, however defined. Irrespective of the methodology we adapt to measure poverty, the number of poor and hungry people in the country remains large.

Since several representations were made suggesting that the Tendulkar Poverty Line was too low, the Planning Commission, in June 2012, constituted an Expert Group under the Chairmanship of Dr. C. Rangarajan to once again review the methodology for the measurement of poverty which has submitted its report on 30th June 201 435 With the 12th Plan, the government has taken the first steps in acknowledging that poverty is a multi-dimensional concept that cannot be reduced to consumption expenditure alone.

The way forward is not to ‘fix the poverty numbers’ but to find a way out of this bankrupt approach of BPL targeting. What is needed to widen universal entitlement programmes such as Mid-Day Meals, the Integrated Child Development Services (ICDS), and the National Rural Employment Guarantee Act Beyond this; there is a need for informed debate on the future of social support in India. The country cannot afford divisive, unreliable and exclusionary system of
targeted transfers that self-liquidates over time. It is necessary to build a comprehensive social security system inspired by constitutional principles, fundamental rights, and ideals of solidarity and universalism. The whole experience of the last twenty years is that over-reliance on economic growth for social progress is a recipe for disappointment. The recent discussion has made it clear that a consensus is emerging in favor of universal entitlements insofar as basic rights-food, education and health—are concerned.

REFERENCES
In 2001, there was a scandal as the country was bursting at the seams with 60m tones of stored food grains and yet starvation, death and migration afflicted six states. The People’s Union for Civil Liberties sued the government, arguing that it must open its grain reserves to feed the hungry.
Notification No.M-1 1019/10/2010-PP dated 13 May 2010
PUCL v UOIW.P(C)No .196 of 2001
WORKERS’ PARTICIPATION IN MANAGEMENT:
IN INDIAN PERSPECTIVE

Brajesh Kumar Parashar* and Dr. Rakesh Kumar Tiwari**

ABSTRACT
Employee involvement in decision-making process designs a sense of belongingness among the employees and generates a friendly atmosphere in which both the management and the employees voluntarily contribute to uphold dynamic industrial relations. When employees are involved in the decision-making process designs, they gain a personal as well as professional stake in the organization and its general success and triumphs. This level of commitment directs to increased quality, competition, and productivity as employees are energetically contributing in an assortment of aspects of the organization and aspiration to see their labors succeed overall. This is not only advantageous to organizational growth and development, but is also on-the-job training for employees. The increases in accountability enlarge employee skill sets, preparing them for additional liability in the future.

Employees get hold of the WPM concept as counterpart to co-decision. Although, WPM is a process of pass on responsibilities and authority required for Decision-making process of an organization in the general areas of Managerial functions. WPM is a round-table for the Informal & Formal communication as well as discussion by which workers have been keep informed about interactions of concern and from side to side, the workers present their views, suggestions, attitude, and outlook to contribute to management decision-making practice.

The objective of this article is to thoroughly review the facts concerning three aspects of WPM, which have been put through considerable discuss and disagreement in India:
• The scope to which employees benefits have been Protected & Forwarded
• The effects on Organizational Development and Performance
• The impact on the execution of Trade Unions as an Institution.

Keywords: Quality of Work Life (QWL), Industrial Relations, Process of Decision-making, Collective Bargaining, Quality Circle.

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INTRODUCTION

Akin to other behavioral terms, the WPM is an expandable concept that means different things to different people depending upon their motives, objectives and outlook. WPM is also recognized as, Employee Participation or Labor Participation in management. In Yugoslavia, WPM has acknowledged as Self-management, while in West Germany the same has identified as Co-determination. In India, it is familiar as Labor Management Cooperation.

In India, the WPM concept has put into practice through the various groups, like Works Committees, Joint Management Councils, Joint Councils, Shop Councils, and Unit Councils. In spite of these, various forms of WPM differ only in magnitude, not in character.

WPM is a system where management and worker share vital data and information with each other and participate in the decision-making process. This type of participation includes the willingness to share the authority and responsibility of the organization by the workers, and it has conducted through the mechanism of forums, which provide for association of workers representatives.

Essentially, three types of managerial decisions (Economical decisions, Personnel decisions, and Social Welfare decisions) have an effect on the workforce of an organization. Economical decisions are mainly concerned with the methods of manufacturing, working on a Budget; maximize benefits while minimizing costs, Cost benefit analysis, automation, shutdown, lay-offs, and mergers. Personal decisions are directly concern with recruitment & selection, placement, work distribution, labor planning, performance appraisal, promotions, Training & development, transfers, compensation, grievance settlement. The social welfare decisions related with the hours of work, piecework, overtime, bonus, insurance, safety & health, and sanitation and pollution control at workplace. The concept of WPM means sharing the decision-making power for advancing the interests of workers in a proper way. WPM is essential for superior results in an organization.

WPM is an indispensable ingredient of Industrial Democracy, or democracy at workplace. The WPM concept is stand on HR Approach to Management which carries a set of beliefs and values to management as well as employees. WPM concept involves mental and emotional concern of employees in managerial activities of an organization. In conclusion, WPM is the tool for solving most of the IR problems in India. This term is used as an one and the same for Industrial Democracy.

A combination of political, economic, social, and industrial pressure has shaped a global demand for greater involvement of workers in management. Hence, WPM is now looking upon as a global movement.

Why Participation?

The prime objective of WPM concept for employer was restricted to accomplishing higher rate of production with the help of committed and motivated workforce, but as the times passing and arisen of behavioral theories, the concept has elaborated to the establishing of dynamic IR, improvement in moral / innovation/ creativity of workforce, QWL, setup of industrial democracy, and ultimately Self-actualization.
At the meantime, top management also realizes that if the decision has taken jointly than they were good enough to workers and they could be put into practice without problems. By this joint decision-making activity, management can take some hard decisions, like retrenchment, downsizing, redundancy etc. in the favor of survival of the organization.

Definitions

The concept of WPM having different perceptions for the three main actors of an IR System.

For management WPM is a joint consultation prior to final decision-making process, for employees it signifies codetermination, while for State it is a relationship of workers with management without the ultimate authority & responsibility in decision-making process.

According to Keith Davis (1989), “Participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share the responsibility of achievement”.

Lammers (1967) pointed out, “participation in decision-making may be defined as the totality of such forms of upward exertion of power by subordinates in organizations as are perceived in this sense can be of two varieties i.e., direct or indirect.”

Sawtell (1968) has described the WPM concept as, “any or all of the processes by which employees rather than managers contribute positively towards the reaching of managerial decisions which affect their works”.

According to Walpole, “Participation in management gives the workers a sense of importance, pride and accomplishment; it gives him the freedom of opportunity for self-expression; a feeling of belongingness with the place of work and sense of workmanship and creativity”.

International Institute of Labor Studies has defined worker’s participation as “the participation resulting from the practices which increases the scope for employees’ share of influence in decision making at different tiers of Organizational hierarchy with concomitant (related) assumptions of responsibility”.

Tannenbaum (1966) defines participation as the “formal involvement of members in the exercise of control, usually through decision-making in group meetings.”

Clarke, Fatchett & Roberts (1972) viewed WPM as, including any process whereby workers, whether individual or through union or other organization, have a share in the reaching of managerial decisions in enterprises.

Wall & Lischeron (1977) describes participation as “influence in Decision-making exerted through process of interaction between workers and managers and based upon information sharing”.

WPM stands for giving scope for employees to manipulate the managerial decision-making process at different organizational levels. The most important forms of WPM are information sharing which has based on current available data, suggestion schemes, co-determination, consultation, self-management, negotiations, Quality Circle & TQM, joint consultation, etc. and effort to reach a conformity by working together rather than through utilization of coercive power.

ILO defines the WPM as- “Workers’ participation, may broadly be taken to cover all terms of association of workers and their representatives with the decision-making process, ranging
from exchange of information, consultation, decisions and negotiations, to more institutionalized forms such as the presence of workers’ member on management or supervisory boards or even management by workers themselves". The main insinuation of WPM, as summarized by ILO is as under:

1. Workers have ideas that can be useful.
2. Workers may work more intelligently if they if they have informed about the reasons for and then intention of decisions that are taken in a participative atmosphere.

We may summarized the above definitions as: WPM is a process whereby the workers and management apply equal pressure over decision-making within the undertaking and, stand upon information sharing, suggestion schemes, negotiations, joint consultation,

To secure the teamwork of workers and management in order to achieving industrial peace; greater competence and productivity in the interest of the organization, the consumers and ultimately the nation.

The involvement of workers in the decision making process has been termed variously as Industrial Democracy, Employee Participation, Participatory Management and WPM. Thus, the concept of WPM is applicable only in a Democratic System. In other words, the meaning of WPM is rearrangement of power, authority, and responsibilities between workers and management in the direction of industrial democracy.

**Purpose of WPM**

The main purpose of the WPM is to encourage and accelerate the growth and development of subordinate in order to withstand authority with responsibilities. The other purposes of WPM has mentioned as under:

- To secure the mutual co-operation of workers and management in order to attaining desired industrial peace, greater effectiveness and productivity in the interest of organization, the customers, and ultimately the nation.
- To improve the Quality of Working Life (QWL) or “Humanization of Work” by allowing the employees greater authority along with responsibilities and contribution in the process of decision-making. This gives greater job satisfaction as an extract of work.
- To provide a stage as an opportunity of articulateness and to provide a sense of belongingness as well as importance among working class.
- To elevate level of motivation of employees by nearer involvement in the functioning of the organization.
- WPM give confidence and enhance communication at all levels.
- To build up ties of understanding, which leads to sharper, innovative, and creative effort and synchronization. This ultimately results as a panacea for work out IR problems within the established frame of an organization.
- To survive in challenging world, it is very necessary for the growth & development of an organization, the changes have welcomed on time, otherwise the organization will stagnate and obsolete. Hence, the concept of WPM helps in handling Resistance to Change, which
is to be expected. If the need for change is accepted jointly by workers and management, its acceptance can be much high. Workers’ involvement in change strategy can make easy to accept remedial measures with a view to protected smooth and successful execution of decisions.

- The benefits of employee involvement in decision making initially boosts employee’s self-esteem plus job satisfaction and improves productive competence and also make available the opportunity to express employees voice, which can lead to superior decisions for the organization.

WPM is an effort to link the space by sanctioning the workers to participate in managerial decision-making functions. We can recognize WPM as workers taking part in a distribution of authority, power, and status between the employees and the managers. It also related to a approach of management facilitating workers to contribute in decision-making process and put forth some pressure over the policy of the organization.

The span, degree, scope, and the form the WPM concept may take into practice and it is doing well depends to a larger extent on the objectives as out looked by the three actors of an IRS- the management, the worker, and the Govt. the manager’s interest is in the maximization of revenue in terms of profit from beginning to end increased production. The workers look forward to the accomplishment of job security, batter wages, bonus, overtime, etc., while the Govt. anticipates the WPM scheme to bring about closer association between management & worker and harmonious IR.

**Elements of WPM**

Keith Davis has defined the term “Participation” as the mental & emotional involvement of a person in a group situation, which encourages him to contribute to group goals and share responsibilities in them. This characterization predicts three vital elements of WPM.

- Mental & Emotional involvement of a person, rather than simple physical activity.
- Participation must motivate the individual to give his best in specific circumstances, to provide his own potential, like, imitative, innovation, creativity, ingenuity and knowledge in order to obtain the organizational objectives.
- This process promotes workers to share authority and responsibilities in the managerial decision-making function.

**Objectives of WPM**

The prime objectives of WPM are as under:

- Raise workers’ level of Innovation, Creativity, Motivation, and Commitment in the course of involvement in the managerial activities.
- Stay away from unnecessary Conflict / disputes between workers and management, and promote better communication and co-operation between them.
- Cross-fertilization of ideas between the workers and management by enhancing and accelerate the level of communication and understanding.
• Create awareness among the workers’ to their democratic right to manipulate the managerial decision-making activities.
• The importance of WPM can be seen in the form of Higher productivity, Industrial harmony, mutual understanding, Industrial democracy, Innovation & Creativity, and minimize resistance to change.

Levels of WPM

Workers’ participation is a matter-of-fact at all levels of management; the only difference is that of magnitude and character. There are following five levels of WPM probable in any organization.

Informative Participation

It refers to information sharing about balance sheet, logbook, economic condition of the plant (plant efficiency), productivity, etc. here the employees have no right of inquiry about the information provided.

Consultative Participation

In this type of participation, the council has consulted on such matters as social welfare programmes, working conditions and safety. The council works as an advisory body and the ultimate decision is always that of management.

Associative Participation

In such kind of participation the management/ employer is under a moral compulsion to agree with and put into practice the common undisputed decisions taken by the council.

Decisive Participation

In this sort of participation, joint decision-making technique has applied on subjects related to production, inventory, welfare etc. Administrative Participation in such kind of participation, a decision previously taken by the top management and forwarded to the council with choices for it to opt from for execution.

WPM in India

Wpm can be broadly divided into two types: (1) Indirect Participation: It has introduced by the Govt. of India through legal provisions, gadgets, or notifications. For example: WCs, JMCs, Worker’s Director, etc. (2) Direct Participation (Two way Communication): Give the opportunity for each and every worker to take part in managerial activities through multiplicity of mechanisms, like, 5S (Shitseke, Seiton, Seiketsu, Seiri, and Seiso) Concept, PDCA Concept, Small Group Activities, Quality Circles, Suggestion schemes, etc.

WPM in India has given importance only after Independence. Industrial Disputes Act-1947 was the first step in this direction, which recommended for the setting up of Works Committees (WCs) and for the establishment of bipartite committees in the Factories Act-1948. WCs consist of representatives of employees and employers. This Act makes available for these bodies in every undertaking employing 100 or more workers. Where there is no trade union, the workers directly select their representatives. These WCs are consultative bodies and their purposes comprise
discussion of conditions of work, amenities, and encouragement of thrift and savings. The WCs have, as office bearers, a President, a Vice President, a Secretary and a Joint Secretary. WCs meets very frequently for discussion on common problems of the management and workers.

The Joint Management Councils (JMCs) were established in 1958, which increased the WPM. It consists of equal number of representatives of workers and management, not exceeding 12 in all. Workers representatives nominated by recognized trade union. An undertaking must meet the following criteria for setting up JMCs; (1) It must have five hundred or more employees, (2) It should have a fair record of IR, (3) It should have a well-recognized trade union, and (4) Willingness of employees, trade unions and employers. In India JMCs are generally used forms of WPM. Largely JMCs role is advisory & consultative in nature, while the final decision-making power is being left to the top management of the organization. JMCs should be conferred with by the management on subject like, Rationalization, Retrenchment, and decrease in or cessation of operations. JMCs would also have to obtain information, to talk about and to give proposals on the followings.

- Long-term policies for expansion & re-employment, training & development, etc.
- The Profit & Loss statement, Cost Benefit Analysis, etc.

In 1975, Indian Govt. announced a scheme of WPM, which consisted of establishment of Joint Councils (JCs) and Shop Councils (SCs) as part of its 20 point economic programs. The scheme envisages for the establishment of joint councils and shop councils in manufacturing and mining industries employing 500 or more employees in public, private and co-operative sectors. Workers’ participation in Management Bill-1990 has introduced in Parliament, which provided scope for upliftment of workers.

The JCs are for the entire unit and its attachment remains limited to those who are really belongs to the organization. JCs tenure generally for two years. The CEO of the organization becomes its chairperson. It operates for the industrial unit as a whole, more than 500 workers. Generally, it meets at lest once in quarter, but the periodicity of the meeting varies from unit to unit; it may be meeting once in month or once in four months. Someone among the trade union representatives nominated as the Vice Chairperson of the JCs. JCs must have a secretary who is accountable for proper emancipating the tasks of the council. The pronouncements taken at the JCs meeting are by the process of agreement and top management must be implementing the decisions within stipulated period, i.e., one month. This scheme has put into practice by the major Central & State Governments enterprises, units, or organizations. The Govt. expands JCs functions in 1976. JCs main functions are: (1) optimum production, (2) Development of skills of the workforce, (3) Occupational health & safety, and welfare measures for the unit or the plant, (4) Awarding of rewards for valuable suggestions, and (5) it take-up the unsolved matters in SCs or having bearing on another shop or department.

The SCs has established for each department or shop floor, for an organization having more than five hundred workers. SCs have equal number of representatives from the management and the workers end. SCs main function is to assistance to the management in order to achieving the monthly, quarterly, or annual production target on time. It also help to improve the quality of
product, optimum exploitation of available resources, eliminate or minimize the wastage, and maintain
general discipline by set up the two way communication in practice.

**Worker Director or Employee-elected Director:** Worker Director means a worker elected
to the governing board of a business concern to represent the interests of the workers in the
decision-making process. The apex level of participation in an organization is at the level of Board
of Directors. It provides a stage for playing a dynamic role for the workers in the formulation of
organizations policies, especially in those areas, where workers interests and benefits are involved.
By essentially linking the workers in the long-standing strategies & decisions, which has directed
by the Board. The workers’ representative can put forward all the issues & problems of the workers
in front of management and funnel & guide the board members to advance in employee benefit
schemes in a stipulated time schedule.

**Collective Bargaining (CB):** CB is a rule-making and goal-oriented process. This is an
effective way to ensure WPM through collective agreements and by deciding and following certain
rules & regulations. Principally, CB has based on the principle of balance of power, however, in
reality both the party tries to outbid the other and get max. advantage by using this tool. Workers
have a preference to use the CB instrument more frequently rather than ask for participating directly
in management. CB is a combination of two phases (1) Negotiation phase: it engrosses the
bargaining and establishment of contract, and (2) Contract Administration phase: it speaks about
the application and explanation of these terms.

CB forms a rational process where the two parties have influenced to change their stands in
the focus of the information’s and point of view given by the opponent. Efforts have made to
tenacity differences in opinion by all the way through examination and request for logical argument.

**Pre-requisites for the Success of WPM in India**

The overall organizational climate should be encouraging to workers’ active participation. There
should be an attitude of mutual co-operation, teamwork, self-confidence, awareness, and respect
for each other. Especially, top management should be interested to the workers’ ideas so that they
can observe that their ideas are valuable and useful for overall development of the organization.

The employees’ representatives must have the capability such as knowledge and understanding
of the subject matter in order to participate actually. The involvement made by the workers’ should
be valuable and carrying great weight for the growth and development of the organization as a
whole.

There must be adequate time to take part before action is necessary, because participation in
emergent circumstances is hardly advisable.

Democratic participation in managerial decision-making authority and responsibilities is
necessary for the success of WPM in any organization.

Maximum management-worker teamwork, group efforts and minimum intervention of Govt.

The top management ensure to conducts sufficient number of training & development
programmes and each & every one employee have a sense of belongingness and proud to work
for the organization.
The committee members must share the information and developments with their colleagues after the meetings. It improves the level of perceptive between managers and workers. It also provides better understanding about both party’s role & character and process of attainment of organization objectives and goals.

Forums of Participation, areas of participation and guidelines for accomplishment of decisions taken should be precise and there should be punctual follow-up action & feedback.

CONCLUSION

WPM is a relationship just like husband & wife between the Management and the Workers Representatives. They lived under a common roof for pursuing their own interests by sharing the responsibilities and authorities of decision-making in order to accomplish their own desires as well as the goals of the organization in this globalized era. The success of WPM largely depends upon the mutual adjustment and understanding of both the parties. If they sacrifices their own ifs and buts in the shake of organizations objectives & goals by the zeal of soul, than there is no doubt about the success of WPM.

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PROMOTIVE PSYCHOLOGICAL OWNERSHIP: EXPLORING ITS RELATIONSHIP WITH ORGANIZATIONAL INNOVATION

Nitu Singhi* and A.P. Singh**

ABSTRACT

The fact that people take better care of, and strive to maintain and nurture the possessions they own is well established. This sense of ownership, motivation to protect and improve the object of the ownership, has stimulated organizational behavior scholars to explore and further understand the positive construct of psychological ownership. Hence, this study aims at investigating the relationship between promotive psychological ownership and organizational innovation. The present study was conducted on 200 managerial personnel of different private sector organizations in India. For statistical analysis correlation coefficient and hierarchical regression analysis were used. The results revealed significant relationship between the variables. Implications and suggestions for future research on promotive psychological ownership conclude the article.

Keywords: Psychological Ownership, Promotive Psychological Ownership and Organizational Innovation

INTRODUCTION

Affective Events Theory proposes that different attitudes have different mixes or relative proportions of affective and cognitive elements. Extending this idea and applying it to psychological ownership, it was proposed that psychological ownership is different from other work-related attitudes and has unique explanatory power because its conceptual core is feelings of possession that trigger affect-driven behaviors. Psychological ownership in other words consists of an emotional attachment to the organization that transcends the mere cognitive evaluation of the firm. This tight connection between possession and feelings of ownership can be directed at the organization (or workplace) as a whole.

Different targets of ownership can vary in salience, depending on the individual and the situation. For example, some employees have psychological ownership for their work and others

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might have ownership feelings for the overall organization. In this investigation, we focus on the organization as the target of feelings of ownership (psychological ownership for the organization) which will lead to organizational innovation so as to promote organization’s success.

Psychological Ownership

Psychological ownership is the psychologically experienced phenomenon in which an employee develops possessive feelings for the target. Building on Furby (1978) and Dittmar (1992), Pierce and colleagues (2001) linked feelings of possession with feelings of ownership and defined psychological ownership as the state in which an individual feels that an object (i.e., material or immaterial) is experienced possessively (i.e., it’s ‘MINE’ or it is ‘OURS’). According to Avey, Bruce and Avolio (2008), psychological ownership can be Preventive as well as Promotive. For our study we will consider only the Promotive dimension of ownership. According to Higgins (1997, 1998), those who use a promotion-focused approach pursue goals that reflect their hopes and aspirations. Kark and Van Dijk (2007) noted that, “individuals who operate primarily within the promotion focus are more concerned with accomplishments and aspirations … and show more willingness to take risks.”

Promotive psychological ownership is comprised of four dimensions (Avey, Bruce & Avolio, 2008)

1. **Self efficacy:** constitutes one’s belief in their personal ability to accomplish a given task.

2. **Accountability:** is the tendency for an individual to feel a sense of responsibility to hold individuals and organizations accountable for the object of ownership.

3. **Sense of Belongingness:** also referred to as a ‘sense of place’, assesses the extent to which an individual feels ‘at home’ in their place of work. Those who tend to feel a sense of ownership at work that is more positive will report they have a place where they belong in the organizational context

4. **Sense of self identity:** The fourth and potentially most desirable dimension of promotive psychological ownership is highest level of psychological ownership an individual will personally identify with the object (such as an organization) of ownership. At this level, the object is seen by individuals as an extension of who they are. Therefore, great care and attention is given to this object of ownership.

Organizational Innovation

Innovation has generally been argued to be both the production of creative ideas as the first stage and their implementation as the second stage (Amabile, 1996; Oldham & Cummings, 1996; Shalley & Zhou, 2008; West & Farr, 1990).

According to Ruth (2008), organizational innovation refers to new ways work can be organized, and accomplished within an organization to encourage and promote competitive advantage. It encompasses how organizations and individuals specifically, manage work processes in such areas as customer relationships, employee performance, and retention and knowledge management.

Innovation has also been regarded as main source of competitive advantages (Grant, 1996a; Marsh & Stock, 2006). In addition, through innovation, organizations evolve and adapt to the
changing environment (Nelson & Winter, 1982). Organizations adapt to the changing environment by utilizing their existing technology or knowledge and also by creating new ones (Teece, Pisano, & Shuen 1997). Innovation has been generally distinguished between technological and administrative innovation. Technological innovation is more task-oriented and knowledge or technology focused. On the other hand, administrative innovation pertains to organizational structure, administrative processes and human resources management (Damanpour, 1996).

**Review of literature**

As per literature Psychological ownership is a distinct construct that has predictive power on outcomes such as job satisfaction, commitment, intent to stay, or citizenship behaviour (e.g. Avey, Crossley & Luthans, 2009; Parker, Wall & Jackson, 1997; Pendleton, Wilson & Wright, 1998; Pierce, Kostava & Dirks, 2001; Vandewalle, Van Dyne & Kostova, 1995).

Pendleton, Wilson and Wright (1998) study of four U.K. bus companies showed feelings of ownership were related to satisfaction, involvement, integration, commitment, and self-perceived changes in attitudes and work-related behaviors.

Strong psychological ownership means that the ties between the owner and the ownership target are strong. When employees develop a strong sense of psychological ownership of their job and organization, they develop high levels of affective commitment. Committed employees view their organization as their ‘home’ or as a place of comfort, belonging, and personal space (Redman and Snape, 2005).

The feeling of ownership satisfies the basic human need for place (Van Dyne and Pierce, 2004). This sense of belonging to a place such as one’s organization produces positive evaluative judgments that enable people to become more attached to the things (such as their workgroup) in the organization. The target of ownership – that is, the organization – becomes an extension of the person. Therefore, when employees develop a sense of ownership in their organizations, they should also develop positive attitudes towards the organization and a sense that they are important to the organization. They also behave in ways that enhance the efficiency and effectiveness of the organization (Liu, Wang & Lee, 2012).

There are a number of studies which link psychological ownership with commitment, extra role behavior satisfaction and so on which indirectly leads to organizations growth and development. Even though researchers have begun to explore relationships between psychological ownership and desired outcomes such as organizational citizenship behaviors (Pierce et al., 2003), there remains a need for further theory development and empirical research. Limited studies are available that directly explores the relationship of promotive psychological ownership with innovation, productivity and performance of the organization.

**METHODOLOGY**

**Objectives**

Keeping in view the above conceptualization and review of literature, the following objectives of the present study are proposed:

1. To examine the role of dimensions of promotive psychological ownership in organizational innovation.
Hypotheses

1. Dimensions of promotive psychological ownership would be positively related to organizational innovation.

2. Dimensions of promotive psychological ownership would predict organizational innovation.

Method

Research Design

The present study adopted correlational research design so as to probe the underlying relationships between each of the variables being studied.

Sample size

The present research study was conducted on 200 managerial personnel from private sector organization of India.

MEASURES

1. To measure promotive psychological ownership, psychological ownership questionnaire by Avey, Avolio, Crossly & Luthans (2009) was used. This scale consisted of 16 items having two dimensions; Preventative psychological ownership is characterized as territoriality and consisted of 4 items with cronbach's á of 0.84. Promotive psychological ownership is comprised of four distinct yet related dimensions. They are self efficacy, accountability, sense of belongingness, and self identity having cronbach's á of 0.90, 0.81, 0.92 and 0.73 respectively. Only items belonging to Promotive psychological ownership dimensions were selected for the present study (12 items).

2. To measure organizational innovation, organizational effectiveness scale developed by Singh & Jaiswal (2013). This scale consisted of 20 items. The 10 items which belonged to organizational innovation were selected for the present study. This dimension had a cronbach's á of 0.84.

RESULTS

Table 1: Correlation coefficients of demographic variables, promotive psychological ownership with organizational innovation

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Criterion Variable</th>
<th>Organizational Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td>0.031</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td>-0.099</td>
</tr>
<tr>
<td>Qualification</td>
<td></td>
<td>-0.132*</td>
</tr>
<tr>
<td>Tenure</td>
<td></td>
<td>-0.029</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td>-0.172**</td>
</tr>
<tr>
<td>Family Type</td>
<td></td>
<td>0.071</td>
</tr>
<tr>
<td>Predictor Variable :</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotive Psychological Ownership</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Promotive Psychological Ownership: Exploring its Relationship

From the above correlation coefficient table indicates that the demographic variable, qualification and marital status has been found to be significantly negatively correlated with organizational innovation and the dimensions of psychological ownership are found to be significantly positively correlated with organizational innovation.

Further, hierarchical regression analysis was performed to find out the causal relation between dimensions of promotive psychological ownership and organisational innovation and the results of which are reported in table 2. In this analysis all the demographic variables were entered in the first step of the model and were considered as control variables. Dimensions of promotive psychological ownership were entered in the second step of the model.

Table 2: Summary of Hierarchical Regression Analysis for dimensions of promotive psychological ownership as predictor and organizational innovation as a criterion variable

<table>
<thead>
<tr>
<th>Variables</th>
<th>Criterion Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control Variables</td>
<td>Innovation</td>
</tr>
<tr>
<td></td>
<td>Step 1</td>
</tr>
<tr>
<td>Age</td>
<td>0.046</td>
</tr>
<tr>
<td>Gender</td>
<td>-0.106</td>
</tr>
<tr>
<td>Qualification</td>
<td>-0.128*</td>
</tr>
<tr>
<td>Tenure</td>
<td>-0.114</td>
</tr>
<tr>
<td>Marital Status</td>
<td>-0.150*</td>
</tr>
<tr>
<td>Family</td>
<td>0.072</td>
</tr>
<tr>
<td>Predictor Variable : Step 2</td>
<td></td>
</tr>
<tr>
<td>Self Efficacy</td>
<td></td>
</tr>
<tr>
<td>Accountability</td>
<td>0.149*</td>
</tr>
<tr>
<td>Sense of belongingness</td>
<td>0.123</td>
</tr>
<tr>
<td>Sense of self identity</td>
<td></td>
</tr>
<tr>
<td>F change</td>
<td>2.727**</td>
</tr>
<tr>
<td>R²</td>
<td>0.063</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.040</td>
</tr>
<tr>
<td>R² change</td>
<td>0.063</td>
</tr>
</tbody>
</table>

Note: Standardized Beta (β) is reported in the table

*p<0.05,   **p<0.01
The above table indicates that after controlling the demographic variables, accountability ($\hat{\alpha} = 0.149, p<0.05$) and sense of self identity ($\hat{\alpha} = 0.328, p<0.01$) were found to have significant association with organizational innovation. It is also clear from table that promotive psychological ownership ($F$ change = 20.021, $p<0.01$) produced 23.5% of variance in predicting organizational innovation.

**DISCUSSION**

Various theoretical and empirical researches have provided the base for the present study which attempted to investigate the relationship between promotive psychological ownership and organizational innovation.

From the results it is clear that the dimensions of predictor variable were found to be significantly positively related to organizational innovation, thus proving our first hypothesis. In other words, as promotion focused psychological ownership increases there is an increase in organizational innovation. Kark and Van Dijk (2007) noted that, “individuals who operate primarily within the promotion focus are more concerned with accomplishments and aspirations … and show more willingness to take risks.” Thus as people are willing to take risk and accomplish targets it may automatically result in being innovative and creative for gaining competitive advantage. Avey, Bruce and Avolio (2008) in their exploratory study found strong, positive relationships between promotion-oriented psychological ownership and employee commitment, job satisfaction and intentions to stay with the organization, each of which may be desirable employee attitudes to develop in today’s organizations. In addition, both types of organizational citizenship behaviors (individual and organizational) as well as workplace deviance (negative relationship) were related to promotive psychological ownership.

To confirm our second hypothesis, hierarchical regression analysis was carried out. The results of this analysis revealed that only accountability and sense of self identity dimensions of Promotive psychological ownership were found to be significant predictors of organizational innovation, thus supporting our second hypothesis partially.

Accountability is “the implicit or explicit expectation that one may be called on to justify one’s beliefs, feelings and actions to others” (Lerner & Tetlock, 1999). Accountability can be considered to be a component of psychological ownership primarily through two mechanisms: (1) the expected right to hold others accountable and (2) the expectation for oneself to be held accountable. Thus, if an individual is high on accountability, he will work for the growth and development of the organization as he will consider himself accountable for the success or failure of his organization.

As per our result sense of self-identity is also found to be significant predictor of organizational innovation. Targets of ownership are often used as descriptors of one’s identity. Feelings of psychological ownership over these objects may provide a foundation from which individuals can identify themselves as being unique, thus contributing to their personal identity. According to Rousseau (1998), individuals may identify with an organization, mission or purpose. Thus, when one identifies with a target, he/she will work for its betterment. As stated by Shamir, House, and Arthur (1993) “We ‘do’ things because of what we ‘are’, because by doing them we establish and affirm an identity for ourselves.”
Though there are very limited studies which shows the direct relationship between promotive psychological ownership and organizational innovation but the indirect studies are strong enough to support our findings.

CONCLUSION

Hence, it can be concluded that Promotive psychological ownership is important in predicting organizational innovation which later will lead to organization’s growth and development.

The present study lays importance on studying and investigating promotive psychological ownership. From the present study, human resource professionals can understand that promotive psychological ownership falls within the emerging literature of positive organizational behavior. Like other psychological resources, promotive psychological ownership can be measured, invested in, developed, and managed for performance impact and competitive advantage, thus resulting in employees working for their organization’s success.

This study comprised of a very small sample size and was restricted to only private sector organizations. Better results can be yielded by increasing the sample. For future studies all levels of employees can be taken as sample unlike the present study where only managers were considered. Also, along with the present variables other variables can be included to check the moderating and mediating effects between these variables.

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PAYMENTS BANKS – CAN INDIA ACHIEVE DIGITAL FINANCIAL INCLUSION?

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ABSTRACT

The paper’s purpose is to analyze the entry of payments banks in India and how it can act as a facilitator in achieving digital financial inclusion. With the new licenses given by the Reserve Bank of India (RBI) the research identifies the challenges lying in front of the payments banks to succeed in India and how this new payment system will revolutionize the money movement. The study is based on secondary data from research articles and papers in journals, and reports of multilateral institutions and governments. The study reveals that Reserve Bank of India has cautiously selected the eleven entities having different expertise to try and experiment with a different service model. It is an innovation that can certainly lead the money transfer business and if implemented as planned, it is poised to become a fast, low-cost and a secure way of doing money transactions in India.

Keywords – Payments Banks, Digital Financial Inclusion, Cashless economy and Jan Dhan Yojna.

INTRODUCTION

Payments Banks are similar to ‘Digital Wallet or Mobile Currency’ which are usually used to book tickets pay utility bills etc. But payments banks are more than a digital wallet; it can be a supermarket chain, mobile service provider, non-banking financial company, post office, cooperatives etc. Payments Banks are devised on the model of Pre-Paid Instrument (PPI) that loads cash into mobile and use it to do a variety of transactions such as money transfer via mobile to another mobile or to a bank account or to a point-of-sale (POS) outlets at big retailer and even to withdraw cash. The main purpose of setting up of payments banks is to enhance financial inclusion by offering small savings accounts and payments / remittance facilities to labourers, low income families, small companies and other unorganized segments. Payments banks can accept deposits limited to Rs. 100 thousand per customer, and are allowed to pay customers interest on the money that is being deposited. They can be integrated with savings bank accounts through IMPS and NEFT transfers. Payments banks however cannot lend money or give away credit cards but can issue ATM and debit cards to its customers. Moreover, the payments banks are permitted to invest the deposited money into government securities only.

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The future of payments banks will depend upon the way these banks scale up and how they will reduce the cost of doing transactions. As the very premise of giving licenses to these payments banks is to fill the gap between rural customers and bank branches and revolutionize the flow of money across various banking transactions in India. The newly licensed entities will chase the volume game with the main focus on fee based income for the services they will offer.

Reserve Bank of India has meticulously selected 11 entities that have operations in different sectors with diverse expertise, so as to try and experiment with an altogether new service model. The 11 entities thus selected comprises of players having experience in telecom, mobile wallet service, delivery channels, non banking financial services, Information Technology (IT) and postal services (RBI Press Release August 2015).

Objectives

• To study the role of payments banks in India to achieve digital financial inclusion
• Relevance of payments banks over the existing banks analyze
• To assess the challenges for payments banks to succeed in India
• Analyzing the impact of payments banks in India

History of Payments Banks

In 2007, one of the largest mobile service providers in Kenya, Safaricom (division of the Vodafone Group) commenced one of the most successful executions of a mobile money transfer service, M-PESA. The product is called M-PESA as in Swahili language ‘PESA’ means money and ‘M’ means mobile (Hughes & Lonie 2007). The service has developed immensely since commencement, and is presently used by over 8 million consumers (Michaels 2011).

M-PESA is based on short message service (SMS) system that facilitates consumers to deposit, send, and withdraw money using their mobile phones. It is not necessary for the customers to have a bank account as they can easily transact at any of the agent channels. Registration and deposits are at no cost and most of the transactions are charged on the basis of a tiered structure so that even the poorest of the consumers can use the system at an affordable cost. M-PESA is a first of its type product launched in Kenya and is usually seen as a benchmark model of successful implementation of mobile banking for other developing countries to follow.

RBI formed a Committee under Dr. Nachiket Mor, Central Board Member, Reserve Bank of India, to outline a comprehensive and exhaustive vision for financial inclusion in India (RBI’s Report on Comprehensive Financial Services for Small Businesses and Low Income Households September 2013). In January 2014, a report was submitted by the committee where it was recommended that a new category of banks should be formed by the name of ‘Payments Banks’.

In July 2014, guidelines for payments banks were released by RBI seeking feedbacks / suggestions from general public and other stakeholders. The final guidelines were released by RBI in November 2014.

RBI in February 2015 released the names of entities which had applied for licenses for payments banks. It received a total of 41 applications and announced that an External Advisory Committee (EAC) will evaluate the applications. In February 2015 it was announced that India
Post will also run as a Payments Bank through its large network of more than 150 thousand branches. Thus in July 2015, EAC submitted its findings on applications received and keeping in mind the governance issues and applicants’ financial track record, on 19th August 2015, RBI provided in-principle licenses to 11 entities to start payments banks in India. These entities are Aditya Birla Nuvo, Airtel M Commerce Services, Cholamandalam Distribution Services, Department of Posts, Dilip Shanghvi, founder of Sun Pharmaceuticals, FINO PayTech, National Securities Depository, Reliance Industries, Tech Mahindra, Vijay Shekhar Sharma, CEO of Paytm, and Vodafone M-Pesa.

The ‘in-principle’ license issued by RBI is valid for 18 months and entities are given a stipulated time to fulfill the due requirements. As a precondition, the entities are not allowed to engage in any of the banking activities until the final license is given. Full licenses will be given by the RBI to these entities under Section 22 of the Banking Regulation Act, 1949. Refer Exhibit 1 for RBI guidelines.

Why Payments Banks?

India has a population of 1.27 billion and more than 40 percent of India’s population is still unbanked (CII-KPMG Report 2014) but this population is eligible for opening a bank account. RBI has given licenses to 11 players for setting up Payments Banks. These banks can do everything a regular bank can do - take public deposits, issue cheques, pay bills, issue drafts and many more, but the only thing which they cannot do is to lend money. The only entity to which they can lend money to is the Government of India. With this it can be assumed that these banks will be theoretically the safest amongst the existing regular banks as they can have only one borrower which in this case is the government and by all means government does not default! The main objective of RBI is to bring the entire Indian population under banking umbrella by next decade.

So the new players will be looking at the unbanked population of the country as their first set of customers. The new applicants which include large business houses, retailers, telecom companies, mobile wallet providers are targeting the unbanked population which is expected to use payments banks services just like they are using mobile phones.

India’s current mobile penetration stands at 74 percent and with 937 million mobile subscribers it is more than the number of bank accounts (Sathe, 2015). This is a big and unexplored business opportunity that retailers such as Future Group, payment facilitators like Paytm and Oxigen, telecom companies like Airtel and Vodafone, large business houses like Aditya Birla Group and Reliance Industries are trying to tap with the use of technology.

How will the Payments Banks Earn?

As per the guidelines given by RBI, payments banks are required to invest 75 percent (Minimum) of the money mobilized from public deposits in one-year government securities and are allowed to hold a maximum 25 percent of their Fixed Time Deposits and Saving Deposits with other banks. There is no denying the fact that Payments Banks will function on a low cost structure and this is the very premise on which RBI has taken the initiative for issuing licenses to these new entities.

The restrictions on the payments banks of not lending money and limitation to invest their balances only in risk free one year government securities will result in little headroom for recovering
the overhead costs as the net interest margins will also be low. Thus the dependence on fee income based products such as remittances, distribution of Mutual Funds, Insurance, financial instruments, fees for making digital payments will be some of the options available to generate revenue. So, to improve the fee income through distribution of various financial products, it will be very pertinent for these players to enter into tie ups or partnerships with government entities and other banks.

A prime example in this case is Vodafone. With over 90,000 M-PESA agents it is already providing a convenient channel to people based in remote areas for making secure and safe payments and transfers (Sathe, 2015). It has tied up with government bodies through which it is running projects for enabling transfers of subsidies and wages. Now, with the payments bank license it can further offer a more comprehensive range of banking services which will accelerate India’s journey towards financial inclusion and cashless economy.

Payments Banks have to work towards lowering the cost of operations and in turn reduce the cost of serving each of the customers. This will depend upon how fast they can scale up their businesses. A reasonable return on equity can be achieved through a high leverage ratio. Customer acquisition cost needs to be reduced which will give headroom for the new age banks to generate profits.

PAYMENTS BANKS: CAN INDIA ACHIEVE FINANCIAL INCLUSION

Since liberalization, India has witnessed marked changes in its financial system. Post 1991, various sectors have performed immensely like Pharmaceuticals, Information Technology, Telecommunications, Automobile & Banking. The success of Banking and Financial Services sector is because of the timely banking sector reforms and adoption of changing technology. The changes at the ground level functioning of banks is due to changes at regulatory and institutional levels such as greater transparency, openness in banking services and operations through which healthy competition can be maintained. The other reason for the growth of banking sector is the entry and participation of foreign banks and private sector banks in Indian banking industry. The tight vigil by RBI and competition from private sector banks have paved the way for a retail banking revolution in the country with usage of ATM’s (Automated Teller Machines) becoming a household reality in India.

With so many reforms and adoption of technology, the dream of a truly banked society is still far from reality. Proportion of people below poverty line is huge in India and they have remained outside the purview of formal banking. Government’s recent initiative of ‘Jan Dhan Yojana’ is one such step towards financial inclusion by bringing the poor people into formal banking system. But opening a bank account and using it for routine transactions are two different things. Nevertheless it is a step in the right direction and a beginning has been made to achieve what was earlier left behind.

So the payments banks are proposed to help in providing the last mile connectivity in rural areas where the traditional banks are not able to reach with their existing model of physical branches. Payments Banks with use of technology will try to reduce the costs of banking and will also provide a greater range of services to rural consumers. The use of technology and mobile money transfers and payments will substantially reduce the leakages in the system and the dream of a
cashless society will be achieved. In Kenya, mobile money transactions and financial innovations have been very successful. These banks thus will add a much-needed financial inclusion dimension to the banking system. RBI is expecting another revolution in the banking space with the potential of this new structure in place.

According to a World Bank report in 2014, 47 percent of Indian adults are not part of the formal financial system (Radcliffe, 2014). This is a major reason because of which poor households are forced to live their lives in physical cash economy, which is by far both expensive and perilous. Consider a life where the savings are only in the form of Cash or Jewellery or in any other traditional forms. At the time of emergency situations, these people have to turn to local moneylenders for help. Imagine a life where there are no investments, where there is no appreciation of money, people have to go to local government officials every time for accessing the social welfare benefits or for the payment of pensions. The life of these people becomes constrained even for simple financial transactions and that too comes with a high cost.

The initiative of Prime Minister of India Mr. Narendra Modi, The Jan Dhan Yojana (Financial Inclusion Programme) is also closing the above gap by motivating banks to open accounts for poor and rural communities. The success of this initiative can be gauged from the fact that since August 2014, banks have opened 190 million accounts under the Jan Dhan Yojana scheme and as on 21st October 2015 it is the largest bank account opening drive in the history of India. Recent estimates state that these accounts have a balance of Rs. 259 billion and approximately 2 million transactions are happening on a daily basis (Department of Financial Services and Ministry of Finance, 2015). It is regarded as one of the biggest account opening drive in India but what is to be seen from now on is the requirement of a strong network of last-mile banking correspondents or agents to service these accounts. A recent MicroSave (2015) survey of 2,682 banking agents found that India’s agents were the least trained and least profitable among the six countries surveyed. This is where payments banks come in and change the game.

Relevance of Payments Banks over the Existing Banks

The arguments in favor of payments banks are many:

Firstly, the payments banks are expected to extensively use superior technology and increase their presence in deeper geographies through franchise models. Kirana stores situated in remote areas can also function like a franchisee and can be used as a fixed point service outlet.

Secondly, the Department of Posts can become a major player in this segment as it already has the world’s largest postal network of around 150 thousand post offices out of which around 90 percent of those are based in rural areas. So it can become an ominous player in areas of financial inclusion and money remittance services.

Thirdly, the gap in the availability of services especially in rural areas is so large that these new niche banks would supplement the operations of the existing banks. There is bound to be some competition with respect to the deposits but payments banks can themselves act as a banking correspondent of existing banks in case of a tie-up. Most of the newly licensed payments banks are already associated with the traditional banks through banking correspondents’ channel, so it would not be new for them to work in the future.
Fourth, the telecom companies who have been asking RBI to enter into financial services domain for a long time now have their wishes granted. Three telecom companies have already launched wallet services and others are in the pipeline. The wallet outfits can be converted into payments banks. It is to be noted that telecom companies have demonstrated success in prepaid recharge cards through Kirana stores in a very cost effective manner. So, the newly licensed players already have a service network at place and backup of technology which will help them to provide financial services easily.

Challenges to Payments Banks in India

As the payments banks have just seen the broad daylight in India, there is a tremendous pressure on them to meet the regulatory requirements. In the conquest to fulfill these regulations and too much focus on the business model, the end goal of providing the financial needs to the lower income group customers might take a backseat. Though RBI is working efficiently towards controlling the threat of scam and financial insecurity through its different regulation mechanisms, low income customers have other concerns. According to the report ‘Doing Digital Finance Right’, it was mentioned that customers were apprehensive to accept and adopt digital means of doing financial transactions. Some of the challenges faced by them were network issues led to failed online financial transactions, complicated and unclear user interface, no proper customer grievance mechanism, inefficient agent network, unclear terms and conditions including fee charges, customers falling prey to scams and insufficient data privacy and security measures.

The Payments Bank regulations introduced by RBI are definitely innovation friendly but to provide digital payment services at such a large scale in India remains untested in the country. If recently licensed Payments Banks are to achieve and accomplish something, they will have to trounce some specific challenges as well:

Leadership issues: The Payments Bank idea is possibly a first of its kind in the world – an amalgamation of banking and distribution using technology as the backbone. Till now, managers and leaders from fast moving consumer goods (FMCG) industry and information technology (IT) industry have led teams in the payment sector in India. With payment system now linked to banking it is very important to find the right blend of people with the right set of skill set to lead the payments banking growth so that the expansion does not plunge downwards.

Obsession towards Cash: India is a cash based society and there is a huge penchant for physical cash, even in metropolitan cities where different payment options are available. Nearly all online retailing companies in India offer cash on delivery (COD) option to their customers where products are delivered at home. Estimates suggest that nearly 70 percent of the payments made to online retailers are through COD (Deloitte & Assocham India, 2015). Payments banks entire value proposition is based on creating a revenue model around actual payment transactions. One alternative for moving cash based customers to digital accounts is to charge lowest possible digital transaction fees. Therefore payments banks’ sustainability and extent will eventually depend on customers’ adoption of digital cash for making transactions.
Changing Consumer Behavior: Infrastructure is not the only challenge in front of the payments banks in India but to change the mindset of Indian customers to move from cash obsession towards digital alternatives requires behavioral changes as well. There are some e-wallet companies and online service providers like Paytm, Shopclues etc. that are trying their luck in this business in limited pockets but till now have not got much success. So the task ahead of payments banks is phenomenal.

Enabling Alliances: The success for digital payment system in India largely depends on the effective partnership with cash-in/out points and merchant/retail points. An ecosystem for payment system needs to be created, for e.g. in Kenya Pep Intermedius manages the distribution points for big supermarkets while operators like Airtel and M-PESA etc. manages the merchant ecosystem. India will need to come up with such kinds of framework to make the payments banks affiliation successful.

Payments Banks and the Regulators: Some of the analysts believe that too much compliance requirements hinders the success of mobile based money transaction in India. The payments banks will have to adhere to the guidelines provided by the RBI and other banking norms, including maintaining the set bank ratios like statutory liquidity, cash reserve and capital adequacy etc. This might deter players like Vodafone and Airtel to work through partner banks to offer payment services.

Reinventing the wheel: The success of payments banks in India will also depend on the way they overcome the traditional banking psychology and innovate. Indian public sector banks have a large amount of exposure in government bonds and securities and are averse to credit market investments. Payments banks need to break this monotonous approach and embrace new thinking and innovation. At the onset, these payments banks will not be having the option to offer credit products but a forward-looking outlook in exploring innovations in payments will help them in the near future.

Staying Alive: Payments banks have been allowed to raise deposits but it will not be adequate enough to support their growth plans. Payments Banks will need to invest extensively upfront to build an agent network etc. and, if all goes well, it could easily take 3 to 5 years before the business is cash flow positive. The intense competition in attracting the customers will be a significant challenge and to maximize revenue per customer will be even more difficult. So the payments bank industry will need to dig deep in their pockets and stay invested in the business for long term. It is absolutely clear that the reason why RBI has issued so many initial licenses is because they expect that not all the licensees will survive in the long term.

Impact of Payments Banks in India

The payments banking will revolutionize the movement of money in India. Following are some of the areas where the impact of payments banks will be seen in the near future:

First, the payments banks will fill the gap between bank branches and the far-flung customer living in rural areas. Payments banks will fundamentally rely on technology to get in touch with the customers, using mobiles as the medium of banking. Cell phones go even where humans don’t. The need for a physical bank branch will always be there for functions like
opening an account, depositing cash, etc. but all everyday payments and peer-to-peer payments can be made remotely. The mobile phones will become the virtual ATMs and all the citizens in India by all probability will have a bank account in less than 10 years and payments banks will act as the chief facilitators.

Second, the cost of doing banking transactions in India will drastically come down due to severe competition expected from the payments banks. At present the banks charges hefty amounts on using over the limit ATM transactions, extra cheque books, large money transfers etc. The charges for these services are expected to come down as payments banks will be offering zero-balance accounts and low cost services. Presently, competent private banks like HDFC Bank, ICICI Bank and Axis Bank earn enormous income from their low cost current and savings bank accounts, but a large portion of this will go to payments banks, who may offer superior savings bank interest rates. The customer will at last be the king!

Third, proficient payments banks and private sector banks will eat away the share of public sector banks especially their profitable businesses and valued customers. It is important that government privatize those public sector banks that are not performing well.

Fourth, the entrance of payments banks will give a thrust to the social welfare and subsidy schemes in India. The payments banks options will now be available to the government to transfer the subsidies to the poor, some of them being LPG and fertilizer subsidies. India is close to reach a mobile consumer base of one billion and thus mobile enabled payment systems can be used to support the project ‘Jan Dhan Yojna’ initiated by the government of India which will help in removing fake beneficiaries.

Fifth, banking through mobile phone will help in the creation of cashless banking. Thus over a period of time mobile phones will carry out the same task as credit and debit cards, removing the requirement for too many cash payments. Hence instead of expanding the ATM network in urban areas and cities more focus will be on installing the ATM machines in distant villages.

CONCLUSIONS

As the developed world embarks upon re-establishing the lately weakened global financial economy, the financial structure in other parts of the developing countries is swiftly getting revamped. The cost of mobile phone technology is sliding down, and newer technologies are being adopted to support financial services. Mobile banking innovations have started to widen its reach to other developing and poorer countries. With the large unfulfilled demand for financial services and the low cost of doing transactions, mobile banking definitely has the capability to reach far-flung areas of different socio economic sectors in India.

The world has already witnessed a mobile banking revolution in Kenya through M-PESA. It is estimated that around 40 percent of the population in Kenya is using M-PESA for all their money transactions. This is just 2 years after the commencement of the M-PESA service. Payments Bank is an innovation that will undoubtedly dominate the money transfer business. It will become a quicker, cheaper, dependable and safer way of doing money transactions in India.

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EXHIBIT 1: PAYMENTS BANK GUIDELINES

Payments bank guidelines

RBI has given initial set of guidelines:

• ‘Minimum entry capital for Payments banks is fixed at Rs 100 Crores. The committee had recommended an amount of Rs 50 Crores but it seems that RBI has chosen to play safe and doubled the amount. This high amount of initial capital would mean that innovation would be slow because the risk to the payments bank model is very limited.

• Payments banks can accept demand deposits. The restriction therein is that the maximum balance per customer can only be Rs 100,000/-. This can be for both current and savings accounts. All deposits have to be invested in government bills and securities, thereby indicating that fee income for transactions is what would probably be the biggest revenue driver for Payments banks. Also, it has not been made clear whether payments banks would need to pay interest on deposits collected.

• Payments banks would primarily provide remittance and payment services. The boundary condition here is that the total credits into an account should not exceed Rs 100,000/-. This means that the payments banks would only make sense to the lower economic strata of the Indian banked and unbanked population. Industry experts are saying that this cap would make good sense for the migrant workers whose average ticket size of remittance is about Rs 4000/-.

• Payments banks must be a banking correspondent of a commercial bank wherein they can offer services like marketing of bank’s loan products etc.

• Commercial banks can also leverage this model by launching a payments bank subsidiary.

• Currently RBI has not talked about the pricing for the services of the Payments banks. Industry is looking at it as a positive sign where the new players would have some room to experiment and discover the right price in the market. Given the tough regulatory framework for payments banks, a pricing flexibility would be essential.

• Payments banks can be ‘Internet only’. It is a very interesting proposition and it remains to be seen if this is the path that India’s first digital bank would take. Globally internet only banks have already been launched and they have shown the possible value that could be unlocked by such a proposition. With the increased usage of mobile, social media and internet, that value has only increased in the last few years.’

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EDITORIAL

It gives us immense pleasure to present vol. 10 no. 6, Dec. 2016 of Global Journal of Business Management. GJBM is an internationally renowned peer-reviewed and refereed journal. It provides a platform for researchers to publish their high quality research in Management and allied disciplines. Research paper submissions to GJBM are screened and peer-reviewed to maintain highest ethical and technical standards.

The present volume touches upon some of the current issues in management, business and related fields. Eight papers covering various functional areas of management have been selected. In first paper Dr. Sabnam Jahan and Md. Mamin Ullah explores the roles of HR Professionals in green human resource management. The key concepts, functions, practices and challenges of green human resources management are also identified. Second paper of Ronald J. Burke and others have investigated the relationship of perceived supervisor empowerment behaviors with employee feelings of psychological empowerment, important work outcomes, and self-reported assessments of service quality among front line service workers in five star hotels in Turkey. Green HRM practices in selected manufacturing industrial units of Udaipur region is explored in third paper of Meera Mathur and Aparna Soni.

In fourth paper, Dr. Malik and Oberei evaluates the impact of service quality on customer satisfaction amongst various online shoppers using multiple regression analysis of variance and coefficient of covariance. In fifth paper, Prof. (Dr.) Tumpa Dey examines the role of harmonious passion as a novel motivational mechanism affecting creativity and the mediational role of work engagement in a relationship between harmonious passion and creativity in a supportive environment. In sixth paper Dr. Ganesan and Banerjee have measured by using Aggression and Victimization scales among the formative year’s school children and find out that the level of aggression and victimization among the school children is reduced. Transition to digitised consumer behaviour is examined by Sumi. KV in seventh paper In eighth paper Dr. Pulla Rao analyzes the trends in the growth of Primary, Upper Primary and High Schools by management in in Andhra Pradesh.

All the papers report a plethora of findings that should be of interest to researchers, teachers and professionals. We are grateful to all authors and reviewers for their valuable inputs. We hope that our readers shall benefit from the knowledge so generated. We look forward to the continuous support of our authors and patrons, and invite recommendations and discussions for further issues.
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THE EMERGING ROLES OF HR PROFESSIONALS:
GREEN HUMAN RESOURCES MANAGEMENT
(GREEN HRM) PERSPECTIVE

Dr. Sabnam Jahan* and Md. Mamin Ullah**

ABSTRACT
There is a growing need for the integration of environmental sustainability into human resource management. Organizations are nowadays realizing that, in addition to focusing on financial profits, they must consider all social and environmental impacts for their long term sustainability. Thus Green Human Resources Management (Green HRM) has recently attracted the attention of academic researchers and practitioners. The objective of this study is to explore the green human resource management practices of organizations based on the existing literature. Thus the major areas of the study include concepts, policies, practices and challenges of Green human resources management. The methodology of the study includes searching, collecting and analyzing the contemporary studies on Green Human Resources Management using an archival method. The key concepts, functions, practices and challenges of green human resources management were identified in the paper. Accordingly the study is supposed to contribute to the field of green human resources management.

Key Words: Green management, Green human resources management, Human resources management, Environmental sustainability

INTRODUCTION
The globally growing concern for environment compels businesses to move towards sustainable operations and formulate green policies. The international standards for environment protection and preservation call for businesses to devise environment-friendly strategies. With everyone, from customers to employees to investors becoming more and more environment-
conscious, ‘Green Human Resource Management (referred as green HRM or GHRM)’ is emerging as a significant area in management (Mehta & Chugan, 2015).

The incorporation of environmental objectives and strategies into the overall strategic development goals of a company helps in arriving at an effective environment management system (Haden et al., 2009). Fayyazia et al. (2015) said that there is a requirement for the amalgamation of environmental management in Human Resource Management (HRM) because it is essentially or very important rather than just desirable.

Now-a-days it seems that a considerable number of organizations practice green human resource management in the global context (Opatha et al., 2015). There is a need for companies to adopt formal environmental practices due to growing global environmental concern and development of international environmental standards (Daily and Huang, 2001). Various literatures on Green Marketing (Peattie, 1992), Green accounting (Bebbington, 2001; Owen, 1992), Green Reatiling (Kee-hung, Cheng, and Tang, 2010), and Green management in general (McDonagh and Prothero, 1997) have fertilized the concept of Green HRM. There is a need of integration of environmental management into Human Resources (HR) called Green HR (Dutta, 2012).

Numerous researchers have their contribution to support and raise the awareness of Green HRM including (Muster and Schrader, 2011), (Brio, Farnendiz and junquera, 2007), (Farnendiz, junquera and Ordiz, 2003), (Govindarajulu and Daily, 2004), (Jabbour and santosh, 2008), (Jabbour, santosh and Nagano, 2010), (Madsen and John P. Ulhoi, 2001), (Massoud, daily and Bishop, 2008), (Ramus, 2001, 2002), (Renwick, 2008), (Stringer, 2009), (Wehrmeyer, 1996). There is a need for a proactive approach to environmental management across the world (González-Benito & González-Benito, 2006; Daily et al., 2001; Jabbar et al., 2010).

These researchers give importance to adoption of environmental practices as a crucial purpose of organizational functioning to make it significant with the strength of HRM practices (Jackson et al., 2011; Daily and Hung, 2001; Sarkaris et al., 2010). Lee (2009) defined ‘green management’ as the exercise whereby companies develop an environmental management strategy to manage the environment. So there is a need of proactive environmental management (Gonzalez-Benito and Gonzalez-Benito, 2006). Employee involvement and participation and involvement of employee are critically important for success of the Green HRM concept. There is a need of implementing Green HRM Practices in our daily working as well as private life (Brio, Fernandez and Junquera, 2007; Fernandez, Junquera and Ordiz, 2003; Ramus, 2001, 2002; Renwick, 2008). Rashid, Wahid and Saad (2006) have archived that employee participation in environmental management systems has a positive effect on the character or environmentally responsible attitudes and behavior in an employee’s private life.

After a wealth of research into green marketing (Peattie, 1992), accounting (Owen, 1992), and management (McDonagh and Prothero, 1997), gaps still exist in the Human Resource Management (HRM) literature on the HR aspects of environmental management - Green HRM. Such gaps include an informative guide on the emergent literature, its scope and coverage, and a process model and research agenda in this field.
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Objectives

The objective of this study is to explore the green human resource management policies and practices of organizations based on the existing literature. Subsequently the following steps were taken to support the main objective.

i. Review the contemporary studies on HRM and Green HRM
ii. Identify the basic functions of Green HRM
iii. Identify the factors affecting Green HRM
iv. Identify the key challenges in adopting and implementing Green HR policies
v. Provide the managerial/social implications of Green HRM

Justification of the Study

There is a growing and strong debate among the HR practitioners regarding the term ‘Green HRM’. Organizations are now placing importance on the integration of environmental sustainability into their HR strategies. Accordingly a growing number of studies are being conducted to justify the viability as well as the applicability of Green HRM. This study attempts to analyze the concepts, policies, practices and challenges of Green HRM. Thus this study is supposed to contribute to the field of Green HRM literature. First, the study will help the HR professionals in adopting and implementing Green HR strategies. Second, it will help the unions and employees to adopt Green HRM policies and practices that help safeguard and enhance worker health and well-being. Third, the study is supposed to open the doors of future research. Finally, it will help the academics by revealing additional data to the existing literature.

METHODOLOGY

This study aims at exploring the concepts, policies and practices of Green HRM. This is a qualitative research based on the extensive analysis of existing literatures of Green HRM. Literature review is adopted as it enables to structure research and to build a reliable knowledge base in this field (Tranfield et al., 2003). In order to achieve the stated review objective, a systematic review of literature was conducted by using an archival method. This paper employs a methodology to review the articles cited in the databases like Sage, Taylor and Francis Online, Springerlink, ScienceDirect, JSTOR, Wiley Online Library, and Emerald. The other sources of data include books, journals, e-papers and websites. Contemporary research papers were given priority in analyzing the existing literatures. Research papers were delimited from the review if they did not have a focus on environmental management as it pertains to management, employees, work organisations, and the wider social arena. A systematic review of collected literature was done in detail.

LITERATURE REVIEW

The Green HRM literature is largely a western one and, given the importance of Asian economic development for environmental management, this is an important gap for future studies to reduce (Renwick, Redman, & Maguire, 2013: 3). Fayyazia et al. (2015) said that there is a requirement for the amalgamation of environmental management in Human Resource Management (HRM) because it is essentially or very important rather than just desirable.
Successful environmental management in an organization needs special efforts of human resource management (Rothenberg, 2003). Similarly Jabbour and Santos (2008) also stated that effective environmental performance results need human resource practices that support the whole execution and preservation of environmental management systems in the organisations.

The extant literature in the HR field on the topic of sustainability suggests that more and more HR executives are keen to modulate their corporation as such to become exclusive environmental champions. A great extent of empirical research highlights the impact of environmental management practices on performance of the organization using different parameters (Iraldo, Testa, & Frey, 2009; Yang, Lin, Chan, & Sheu, 2010). Literature has given importance to adoption of environmental practices to identify the human resource management practices (Cherian & Jacob, 2012: 25). Haden, Oyler, and Humphrey (2009) comprehend that the integration of environmental objectives and strategies along with the strategic development goals of a company results in an effective environment management system. Daily and Huang (2001) proposed that organizations essentially need to balance the industrial growth as well as preservation of the environment because it has been confirmed that by endorsing green practices, the companies may profit more than before (Murari & Bhandari, 2011).

The Human Resource Department of an organization plays a significant role in the creation of their company’s sustainability culture (Harmon, Fairfield, & Wirtenberg, 2010). It is identified that the greater the strength of green human resource policies, the greater is the intensity of adoption of environment management systems (EMS) and policies by the different companies (Bohdanowicz, Zientara, & Novotna, 2011).

Various contemporary scholars have augmented the understanding and studies on Green HRM in recent years (Berrone & Gomez-Mejia, 2009; Jabbour, Santos, & Nagano, 2010; Massoud, Daily, & Bishop, 2008; Renwick, 2008; Stringer, 2009). Green HRM depends on the unique and identifiable patterns of green decisions and behaviors of HR managers (green signatures; Jackson, Renwick, Jabbour, & Muller-Camen, 2011).

The incorporation of environmental objectives and strategies into the overall strategic development goals of a company helps in arriving at an effective EMS (Haden et al., 2009). There are various researchers who support the HRM practices to be effective for promotion of human capital and results in providing to contributors of organizational performance and competitive advantage (Boselie, Paauwe, & Jansen, 2001).

Distinguished policies in the field of recruitment, performance and appraisal management, training and personnel development, employee relations, and reward systems are considered powerful tools for aligning employees with a company’s environmental strategy (Renwick, 2008). Several workers argue that in order to implement an effective corporate green management system, it is important to promote a great deal of technical and management skills among all employees of the organization (Daily et al., 2007; Unnikrishnan & Hegde, 2007), whereas, others propose that organizations look at development of innovative tools and initiatives of environment management (EM) which will significantly impact sustainability of the firm and promote a competitive advantage (Hart, 1997; Lin, Jones, & Hsich, 2001). Therefore, to expand such a framework, it becomes definitive to have effective human resource management practices including presentation of strict
recruitment strategies (Grolleau, Mzoughi, & Pekovic, 2012), appraisal, and reward systems which include environmental awareness and implementation in their evaluation process (Jabbour et al., 2013) and training and empowerment programs (Unnikrishnan & Hegde, 2007) which will facilitate the evolution of new set of skills and competencies among the employees of “pro green” organizations.

It is evident from the mentioned statements that whatever the method of research they apply, all of these researchers promote the ideology that is important for proper alignment of human resource management principles with objectives of green management in an organization.

Primarily this study concentrates on GHRM, which according to Dutta (2012) includes two major elements namely, environmental-friendly HR practices and the preservation of the knowledge capital. Green human resources refer to using every employee touch point/interface to promote sustainable practices and increase employee awareness and commitments on the issues of sustainability (Mandip, 2012). HR department of an organization plays a major role in making environmental responsibility a part of the corporate mission statement. Green HRM focuses on employee’s environmental behavior in the company, which in turn, employees can carry on such pattern of consumption in their private life (Muster & Schrader, 2011).

The main objective of green HRM is to make the employees aware of the intricacies of environment management i.e. what action is needed, how it functions, and how does it help the environment. The exercise really motivates the employees and develops a sense of pride in them for being a part of the going green program.

Cherian and Jacob (2012) published a comprehensive list in respect of studies on Green HRM. Based on their reviewed studies, very recent studies done in 2010 and 2012 are given in Table 1.

It needs to be acknowledged that the intersection of sustainability, the natural environment, and HR management are new areas in fast development and therefore, not characterized by a fully developed body of writings (Jackson et al., 2011).

Ulrich, Brockbank, and Johnson (2009) point out that many HR systems need to be aligned with each other in order to increase the likelihood that the organization will achieve its strategy. Cherian and Jacob (2012) in their study identified that recruitment, training, employee motivation, and rewards are important human dimensions which contribute to the improvement in employee implementation of green management principles.

GREEN HRM PRACTICES

Meaning of ‘Green HRM’

Green HRM is referred to all the activities involved in development, implementation and on-going maintenance of a system that aims at making employees of an organization green i.e. environment-friendly (Mehta and Chugan, 2015). It is the side of HRM that is concerned with transforming normal employees into green i.e. environment-friendly employees so as to achieve environmental goals of the organization and finally to make a significant contribution to environmental sustainability. Deshwal (2015) stated that Green Human Resources Management (Green HRM) is the use of HRM policies to support the sustainable use of resources within organizations (Deshwal, 2015).
<table>
<thead>
<tr>
<th>Author</th>
<th>HRM Functions</th>
<th>Objective</th>
<th>Data Type</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarkarlis et al., (2010)</td>
<td>Training and development</td>
<td>Impact of stakeholder pressure on environmental management principles</td>
<td>Primary-Survey approach</td>
<td>Employees presented with better training have better perception of environmental management systems.</td>
</tr>
<tr>
<td>Teixeira et al., (2012)</td>
<td>Training and development</td>
<td>Impact of green HRM practices on teamwork, organizational culture</td>
<td>Primary-Case study</td>
<td>Employees with better training are vital to promote a good environmental management system in any organization and build an effective organizational Culture.</td>
</tr>
<tr>
<td>Grolleau et al.,(2012)</td>
<td>Recruitment</td>
<td>Impact of environmental principles on recruitment</td>
<td>Primary-Survey</td>
<td>Professionals were concerned with the environmental stance of a company.</td>
</tr>
<tr>
<td>Jabbar et al., (2012)</td>
<td>Employee empowerment, rewards and recognition and feedback</td>
<td>Impact of HRM and environmental management on organizational performance of the company</td>
<td>Primary-Survey</td>
<td>Human dimension impacts organizational performance as well as mediates environmental management system implementation.</td>
</tr>
<tr>
<td>Daily et al., (2012)</td>
<td>Training and development</td>
<td>Impact of training and development related to environmental management on performance of employees</td>
<td>Primary-Survey</td>
<td>All other facets of HRM related to implementation of Green management principles are directly associated with good training.</td>
</tr>
<tr>
<td>Ji et al., (2011)</td>
<td>Employee Training</td>
<td>Employee training influence on firm’s performance in sustainable development</td>
<td>Primary-Survey (Empirical Study)</td>
<td>This study predicts both direct and moderating effects of employee training on the firm’s performance in sustainable development.</td>
</tr>
</tbody>
</table>

**Source:** Cherian and Jacob (2012).

Lado and Wilson (2014) defined the HRM system as “a set of distinct but interrelated activities, functions, and process that are directed at attracting, developing, and maintaining (or disposing of) a firm’s human resources.”
The term “Green HRM” is most regularly used to refer to the concern of people management policies and practices towards the broader corporate environmental schedule. In fact it refers to the policies, practices and systems that make employees of the organization green for the benefit of individual, society, natural environment, and the business (Opatha & Arulrajah, 2014). The purpose of green HRM is to create, enhance and retain greening within each employee of the organization so that he or she gives a maximum individual contribution on each of the four roles, i.e., preservationist, conservationist, non-polluter, and maker. Thus, Green HRM is seen as a strategy of the green movements of organizations to ensure environment safety (Shaikh, 2012).

Green HRM is directly responsible in creating green workforce that understands, appreciates, and practices green initiative and maintains its green objectives throughout the HRM process of recruiting, hiring, training, compensating, developing, and advancing the firms human capital (Mathapati, 2013, p. 2).

In order to achieve organizational environmental goals or greening, green human resource requirements need to be identified. What are the green human resource requirements for greening or corporate environmental management? There are four categories of green human resource requirements, i.e. green competencies, green attitude, green behaviours and green results. Though these major types of green human requirements are related, they can be distinctly treated. Figure 1 shows these requirements and relevant dimensions.

![Figure 1. Green human resource requirements](image)

**Figure 1. Green human resource requirements**

*Source: Opatha and Arulrajah (2014)*

Green competencies and green attitude are viewed as green employee inputs and green behaviour and green results are viewed as employee green performance of job which contributes to green organizational performance meeting the CSR to a significant extent. See Figure 2.
Functions of Green HRM

Green HR can adopt various green processes and practices in different HR functions like acquisition of human capital, their induction, training, performance management and reward management which will have a bearing on the overall carbon footprint of a company [Prasad, 2013].

There are functions of HRM which are generally considered as traditional and there can be a variety of green practices under each function. The following section presents summaries of the existing and certain new green HRM practices under each function of green HRM.

Green HR Planning

Green HR practices start with the adoption of Green HR planning. At present, some companies engage in forecasting number of employees and types of employees, needed to implement corporate environmental management initiatives/programs/activities (e.g. ISO 14001, cleaner production, responsible care etc.).
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Table 2: Green human resource planning

<table>
<thead>
<tr>
<th>Practices: Green human resource planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Engaging in forecasting number of employees and types of employees, needed to implement the corporate environmental management initiatives/programs/activities (e.g. ISO 14001, cleaner production, responsible care etc).</td>
</tr>
<tr>
<td>2. Engaging in deciding strategies to meet the forecasted demand for environmental works (e.g. appointing consultants/experts to perform energy or environmental audit etc).</td>
</tr>
</tbody>
</table>


In general, job descriptions can be used to specify a number of environmental protection related task, duties and responsibilities (Wehrmeyer, 1996; Renwick et al, 2008 and 2013).

Job descriptions and person (job) specifications may include environmental, social, personal, and technical requirements of the organizations as far as possible. For example, environmental protection duties should be included, along with the allocation of environmental reporting roles and health and safety tasks (Crosbie and Knight, 1995; Wehrmeyer, 1996; North, 1997; Revill, 2000). In addition, some companies use teamwork and cross-functional teams as job design techniques to successfully manage the environmental issues of the company (May and Flannery, 1995; Florida, 1996; Clement, 1997; Palmer and Andrews, 1997; Beard and Rees, 2000; Griffiths and Petrick, 2001; Daily and Huang, 2001; Govindarajulu and Daily, 2004; Jabbour, Santos, and Nagano, 2010).

Green Recruitment

Green recruitment is the process of recruiting new talent who are aware of sustainable process, environmental system and familiar with the words of conservation and sustainable environment. Green recruitment makes it sure that new talents are familiar with the green practices and environmental system that will support the effective environmental management within the organization (Wehrmeyer, 1996). In the race of attracting most creative and innovative employees, increasing recruiting potential and hiring quality staffs are very crucial challenges in the war of talent (Renwick et al., 2013). Companies must also know the effective way to attract new talent (Phillips, 2007: Stringer, 2009). The corporate environmental culture of a company should be integrated with the recruitment process.

In this regard, Wehrmeyer (1996) recommends the following:

i. The job descriptions should specify the environmental reporting role, health and safety tasks and other environmental impact related roles.

ii. The interview should be tailored to gauge the potential compatibility of the candidate with the company’s green goals.

iii. The induction programme should be designed to provide new recruits with information about sustainable development policies and commitments, EMS and green goals of the company.
Green Induction

After selecting the candidates for the posts, the companies should provide necessary basic information about the corporate environmental management policy, system and practices. In some instances, certain organizations do specific green induction as well to their new recruits. They induct new employees about environmental orientation programs specific to their jobs. In general, these two green induction practices are important for any organization nowadays. Employee orientation programmes should be designed in such a way as to facilitate the integration of new employees into a culture of green consciousness. Induction programmes should highlight an organization’s concern for green issues of employees like their health, safety and green working conditions (Deshwal, 2015).

<table>
<thead>
<tr>
<th>Authors</th>
<th>Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opatha, 2013</td>
<td>3. Making new employees familiar with greening efforts of the organization and encourage them to engage in green interpersonal citizenship behaviour.</td>
</tr>
<tr>
<td>Opatha, 2013</td>
<td>4. Developing induction programs showing green citizenship behaviour of current employees.</td>
</tr>
</tbody>
</table>

Source: Arulrajah, Opatha & Nawaratne (2015)

Green Training and Development

HR can effectively nurture a green workforce through an environmental stewardship program. Human resource management in its employee training and development programs should lay emphasis on the social equity and significant reduction of environmental risks and ecological scarcities.

Training and development programmes developed for employees at all levels should touch upon social and environmental aspects. Green training and development consist of employee working methods that reduce waste, proper utilization of resources, conservation of energy and reduces the causes of environmental degradation. It provides opportunity to engage employees in environmental problem solving (Zoogah 2011). Perron et al. (2006) has done a study by taking multiple case study approach and identified the role of Green training and development in promoting business value.

Similarly Daily et al. (2007) conducted a survey among 437 employees and the result of the survey shows that the formation of effective green management system was directly dependent on environmental training.
Green Performance Appraisal

Using performance management (PM) in environmental management (EM) presents the challenges of how to measure environmental performance standards across different units of the firm, and gaining useful data on the environmental performance of managers.

Green human resource management ensures that the environmental targets set by the organizations are met. Performance management is an ongoing process of communication between supervisor and an employee that occurs throughout the year in support of accomplishing the strategic objectives of the organization. Green performance management includes the issues related to policies of the organization and environmental responsibilities. Integration of environmental management into performance management system improves the quality and value of environmental performances (e.g. Jackson et al., 2012; Renwick et al., 2013).

It acts as a safeguard to protect environmental management against any damage. Green performance management plays a very important role in the effectiveness of green management work over passage of time because they guide employee performance to the environmental performances needed by the organization (Jabbour and Santos, 2008).

Mandip (2012) identified that effective way of successful implementation of Green performance management is the linkage between performance management and green job description.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells et al, 1993; Carpenter, 1994; Schwalm, 1994; Milliman and Clair, 1996</td>
<td>1. Establishing environmental management information system (EMIS) and environmental audits.</td>
</tr>
<tr>
<td>Wehrmeyer, 1996</td>
<td>2. Incorporating corporate environmental management objectives and targets with the performance evaluation system of the organisation.</td>
</tr>
<tr>
<td>Renwick et al, 2008; Renwick et al, 2013; Opatha, 2013</td>
<td>4. Integrating green criteria in appraisals or evaluating employee’s job performance according to green-related criteria.</td>
</tr>
<tr>
<td>Opatha, 2013</td>
<td>5. Including a separate component for progress on greening in the performance feedback interview.</td>
</tr>
<tr>
<td></td>
<td>7. Providing regular feedback to the employees or teams to achieve environmental goals or improve their environmental performance.</td>
</tr>
<tr>
<td></td>
<td>8. Introducing or formally evaluating all employees’ green job performance (as far as possible).</td>
</tr>
</tbody>
</table>

Source: Arulrajah, Opatha & Nawaratne (2015)
Green Learning and Development

Training, development and learning plans should include programmes, workshops and sessions to enable employees to develop and acquire knowledge in environment management, green skills and attitude. Job rotation in green assignments should become an essential part of career development plans of talented green managers of the future. Training contents should be developed to increase employee competencies and knowledge in Environment Management. Extensive use should be made of online and web-based training modules and interactive media as training tools for not only for environment management training but also for other functional areas. Environment-related aspects of safety, energy efficiency, waste management and recycling can become the focal points of green training. Training managers should rely more on online course material and case studies rather than on printed handouts, thus further reducing use of paper.

Green Compensation and Reward Management

Compensation mechanism can be leveraged to drive employees to change their behavior towards green performance (Mehta and Chugan, 2015).

Compensation and reward management should recognize contributions in green management. Compensation packages should be customized to reward green skills acquisition and achievements by employees (Deshwal, 2015). Monetary-based, non monetary based and recognition-based rewards can be used for green achievements of employees. Monetary-based rewards for contributions in environment management can be allocated in the forms of salary increase, cash incentives and bonuses while non-monetary rewards may include sabbaticals, special leave and gifts to employees and their family members. Recognition-based awards can highlight green contributions of employees through wide publicity and public praise and appreciation of green efforts by CEO or top management executives.

Table 5: Green reward management

<table>
<thead>
<tr>
<th>Authors</th>
<th>Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berry and Randinelli, 1999; Jackson et al, 2011</td>
<td>7. Providing incentives to encourage environmentally friendly activities and behaviors (e.g. recycling and waste management).</td>
</tr>
</tbody>
</table>

Source: Arulrajah, Opatha & Nawaratne (2015)
Green Employee Relations

Promoting ‘eco-intrapreneurs’ is critical to add value to organization’s products and/or services with efficient utilization of existing financial, human and natural resources (Deshwal, 2015). Employee participation in Green initiatives increases the chances of better green management as it aligns employees’ goals, capabilities, motivations, and perceptions with green management practices and systems. Involving employees in EM has been reported as improving EM systems such as efficient resource usage (Florida & Davison, 2001); reducing waste (May & Flannery, 1995); and reducing pollution from workplaces (Kitazawa & Sarkis, 2000). Several workers in their study concluded that individual empowerment positively influences productivity and performance, and facilitates self-control, individual thinking, and problem-solving skills (Renwick, 2008; Wee & Quazi, 2005). An important way in which employee involvement and participation can be encouraged within the organization is to seek entrepreneurs within the company who are socially or ecologically oriented known as eco-entrepreneurs (Mandip, 2012, p. 246).

Eco-friendly ideas should be welcomed from all employees irrespective of their designation which will encourage their interest in environmental issues and make best use of applying their skills.

The HR staff needs to pressurize the management to create a participative work environment where the employees are free to put up their ideas on green issues since they are the ones who in reality are responsible for implementing ethical corporate behavior in the day-to-day life of the organization. This means the achievement of green outcomes will largely depend on employees’ willingness to collaborate (Collier & Esteban, 2007), as often, the best ideas come from the employees who work in that particular area (Casler, Gundlach, Persons, & Zivnuska, 2010).

Table 6: Green employee relations

<table>
<thead>
<tr>
<th>Authors</th>
<th>Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renwick et al, 2008 and 2013</td>
<td>1. Providing opportunities to the employee to involve and participate in green suggestion schemes.</td>
</tr>
<tr>
<td>Renwick et al, 2008 and 2013</td>
<td>3. Providing training to the union representatives in environmental management.</td>
</tr>
<tr>
<td></td>
<td>4. Joint consultations in solving environmental issues of the organisation.</td>
</tr>
<tr>
<td></td>
<td>5. Gain sharing in relation to environmental initiatives or programs.</td>
</tr>
<tr>
<td></td>
<td>6. Recognizing union as a key stakeholder in environmental management.</td>
</tr>
<tr>
<td></td>
<td>7. Providing opportunities to the unions to negotiate with management about green workplace agreement.</td>
</tr>
</tbody>
</table>

Source: Arulrajah, Opatha & Nawaratne (2015)
Opatha and Arulrajha (2014) summarized the basic Green HR functions. See Table 7.

<table>
<thead>
<tr>
<th>HRM Function</th>
<th>Green policies, Procedures, or Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job analysis</td>
<td>To include environmental dimension as a duty in job description.</td>
</tr>
<tr>
<td></td>
<td>To include green competencies as a special component</td>
</tr>
<tr>
<td>Recruitment</td>
<td>To include environmental criteria in the recruitment messages.</td>
</tr>
<tr>
<td></td>
<td>To communicate the employer’s concern about greening through recruitment efforts.</td>
</tr>
<tr>
<td>Selection</td>
<td>To select applicants who are sufficiently aware of greening to fill job vacancies.</td>
</tr>
<tr>
<td></td>
<td>To select applicants who have been engaging in greening as consumers under their private life domain.</td>
</tr>
<tr>
<td>Induction</td>
<td>To make new employees familiar with greening efforts of the organization.</td>
</tr>
<tr>
<td></td>
<td>To develop induction programs showing green citizenship behaviour of current employees.</td>
</tr>
<tr>
<td>Training</td>
<td>To impart right knowledge and skills about greening (the four green roles) to each employee through training program exclusively designed for greening.</td>
</tr>
<tr>
<td></td>
<td>To do training needs analyses to identify green training needs of employees.</td>
</tr>
<tr>
<td>Performance Evaluation</td>
<td>To evaluate employee’s job performance according to green-related criteria.</td>
</tr>
<tr>
<td></td>
<td>To include a separate component for progress on greening in the performance feedback interview.</td>
</tr>
<tr>
<td>Rewards Management</td>
<td>To give financial incentives to employees for their good green performance of job.</td>
</tr>
<tr>
<td></td>
<td>To give non-financial rewards such as praises and recognitions to employees for their greening.</td>
</tr>
<tr>
<td>Discipline Management</td>
<td>To formulate and publish rules of conduct relating to greening.</td>
</tr>
<tr>
<td></td>
<td>To develop a progressive disciplinary system to punish employees who violate the rules of green conduct.</td>
</tr>
</tbody>
</table>

Source: Opatha and Arulrajha (2014)

In order to implement an effective green corporate culture, it is important to promote a great deal of technical and management skills among all employees of the organization. It would be ideal to have effective human resource management practices including stringent recruitment strategies, appraisal and reward systems which include environmental awareness and implementation in their evaluation process and training and empowerment programs, which will enable the development of relevant set of skills and competencies amongst the employees of “pro green” firms.

Factors Affecting Green HRM

Green HRM that is concerned with transforming normal employees into green i.e. environment-friendly employees so as to achieve environmental goals of the organization and finally to make a significant contribution to environmental sustainability. It refers to the policies, practices
The Emerging Roles of HR Professionals...

and systems that make employees of the organization green for the benefit of the individual, society, natural environment, and the business. The researchers are very much interested to identify the factors associated with the successful implementation of Green HR strategies.

Jabbour et al. (2010) relate the phases of gradual implementation of environmental management practices with almost all of the functional and competitive dimensions of HRM (recruitment, selection, training, performance evaluation and reward). We have identified the following factors that are related to Green HRM strategies implementation in the organization.

(i) **Clear and distinct HR policies:** HR policies are continuing guidelines on how people should be managed in the organization. They define the philosophies and values of the organization on how people should be treated. An HR policy provides generalized guidance on how HR issues should be dealt with (Armstrong, 2000).

(ii) **Top Management Commitment:** Top management’s role in achieving a greater level of environmental performance is evidenced, among other aspects, by giving autonomy to the personnel to come up with creative solutions to the problems posed, to develop environmental awareness, and to implement their knowledge in this field.

(iii) **Teamwork:** Environmental performance requires individual and group involvement. Likewise, Barney and Wright (Barney & Wright, 2014) highlight the fact that a sustainable competitive advantage emerges more from teams than from individuals, so that the importance of employee involvement is basically manifested through the empowerment and teamwork.

(iv) **Empowerment:** Empowerment among employees and their willingness to make suggestions are critical factors for successful continuous environmental impact and effective Environment Management System. In order to promote employee involvement management’s conscious effort where employees feel free to make suggestions and are encouraged to improve themselves.

(v) **Management Behavior:** Management behaviour will ultimately serve as a model for the rest of the organization. It is important how the employees are being treated by their supervisors.

(vi) **Merit Systems:** Merit systems must reflect the significance of integration of environmental excellence into marketing, design, operations and service, and signify that all employees have significant responsibility for environmental quality. This can help create an instinctive environmental orientation in the organization (Klassen & McLaughlin, 1993).

Yusoff (2016) identified the following critical factors that affect the strategic Green HRM planning and implementation.

I. Role of HR as Strategic Partner
II. Top Management Commitment
III. Use of Technology in HR
IV. Corporate Social Responsibility
V. Employee Empowerment
VI. Human Resource Competencies

Global Journal of Business Management
Challenges of Green HRM

Human resources play a very important role in managing employees from entry to exit. Now the corporates are focusing on greening the business, so the Human Resource department has the additional responsibility of going green along with HR policies. HR policies are continuing guidelines on how people should be managed in the organization. They define the philosophies and values of the organization on how people should be treated. An HR policy provides generalized guidance on how HR issues should be dealt with.

Deshwal (2015) highlighted the following challenges of Green HRM:

- It is difficult to alter the behaviour of employees in a short span of time.
- Not every employee is equally motivated to participate in the promotion of Green HRM practices in the organization.
- Developing the culture of Green HRM in the entire organization is a cumbersome and lingering process.
- It requires high investment at initial stage and comparatively slow rate of return.
- Sourcing and recruitment of green employees with quality talents is a challenging task.
- It is difficult to measure the effectiveness of green HR practices in employees' behaviour.
- HR professionals faced problems of being expected to provide the essential green structures, green processes, green tools, and green thinking to make the best selection and develop the future green leaders of the organization.

Social Implication

Previous researches have shown a constructive relationship between environment, HRM, and firm. There are a number of reasons for companies to adopt Green HRM practices within the organization that will not only benefit the organization but also give advantages to the most important asset or part of any organization that can never be ignored i.e. employees. Green HRM practices improve employee morale and this may help to save the environment and that will be beneficial for both the company and the employee.

In the past, sound economic performance of the firm was expected to guarantee corporate success by companies and its shareholders, but now it is no longer valid; economic and financial outcomes need to be accompanied by minimization of ecological footprints and increased attention to social and environmental aspects (Sudin, 2011). Therefore, the new strategic issue, corporate environmentalism or green management emerged in 1990s and became a popular slogan internationally in 2000s (Lee, 2009). Daily and Huang (2001) recommended that organizations essentially need to balance the industrial growth and ensuring that the environment where one lives is well preserved and promoted. The adoption of these practices has been presented with a number of different advantages which would ultimately benefit the firm which has led to the emergence of “green and competitive” mantra (Wagner, 2007; Molina-Azorin et al., 2009).

Some of the benefits associated with this adoption include improvements related to firms operational performance (Jackson et al., 2011), promotion of teamwork (Jabbar et al., 2010), improvements in organizational culture (Jabbar et al., 2012) and reduction on overall cost (Hart...
1997). It is identified that the management of environmental systems will enable improvements in synchronization with other management strategies of the firm (Wagner, 2007). From the above discussion it is identified that researchers give importance to adoption of environmental practices as a key objective of organizational functioning to support human resource management practices (Jackson et al., 2011; Daily and Hung, 2001; Sarkaris et al., 2010).

Pawar (2016) identified some of the benefits that an employee and organization can attain by implementing green HRM in the organization as follows:

- Improved rate of retention in employee
- Improved public image
- Improvement in attracting better employees
- Improvement in productivity
- Improvement in sustainable use of resources
- Reduction of practices that cause the degradation of the environment
- Reduced Utility Costs
- Save Environmental Impact
- Rebates and Tax Benefits
- Increased Business Opportunities

CONCLUSION

There is an inherent capacity of HRM functions in greening employees and organizational operations. From job design function to employee relations, HRM has gigantic potential in greening organization and its operations. The key challenge in front of HR professionals is to understand the scope and depth of green HRM in transforming their organizations as green entities. This effort ultimately leads to better environmental performance of the organization. Green HRM is new phenomenon in the field of HRM. It creates some new challenges for HR professionals. The study tried to explore the concepts, importance, processes, requirements and challenges of Green HRM based on the analysis of existing literatures. The study found that

Green HR can adopt various green processes and practices in different HR functions like HR planning, acquisition of human capital, their induction, training, performance management, reward management and better industrial relations which will have a bearing on the overall achievement of the organization’s goals.

It was found that distinct HR policies, top management commitment, teamwork, empowerment, positive management behavior and transparent merit systems are associated with the successful implementation of Green HR strategies. HR professionals face a number of challenges regarding Green HRM. However it is clear from the study that the HR Professionals must address the environmental needs in crafting HR strategies and implementing the HR policies and practices in alignment with environment management. This study is supposed to help the researcher to identify the areas of Green HRM that are yet to be researched.
Scope for Further Research

This study was conducted based on the extensive analysis of existing literature. The author has tried to organize the concepts, process, requirements and challenges of Green HRM in a constructive manner so that it can help the interested readers, researchers and academicians. However Green HRM is an emerging philosophy. Indeed, there are many gaps to be filled in respect of green HRM. Such gaps include an informative guide on the emergent literature, its scope and coverage, and a process model and research agenda in this field. Theoretical and empirical studies are needed to enhance the body of knowledge of Green HRM. The interested contributors/researchers can do extensive quantitative and/or qualitative research on Green HRM.

REFERENCES


Vol. 10, No. 2, December 2016


SUPERVISORY EMPOWERMENT BEHAVIORS, PSYCHOLOGICAL EMPOWERMENT AND WORK OUTCOMES AMONG FRONT-LINE SERVICE EMPLOYEES IN FIVE-STAR TURKISH HOTEL: A REPLICATION

Ronald J. Burke*, Mustafa Koyuncu**, Jacob Wolpin***, Sevket Yirik**** and Kadife Koyuncu*****

ABSTRACT
This research investigated the relationship of perceived supervisor empowerment behaviors with employee feelings of psychological empowerment, important work outcomes, and self-reported assessments of service quality among front line service workers in five star hotels in Turkey. It replicates an earlier study carried out in the same sector. Data were collected from 242 front-line service workers, a 62 percent response rate, from eight hotels, using anonymously completed questionnaires. Respondents were typically relatively young, had short job and hotel tenures, held non-management jobs and worked long hours. All measures used here had been used and validated previously by other researchers. Work outcomes included job satisfaction, affective commitment, work engagement, engaging in voice behaviors, and intent to quit. Both perceived levels of supervisory/leader empowerment behaviors and self-reported feelings of empowerment had significant relationships with all but one work outcome. In addition, feelings of personal efficacy had positive and significant relationships with almost all work outcomes as well. Practical implications of these findings along with future research directions are offered. Practical applications include

1. Preparation of this manuscript was supported in part by York University, Onsekiz Mart University and Akdeniz University. We thank the management of the hotels cooperating by taking part in our research, and our respondents for their participation.

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training supervisors on empowerment behaviors, training all employees on the benefits of personal efficacy and ways to increase it, and paying attention to the downside of working long hours.

**Key Words:** Empowerment behaviors, Organizational cultures, Psychological empowerment, Supportive managerial leadership.

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### INTRODUCTION

This study examined the relationship of perceived supervisor/leader empowerment practices, employee feelings of psychological empowerment, work outcomes, and perceptions of service quality being provided by front-line service workers from five-star hotels in Turkey. The performance of front-line service worker is important factors in the delivery of high quality customer service (Hoque, 1999; Kusluvan, 2003; Kusluvan, Kusluvan, Ilhan & Buyruk, 2012).

Front-line service workers are accountable for the delivery of high quality service. They have frequent contact with clients and in most cases are the faces of the property to clients. The attitudes, skills, knowledge levels and behaviors of front-line service providers are critical elements of the success and effectiveness of firms in the hotel sector. These factors may even become more important given the negative realities of such work such as low pay, routine jobs, autocratic supervision, long work hours, limited career advancement possibilities, and high levels of turnover (Ayupp & Chung, 2010; Baum, 2007; Kusluvan, Kusluvan, Ilhan & Buyruk, 2012).

Organizational cultures associated with high levels of service quality have human resource management policies and practices that obviously support the delivery of high quality service (e.g., recruitment, training, pay) and consistent and supportive managerial leadership. Organizations that empower front-line service workers may have a competitive advantage (Zemke & Schaffer, 1989; Bowen & Lawler, 1995). Empowered employees are more likely to be motivated to respond to client needs, to work harder, be more committed to their organization and be less likely to quit (Davidson, 2003; Honold, 1997; Menon, 2001; Quinn & Spreitzer, 1997).

### Empowering Supervisors, Psychological Empowerment and Performance Benefits

Herrenkohl, Judson and Heffner (1999; p.375) define empowerment as "a set of dimensions that characterize an environments interaction with persons in it so as to encourage their taking initiative to improve processes and to take action." Thus empowerment exists at two levels (Spreitzer, 1997): macro – the organizational context that enhances levels of employee empowerment (e.g., structure, policies, approach to decision making, centralized versus decentralized control) and micro – employees feelings of empowerment, encouraged to take risks, supported in showing initiative, have information about organizational priorities). Individuals differ so some employees are more likely to embrace empowerment than are others (e.g., more educated, more committed to their profession, at higher organizational levels, have more self-efficacy). Individuals have some choice in the levels of psychological empowerment. Several researchers have found an association between self-efficacy and a wide variety of positive work outcomes in a number of different countries (Maddux, 2002; Stajkovic & Luthans, 1998; Luszczynska, Gutierrez-Dona & Schwatzer, 2005; Luszczynaka, Scholz & Schwarzer, 2005).
Not surprisingly then, measures of empowerment have addressed both organizational and individual levels. Matthews, Diaz and Cole (2003) created and validated a measure of organizational empowerment that included three dimensions. Control of workplace decisions-level of employee input and involvement in decisions and policy making; Dynamic structural framework-organizational guidelines indicating potential levels of employee input to decision making and control of their workplace; and Fluidity in information sharing –employees are provided with all information on company objectives, rewards, and clients/customers. Arnold, Arad, Rhoades and Drasgow (2000) created a measure of leader empowerment behaviors that included five dimensions: Leading by example, Informing employees, Coaching employees, Showing concern for the welfare of employees and interacting with them, and using Participative decision making. Spreitzer (1996, 1995) created and validated a measure of personal or psychological empowerment that had four dimensions: Meaning, Competence Self-determination and Impact. There are predictable links between macro and micro-level indicators with organizational level factors increasing individual level responses.

In addition, employee feelings of empowerment would be reflected in more favorable work and well-being outcomes.

These measures have been employed in studies carried out in the hospitality sector. Kazlauskaite, Buciuniene and Turauskas (2012), using the Matthews, Diaz and Cole (2003) measure of organizational level empowerment and the Spreitzer (1995) measure of psychological empowerment, examined the role of both levels of empowerment in the HRM-performance linkage. They collected data from 211 front-line service employees at 30 upscale hotels in Lithuania. They reported that organizational empowerment was positively related to psychological empowerment, job satisfaction and affective commitment. In addition, psychological empowerment and affective commitment mediated the relationship of organizational empowerment on self-reported quality of service. Dewettinck and van Amaijde (2010) used the Arnold et. al. (2000) measure in a study of 381 front-line employees working in four service organizations and found that leadership empowerment behaviors increased levels of both job satisfaction and affective commitment, with psychological empowerment partially mediating these relationships.

Elements of an Empowering Workplace

Several writers have proposed workplace factors associated with higher levels of employee empowerment in addition to those discussed above (Mathews, Diaz & Cole, 2003; Arnold, Arad, Rhoades & Drasgow, 2000; Dewettinck & van Amaijde, 2010). Thus Bowen and Lawler (1992) proposed four factors: sharing of information with employees about the organization’s performance, rewarding employees based on their performance and their performance improvements, giving employees the power to make or challenge decisions, and providing them the knowledge and skills so employees can contribute to organizational performance. Seibert, Wang and Courtright (2011) developed a model based on meta-analysis that included antecedents and consequences of psychological and team empowerment. Four contextual factors were associated with higher levels of psychological empowerment: high performance management characteristics, social-political support, leadership behaviors and job/work characteristics. Individual characteristics (e.g., self-confidence, self-efficacy) also were related to levels of psychological empowerment. Psychological empowerment, in turn, was positively associated with job satisfaction, organizational commitment,
and job and contextual performance. These findings existed at both individual and team-levels of analysis.

**Organizational and Psychological Empowerment in the Hospitality Sector**

Lawler, Mohrman and Benson (2001) suggest that over seventy percent of workplaces have initiated some type of empowerment effort in at least part of their workforce. Since the empowerment concept seems to be a good fit for organizations in the hospitality sector, studies on the potential benefits of empowerment have been reported. Peccie and Rosenthal (2001), using a sample of 711 employees (54 supervisors, 663 general staff) from the third largest supermarket in Britain, assessed an intervention to improve service quality. The intervention was intended to increase supportive and participatory managerial behaviors, role modeling by supervisors the use of job redesign to increase discretion of front-line workers, and improved customer service training. These changes were targeted at increasing levels of psychological empowerment. Respondents with more favorable views of management behaviors and with their participation in customer service value training also reported higher levels of psychological empowerment; psychological empowerment, in turn, was positively related to higher levels of customer-oriented behaviors.

Pelit, Ozturk and Arslanturk (2011) investigated the relationship of employee empowerment and job satisfaction in a sample of 1854 employees of five-star hotels in Turkey reporting that employee feelings of psychological empowerment were associated with higher levels of job satisfaction.

Chiang and Jang (2008), using data from 159 employees from seven hotels in Taiwan, reported that supervisory leadership had a positive and direct effect on trust and organizational culture which in turn increased levels of psychological empowerment, the latter being associated with higher levels of job satisfaction.

Thus, empowerment benefits were present in studies carried out in several different cultures and countries in this sector, suggesting that empowerment benefits transcended national boundaries.

**The Present Study**

In this study, we consider the relationship of employee perceptions of supervisor/leader empowerment behaviors, levels of felt psychological empowerment, and important work outcomes (job satisfaction, affective organizational commitment, work engagement, engaging in voice behavior, intent to quit), and assessments of quality of service provided to guests. It replicates an earlier study (Burke, Koyuncu, Wolpin, Yirik & Koyuncu, 2015) carried out among a sample of front-line service employees from six five-star hotels in another region of Turkey. It is important to replicate findings of single studies, though rarely undertaken to ascertain the robustness of research findings.

**Research Model**

Our research framework proposes a link between supervisory empowerment behaviors, levels of psychological or personal empowerment, work outcomes such as job satisfaction, affective commitment, work engagement, intent to quit, and quality of service provided to hotel guests and clients.
We examine the following general hypotheses.

1. Personal demographic characteristics would be associated with perceptions of supervisor empowerment behavior, psychological empowerment and work outcomes.

2. Supervisor empowerment behaviors will be positively associated with psychological empowerment, job satisfaction, affective commitment, and service quality behaviors and negatively associated with intention to quit.

3. Psychological empowerment will be positively associated with job satisfaction, affective commitment, work engagement, voice behaviors, and service quality behaviors and negatively associated with intentions to quit

**METHOD**

**Procedure**

Data were collected in eight five star hotels in Belek, in the prime tourist region of Antalya Turkey, using anonymously completed questionnaires. Members of the research team had personal contacts in these properties making it easier to enlist their cooperation and participation. These hotels operate on a year round basis with between 400 to 500 employees, with these numbers increasing during peak tourist seasons. Hotel contacts were given 50 surveys each and asked to have a random sample of employees complete them. A total of 242 fully completed surveys were returned to the research team, a 62 percent response rate. While this response rate is typical for organizational surveys and acceptable for analysis, the length of the survey and the time of data collection (during the busy periods of May and June 2014) likely limited employee participation.

**Respondents**

Table 1 presents the personal demographic and work characteristics of our sample (n=242). Most were male (58%), worked full time (88%), were 30 years of age or younger (68%), were single (58%), without children (58%), had high school educations (50%), worked in their present jobs and worked for their present hotels for two years or less (61% and 51% respectively), held non-management positions (87%), had no supervisory responsibilities (54%), worked between 41 and 50 hours per week (74%), and worked in a variety of departments.

<table>
<thead>
<tr>
<th>Gender</th>
<th>N</th>
<th>%</th>
<th>Age</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>141</td>
<td>58.3</td>
<td>25 or younger</td>
<td>92</td>
<td>38</td>
</tr>
<tr>
<td>Female</td>
<td>101</td>
<td>41.7</td>
<td>26 – 30</td>
<td>72</td>
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<tr>
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<td></td>
<td>31 – 35</td>
<td>44</td>
<td>18.7</td>
</tr>
<tr>
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<td>36 or older</td>
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</tr>
<tr>
<td>Full-time</td>
<td>214</td>
<td>88.4</td>
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<tr>
<td>Part-time</td>
<td>28</td>
<td>11.6</td>
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**Marital Status**

Table 1: Demographic Characteristics of Sample

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<thead>
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<tr>
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<th>Department</th>
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<tr>
<td>Housekeeping</td>
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</tr>
<tr>
<td>Food and beverage</td>
<td>High school</td>
</tr>
<tr>
<td>Front office</td>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Accounting</td>
<td>Master’s/Phd</td>
</tr>
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<td>Human resources</td>
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<tr>
<th>Other</th>
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<table>
<thead>
<tr>
<th>Work hours</th>
<th>Organizational level</th>
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<tbody>
<tr>
<td>40 or less</td>
<td>Non-management</td>
</tr>
<tr>
<td>41 – 50</td>
<td>Lower management</td>
</tr>
<tr>
<td>51 – 60</td>
<td>Middle management</td>
</tr>
<tr>
<td>61 – 70</td>
<td>Supervisory duties</td>
</tr>
<tr>
<td>71 or more</td>
<td></td>
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<table>
<thead>
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<th>Organizational tenure</th>
<th>Job tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year or less</td>
<td>1 year or less</td>
</tr>
<tr>
<td>2 years</td>
<td>2 years</td>
</tr>
<tr>
<td>3 years</td>
<td>3 years</td>
</tr>
<tr>
<td>4 years</td>
<td>4 years</td>
</tr>
<tr>
<td>5 years or more</td>
<td>5 years or more</td>
</tr>
</tbody>
</table>

Measures
All measures used in the research were translated from English to Turkish and back by members of the research team fluent in both languages using the back translation method.

Personal and work situation demographics
Personal and work setting characteristics were assessed by a number of single items. The former included: gender, age, current work status, current marital and parental status, and level of education. The latter included hours worked per week, organizational level, job tenure, organizational tenure, and whether respondent had supervisory duties. These items served as control variables in some of our analyses.

Self-efficacy
Self-efficacy, a stable individual difference characteristic, was measured by a ten item scale ($\alpha=.94$) developed and validated by Schwarzer and Jerusalem (1995). Respondents indicated how
true they felt each item was as a description of themselves on a five point Likert scale (1=not at all true, 3=moderately true, 5=exactly true). One item was “I can always manage to solve difficult problems if I try hard enough.”

**Supervisory empowerment behaviors**

Arnold, Arad, Rhoades and Drasgow (2000) developed and validated a measure of empowering leader behaviors. They ended up with five factors: Coaching, Informing, Leading by example, Participative Decision Making, and Showing concern/Interacting with their team. In the present research, each of these five dimensions was measured by five items. Respondents indicated how frequently their supervisor exhibited each behavior on a five point Likert Scale (1=Never, 3=Sometimes, 5=Always).

- **Leading by example** ($\alpha=.87$) An item was “Leads by example.”
- **Participative decision making** ($\alpha=.91$) One item was “Encourages work group members to express their ideas/suggestions”.
- **Coaching** ($\alpha=.89$). An item was “Suggests ways to improve my work group’s performance.”
- **Informing** ($\alpha=.91$). One item was “Explains how my work group fits into the company.”
- **Showing concern/Interacting with the team** ($\alpha=.91$). An item was “Shows concern for work group members well-being.”

**Psychological empowerment**

Psychological or personal feelings empowerment was measured by a twelve item scale developed and validated by Spreitzer (1996, 1995). This measure tapped four dimensions, each addressed by three items. Respondents indicated their agreement with each item on a seven-point Likert scale (1=Very strongly disagree; 4=Neutral, 7=Very strongly agree).

- **Meaning** ($\alpha=.89$.) “The work I do is meaningful to me.”
- **Competence** ($\alpha=.85$) “I am confident about my ability to do my job.”
- **Self-determination** ($\alpha=.86$) “I have significant autonomy in determining how I do my job.”
- **Impact** ($\alpha=.87$) “My impact on what happens in my department is large”.

**Work outcomes**

Five work outcomes were included.

- **Job satisfaction** was assessed by a seven item scale ($\alpha=.89$) developed and validated by Taylor and Bowers (1972). Respondents indicated their agreement with each item on a five-point Likert scale (1=Very dissatisfied, 3=Neither satisfied nor dissatisfied; 5=Very satisfied. One item was “all in all, how satisfied are you with the persons in your work group?”

- **Affective commitment** was measured by a six item scale ($\alpha=.90$) developed and validated by Meyer and Allen (1997). Respondents indicated their agreement with each item on a five-point Likert Scale (1=Strongly disagree, 3=Neither agree nor disagree; 5= Strongly agree). One item was “I am proud to tell others I work at my hotel”.

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Work engagement

Three aspects of work engagement were assessed using measures created by Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002). Respondents indicated their agreement with each item on a five point Likert scale (1=strongly disagree, 3=neither agree nor disagree, 5= strongly agree)

Dedication was measured by five items (α=.88). One item was “I am proud of the work I do.”
Vigor was assessed by six items (α=.84) An item was “At my work I feel bursting with energy.”
Absorption was measured by six items (α=.82). One item was “I am immersed in my work.”

Employee voice

Employee voice behaviors were measured by a six item scale (α=.89) developed by Van Dyne and LePine (1998). Respondents reported how often they engaged in voice behaviors in their workplaces by indicating the frequency of each item on a five point Likert scale (1=Never, 3=sometime, and 5=Very frequently). One item was “I speak up in my workplace with ideas for new projects or changes in the way we do things.”

Intent to quit was measured by two items (α=.74) used by Burke (1991). Respondents indicated “yes or no” for both items. One item was “Are you currently looking for a different job in a different organization?”

Service excellence

Quality of service provided by respondents to guests or clients was assessed by a six item scale (α=.90) developed and validated by Peccei and Rosenthal (2001) Respondents indicated their agreement with each item on a five-point Likert scale (1=Strongly disagree); 3-Neither agree nor disagree, 5=Strongly agree). An item was “I am strongly committed to service excellence”.

RESULTS

Personal and work situation characteristics and empowerment

Table 2 presents the results of linear regression analyses in which the two empowerment measures (supervisor/leader empowerment behaviors, psychological empowerment) were separately regressed on the eleven personal and work situation items (e.g., gender age, organizational level, etc.) The following comments are offered in summary. First, considering perceptions of supervisory/leader empowerment behaviors, respondents working fewer hours, who were single, and more highly educated reported higher levels of perceived supervisory/leader empowerment behaviors (Bs=-.22, -.23 and .14, respectively). Considering self-reported levels of psychological empowerment, respondents who were more highly educated, at higher organizational levels, worked fewer hours, and were single reported higher levels of personal empowerment (Bs=.24, 19, -.16, and -.17, respectively).
Table 2: Personal and Work Situation Characteristics and Empowerment

<table>
<thead>
<tr>
<th>Supervisor/Leader empowerment</th>
<th>$R$</th>
<th>$R^2$</th>
<th>$R^2$</th>
<th>$P$</th>
</tr>
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<td>Work hours (-.22)</td>
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<td>Marital status (-.22)</td>
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<tr>
<td>Education (.14)</td>
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</tr>
<tr>
<td>Psychological Empowerment (N=239)</td>
<td>.44</td>
<td>.19</td>
<td>.16</td>
<td>.001</td>
</tr>
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<tr>
<td>Marital status (-.17)</td>
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</table>

Supervisory/leader empowerment behaviors and psychological empowerment

Table 3 shows the results of hierarchical regression analyses in which the measure of psychological empowerment was regressed on three blocks of predictors entered in a specified order. The first block of predictors were selected personal demographic and work situation characteristics (n=3; organizational level, education, and work hours). The second block of predictors was the measure of perceived supervisory/leader empowerment behaviors (n=1). And the third and final block of predictors was the measure of personal efficacy (n=1). When a block of predictors accounted for a significant amount or increment in explained variance ($P<.05$) on a given dependent variable, individual items within such blocks having significant and independent relationships with the dependent variable were identified.

Table 3: Supervisor Empowerment Behaviors and Psychological Empowerment

<table>
<thead>
<tr>
<th>Psychological Empowerment (n=241)</th>
<th>$R$</th>
<th>$R^2$</th>
<th>$R^2$</th>
<th>$P$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal demographics</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational level (.13)</td>
<td>.65</td>
<td>.44</td>
<td>.27</td>
<td>.001</td>
</tr>
<tr>
<td>Education (.12)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisory empowerment (.47)</td>
<td>.68</td>
<td>.47</td>
<td>.03</td>
<td>.001</td>
</tr>
<tr>
<td>Self-efficacy (.20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following comments summarize these results. First, respondents at higher organizational levels and those having more education indicated higher levels of psychological empowerment ($B$s=.13 and .12, respectively). Second, respondents reporting higher levels of supervisory/leader empowerment behaviors also indicated greater psychological empowerment ($B$=.47). Finally, respondents reporting higher levels of personal efficacy also indicated higher levels of psychological empowerment ($B$=.20).
Supervisor empowerment behaviors, psychological empowerment and work outcomes

Table 4 presents the results of hierarchical regression analyses in which the five work outcomes, and the measures of self-assessed service quality, were separately regress on four blocks of predictors. The first block of predictors (n=3) included personal demographic and work situation characteristics, (level of education, organizational level, work hours). The second block of predictors included the measure of perceived supervisor/leader empowerment behaviors (n=1). The third block of predictors was the measure of personal self-efficacy (n=1). The fourth and final block of predictors was the measure of psychological empowerment (n=1). When a block of predictors accounted for a significant amount or increment in explained variance on a given dependent variable (p<.05), individual items or measures within these blocks having significant and independent relationships with this variable (p<.05) were identified. Table 3 presents the results of these analyses.

| Table 4: Empowerment, Self-efficacy and Work Outcomes |
|-----------------|----------|----------|-------|-------|
| Work outcomes   |          |          |       |       |
| Job satisfaction (n=241) |          |          |       |       |
| Personal demographics | .26     | .07      | .07   | .001  |
| Supervisor empowerment  | .59     | .35      | .28   | .001  |
| Personal efficacy  | .59     | .35      | .00   | NS    |
| Psychological empowerment | .63     | .40      | .04   | .001  |
| Organization commitment (n=241) |          |          |       |       |
| Personal demographics | .26     | .07      | .07   | .001  |
| Supervisor empowerment  | .55     | .30      | .24   | .001  |
| Personal efficacy  | .59     | .34      | .04   | .01   |
| Psychological empowerment | .64     | .41      | .07   | .001  |
| Work engagement (N=241) |          |          |       |       |
| Personal demographics | .35     | .12      | .12   | .001  |
| Supervisor empowerment  | .59     | .34      | .22   | .001  |
| Personal efficacy  | .60     | .36      | .02   | .05   |
| Psychological empowerment | .76     | .58      | .22   | .001  |
| Voice behavior (n=241) |          |          |       |       |
| Personal demographics | .37     | .14      | .14   | .001  |
| Supervisor empowerment  | .63     | .40      | .06   | .001  |
| Personal efficacy  | .68     | .46      | .19   | .01   |
| Psychological empowerment | .80     | .65      |       | .001  |
Supervisory Empowerment Behaviors, Psychological Empowerment...

<table>
<thead>
<tr>
<th>Intent to quit (n=237)</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal demographics</td>
<td>.05</td>
<td>.00</td>
<td>00</td>
<td>NS</td>
</tr>
<tr>
<td>Supervisor empowerment</td>
<td>.11</td>
<td>.01</td>
<td>.01</td>
<td>NS</td>
</tr>
<tr>
<td>Personal efficacy</td>
<td>.19</td>
<td>.04</td>
<td>.02</td>
<td>NS</td>
</tr>
<tr>
<td>Psychological empowerment</td>
<td>.20</td>
<td>.04</td>
<td>.00</td>
<td>NS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Quality (n=241)</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal demographics</td>
<td>.29</td>
<td>.08</td>
<td>08</td>
<td>.001</td>
</tr>
<tr>
<td>Supervisor empowerment</td>
<td>.55</td>
<td>.30</td>
<td>.22</td>
<td>.001</td>
</tr>
<tr>
<td>Personal efficacy</td>
<td>.76</td>
<td>.36</td>
<td>.06</td>
<td>.01</td>
</tr>
<tr>
<td>Psychological empowerment</td>
<td>.72</td>
<td>.52</td>
<td>.17</td>
<td>.001</td>
</tr>
</tbody>
</table>

A summary of these findings follows. First, none of the predictors accounted for a significant amount or increment in explained variance on Intent to Quit. Intent to quit was generally very low in this sample likely reflecting the relatively short job tenures of many front-line service workers and potential difficulty in finding other employment that might be better. Second, both perceptions of supervisor/leader empowerment behaviors and personal levels of psychological empowerment accounted for significant increments in explained variance on all six work outcomes (job satisfaction, organizational commitment, work engagement, voice behaviors, intent to quit and quality of service).

Third, the measure of personal efficacy accounted for a significant increment in explained variance on four of the size work outcomes considered. (Not intent to quit and job satisfaction).

Additional observations

Some broader observations can also be drawn from these findings. Self-efficacy emerged as an important individual difference characteristic associated with the two empowerment measures. This suggested that individual attitudes, skills and feelings of personal confidence made employees more amenable and embracing of empowerment practices and were more likely to take advantage of the opportunity extended to them by higher levels of supervision and leadership.

Not surprisingly, individuals at higher organizational levels reported both more supervisory/leader empowerment behaviors and higher levels of their own psychological empowerment. It is possible to instill characteristics of the experiences of these higher level respondents (more influence, more discretion) into front-line serve provider jobs as well- one approach to increasing levels of empowerment.

Interestingly, respondents working longer hours had lower reports of both supervisory/leader empowerment behaviors and levels of psychological empowerment. This likely reflects the facts that these individuals also were at lower levels in the organization and held more routine jobs.

DISCUSSION

We found support for our three hypotheses (see Tables 2, 3 and 4). First, some personal demographic and work situation characteristics emerged as significant predictors of both empowerment measures (see Table 2). Individuals at higher organizational levels those having higher levels of education elated to higher personal efficacy, and those working fewer hours (related to
being at higher organizational levels) perceived higher levels of supervisor empowerment behaviors and indicated higher levels of personal psychological empowerment. Second, levels of supervisor empowerment behaviors were significantly related with front-line service workers feelings of psychological empowerment (see Table 3). In addition, personal efficacy played a positive role here as well (see Table 4). Third, levels of psychological empowerment were generally positively related with work outcomes, with the exception of Intent to Quit (see Table 4). Our results were generally consistent with previous writing and research carried out both in tourism and hospitality and other sectors reviewed above. In addition, these results replicate the findings from our previous work investigating these same concepts in a different sample of service employees from five-star hotels.

**PRACTICAL IMPLICATIONS**

Our work has shown that higher levels of supervisor empowering behaviors was associated with positive outcomes in studies carried out in the hospitality sector as well as in the manufacturing sector (Burke, Koyuncu, Wolpin, Acar & Koyuncu, 2015). But empowerment may not be a good fit for every organization and sector (Greasley, et. al, 2005; Bowen and Lawler, 1995, 1992) Quinn and Spreitzer (1997) list seven questions that executives should address about the fit of empowerment with their business environment and organizational characteristics.

Implementing empowerment practices is a difficult challenge (Aherne, Mathlieu & Rapp, 2005). There is typically conflict between management’s desire for control and employee feelings of empowerment. There is also a discrepancy between manager’s opinions of levels of employee empowerment and employee feelings of empowerment (Hales, 2000, 1998, Harley, 1999). Implement an empowerment initiative represents a major organizational change, and with all major organizational change efforts, many efforts here fail or fall short.

Based on our work and the work of others (see Spreitzer, 2008 for a review) we conclude that empowerment practices will enhance the delivery of high quality service in the hospitality sector. In addition, several ways to increase levels of empowerment of both front line employees and managers have been identified. These include increasing employee participation in decision making, delegating authority and control to these employees, creating more challenging work roles through job redesign, leaders sharing more information, and leaders providing more coaching and mentoring to their staff. At the micro level, increasing levels of employee self-efficacy through training and more effective use of their work experiences will increase personal empowerment and improve work outcomes (Maddux, 2002). Getting value from these initiatives comes down to effective change implementation in the end (Caccioppe, 1998; Jones, Taylor & Nickson, 1997, Hales, 2000 Hales & Klidas, 1998).

**LIMITATIONS OF THE RESEARCH**

The present research has shortcomings which should be noted to better consider the findings. First, all data were collected using self-report questionnaires with the risk of response set and common method biases. Second, all data were collected at one point in time making it challenging to address issues of causality. Third, all respondents came from high quality properties in one region of Turkey thus the extent to which our findings would generalize to hotels in other regions.
or hotels of other quality levels needs further study.is indeterminate. Fourth, it was not possible to determine the representativeness of our sample as well.

**Note.** Preparation of this manuscript was supported in part by York University, Onsekiz Mart University and Akdeniz University. We thank the management of the hotels cooperating by taking part in our research, and our respondents for their participation.

**REFERENCES**


A STUDY ON GREEN HUMAN RESOURCE MANAGEMENT PRACTICES IN SELECTED MANUFACTURING INDUSTRIAL UNITS OF UDAIPUR REGION

Meera Mathur* and Aparna Soni**

ABSTRACT

Green Human Resource Management (GHRM) is an emerging concept in the present business world. Industrialization, urbanization and mechanization have generated a need among business organizations to combine the human resource management with environmental management-Green human resource management. Green HRM deals with the HR activities which are environment friendly. Green HRM strategy is basically used for reducing the carbon footprint of each & every employee and for retaining the knowledge capital of the organizations. Green HRM plays an important role in motivating the employees to participate in pollution control, preservation of natural resources, waste management and manufacturing of eco-friendly products. The current research work is carried out to present a comprehensive literature review on Green HRM and to report the results of the survey on Green HRM practices in selected manufacturing industrial units of Udaipur region. Results of the study revealed that Green HRM is still in a nascent stage in the manufacturing industries of Udaipur region. It is suggested that industries should give more priority to make each function of HRM Green.

Key Words: Green Human Resource Management (GHRM), Carbon footprint, Knowledge capital, Manufacturing Industrial Units

INTRODUCTION

Growing global environmental concerns and the development of international environmental standards are creating the need for business organizations to adopt formal environmental strategies and programs (Daily & Huang, 2001). In today’s competitive world, organizations have to give
due importance to social & environmental factors along with the economical & financial factors to be successful. Environmental concern of business organizations generated a need for integration of environmental management into human resource management, which is called as ‘Green human resource management’. Business organizations should incorporate green initiatives into their daily routine’s work activities. Environmental friendly HR initiatives results in greater efficiencies, lower costs and better employee engagement, commitment & retention, which in turn helps organizations to operate in a sustainable environment.

Green HRM is defined as greening of functional dimensions of human resource management such as job description and analysis, recruitment, selection, training, performance appraisal and reward system (Jabbour et. al, 2010). Green HR is the use of Human resource management policies to promote the sustainable use of resources within business organizations and, more generally, promote the cause of environmental sustainability (Mandip, 2012). It is all about the policies, practices and systems which transform the organization’s employees into green employees for the benefit of the individuals, society and natural environment etc.

Green HRM is a strategy which is primarily used for reducing the carbon footprint of each and every employee and for retaining the talented employees of the organizations. Green HRM practices are the actual green HRM programs, processes & techniques which are introduced in the business organizations for reducing the negative environmental impacts of the organizations and for enhancing the positive environmental impacts of the organizations. Green HRM consists of two essential elements:

• Environment friendly HR practices; and
• Preservation of knowledge capital.

The term ‘Green HRM’ is generally used to refer to the concern of people management policies and practices towards the broader corporate environmental agenda of protection and preservation of natural resources. Green HRM activities help in creating a culture of having concern for the health and general well being of all the employees besides having concern for environmental protection. It creates a Green HR platform where the employees experience high job satisfaction, which ultimately results in higher productivity.

Typical Green practices include- video recruiting, electronic filing, car sharing, job sharing, teleconferencing, online training, flexible working hours and telecommuting, energy-efficient office spaces etc. Some of the areas where an organization can work on developing Green activities are- inclusion of environmental management as a green objective in the mission and vision statement, decreasing the use of printed material, increasing recycling, using energy saving and green devices, reducing the requirement of business travel, taking cleanliness & waste management initiatives and organizing wellness programs for employees etc.

Benefits of Green HRM in an Organization

Green HRM helps in achieving organizational objectives such as- cost saving, corporate social responsibility, talent acquisition and retention etc. Some other benefits of Green HRM are-

• Improved employees’ morale.
• Increased employees’ retention and reduced employees’ turnover.
Increased employees’ loyalty.
- Enhanced organizational efficiency and productivity.
- Improved brand image of organization in the market.
- Reduction in the overall costs of the organization.
- Improved relationship of the organization with its stakeholders- customers, suppliers, shareholders, employees and government agencies.
- Increased customers’ confidence.
- Reduced ill-effect on the environment.
- Improved competitiveness and increased overall performance.

**REVIEW OF LITERATURE**

The concept of Environmentalism and Green Human Resource Management was emerged in 1990s and it was globally accepted in 2000s (Lee, 2009). Business organizations play a key role in issues of environmental management as they are part of our society and they cannot be isolated from the environment. In addition to this, they are one of the major contributors of carbon footprints to the environment (Liu, 2010). In the twenty first century organizations are taking a more strategic approach to environmental management (Daily & Hauung, 2001). Green HRM is defined as a process whereby organizations manage the environment by developing environmental management strategies in which organizations need to make a balance between industrial growth and safeguarding the natural environment, so that future generation may thrive (Sheopuri & Sheopuri, 2015).

Green HRM activities are considered as an important way to integrate the natural environment into corporate decision making and this requires the business organizations to perform financially (as is conventionally expected from business entities) as well as ecologically. By endorsing Green practices, the organizations can earn more profit than before (Murari & Bhandari, 2011). The main objective of Green HRM is to make the employees aware of the intricacies of environmental management i.e. what action is needed, how it functions and how does it help the environment. The purpose of going Green is to use the products and methods which would not negatively affect the environment through pollution or depleting the natural resources (Robinson, 2008). Going Green is a holistic process aimed at smarter energy usage, low costs, low wastage, using sustainable resources or recyclable material etc. It is seen as taking steps towards maximizing the sustainability and viability of our planet. It is also identified that greater the strength of Green HR policies, the greater is the intensity of adoption of environmental management system (EMS) and policies by the different business organizations (Bohdanowicz et. al, 2011).

Successful implementation of environmental management approach in an organization needs special efforts of human resource managers as well as support of managers and employees at all levels along with the required resources (Rothenberg, 2003). Employees who are actively involved in environmental endeavors may significantly enhance a company’s chance for superior environmental performance (Govindarajulu et. al 2004). In order to make sure that the organizations gets right employee’s green inputs and right employee’s green performance of the job, it is necessary that HRM functions need to be adapted or modified to be green (Opatha & Arulrajah, 2014). Here
is the brief description of HR functions which identify with the sustainability and the natural environment at the workplace.

Green recruitment can be defined as the process of hiring individuals with knowledge, skills, abilities and behaviors that identify with environmental management system within an organization. Green recruitment is the integration of corporate environmental policy and strategies into recruitment policy of an organization (Arulrajah et. al, 2015). Green recruitment practices include indicating or making transparent about organization’s environmental performance when communicating the recruitment message to individuals (Wehrmeyer, 1996). Bauer & Aiman-Smith (1996) stated that the intention of individuals to accept the job offer will be higher towards the organizations who take a proactive stand towards the environmental protection.

Green training and development is defined as educating employees about the value of Environmental management. The main motive of Green T&D is raising the level of eco-literacy among employees and enhancing their environmental proficiency (Roy & Therin, 2008). Organizations should conduct special training programs on environmental management aspects, of safety, energy efficiency, waste management and recycling etc., for employees to make them aware of different aspects of environmental management (Renwick et. al, 2012). Green T&D helps in sharpening the skills of the employees to deal with different environmental issues. Without proper education and training & development, targeted environmental performance of an organization cannot be achieved.

Green performance management consists of issues related to environmental concerns and policies of an organization. Marcus & Fremeth (2009) stated that organizations should set environmental performance standards for its employees. Further they should install Green information systems in order to gain useful data on environmental performance. Green Performance management system should cover topics such as environmental incidents, usage of environmental responsibilities, reducing carbon emissions and the communication of environmental concerns and policy etc. (Wehrmeyer, 1996). Organizations should encourage employees to involve themselves in green activities and facilitate environmental management learning.

Green Rewards and Compensation is attainment of specific environmental initiatives that should be integrated into the compensation system by offering employees a benefit package for green performance. Green rewards and compensation can be assumed as potential tools for supporting environmental activities in organizations. Renwick et. al (2012) suggested several green reward management practices such as monetary based environmental management rewards (bonuses, cash, premiums), non monetary based environmental management rewards (sabbaticals, leave, gifts), recognition based environmental management rewards (publicity, daily praise, appreciation by CEO) etc. Forman & Jorgensen (2001) stated that rewards/incentives encourage employees to take up duties in relation to environmental protection.

Green employee relations are concerned with employees’ participation in environmental management. In Green HRM, employee relations and union support are critical in implementing corporate environmental initiatives and programs. Renwick et. al (2012) suggested certain Green employee relation practices such as employee involvement and participation in Green suggestion schemes, integrating employee involvement and participation into Green maintenance, providing
opportunities to unions to negotiate with management about Green workplace agreement and employee help-line for guidance in Green matters etc.

Some of the benefits associated with adoption of Green practices are- improvement in organization’s operational performance, promotion of teamwork, improvement in organization’s culture, reduction in overall costs etc. (Jabbar & Abid, 2015). It is also stated that employees show greater commitment and job satisfaction in a company which is actively implementing Green HR practices. Organizations, having good environmental reputation, can have devoted employees, loyal customers, trusty suppliers and investors (Jabbour & Santos, 2008).

Research Objectives

- To provide with a basic understanding of Green HRM.
- To check the awareness among the respondents of manufacturing industrial units about the Green HRM.
- To check the implementation of various Green HR practices in manufacturing industrial units of Udaipur.

Process Model of Green HRM

Green HRM is the set of HR functions (Recruitment, Training & Development, Performance Management System, Rewards & Compensation and Employee Relations) that directs the employees
to achieve the organizational goals as well as environmental goals. Green HRM process begins with recruiting prospective green employees into the organization followed by green training and development, green performance management system, green rewards & compensation and environmental friendly employee relations. Green HR functions should be supported by Green HR practices like green printing, job sharing, virtual interviews, recycling, waste management, telecommuting, car pooling, e-filing etc. for achieving the environmental goals. The major outcomes of Green HRM are increased savings, improved social image, talent retention and greater focus on corporate social responsibility.

**METHODOLOGY**

- **Type of Research:** Descriptive Research.
- **Population:** Target population of the study was the selected manufacturing industrial units of Udaipur region. These are marble industries, tiles industries, minerals industries, cement industries and chemical industries.
- **Sample Size:** Data for the study was collected from 100 respondents working in manufacturing industrial units of Udaipur.
- **Sampling Technique:** Convenience Sampling Technique.
- **Data Collection:** Both primary and secondary data are collected for the study. Primary data for the study was collected directly from the target respondents through structured questionnaire which consisted “close ended questions”. Secondary data for the study was taken from various journals, articles, magazines, websites etc.
- **Statistical Tool:** Data is analyzed using SPSS 16.0.

**Data Analysis and Interpretation**

**Test of Reliability**

The responses were collected from a well structured questionnaire designed to measure the Green Human Resource Management Practices in manufacturing industrial units of Udaipur region. The reliability of the instrument was estimated by calculating Cronbach’s alpha. Overall reliability for the instrument was .885 which is above the threshold limit of Cronbach’s alpha value. So it is considered as reliable.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s alpha value</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green HRM Practices</td>
<td>.885</td>
<td>19</td>
</tr>
</tbody>
</table>
Green HRM Awareness amongst the Respondents

Interpretation: It has been observed that 56% of the respondents are not aware about the term Green HRM while remaining 44% of respondents have awareness about it.

Data analysis for Green Recruitment Policy

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Study factors</th>
<th>Agreeable level of opinion</th>
<th>No. of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Your organization includes environmental awareness criteria in recruitment policy.</td>
<td>Strongly Agree</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>52</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td>100</td>
</tr>
<tr>
<td>2.</td>
<td>Your organization conducts virtual interview.</td>
<td>Strongly Agree</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Your organization carries out joining formalities without the use of paper.</td>
<td>Strongly Agree</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td>100</td>
</tr>
<tr>
<td>4.</td>
<td>Your organization selects only those candidates who are compatible with the organization’s environmental sustainability efforts.</td>
<td>Strongly Agree</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td>100</td>
</tr>
</tbody>
</table>
Interpretation: The above table indicates the extent to which manufacturing industries adopt the Green recruitment practices. The interpretations drawn from the above table make it clear that recruitment policy of manufacturing organizations does not reflect the environmental sustainability agenda. Industries still are not competent enough to carry out joining formalities completely online and most of the industries are still focusing on face to face interviews. In the selection procedure also environment sustainability criteria is not yet included.

Data Analysis for Green Training Policy

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Study factors</th>
<th>Agreeable level of opinion</th>
<th>No. of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Your organization offers special green programs to newly joined employees.</td>
<td>Strongly Agree</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>2.</td>
<td>Your organization includes environmental awareness criteria in training need assessment.</td>
<td>Strongly Agree</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>51</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>3.</td>
<td>Training is exclusively designed to impart right knowledge and skills about Greening.</td>
<td>Strongly Agree</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>4.</td>
<td>Training program is carried out paperless.</td>
<td>Strongly Agree</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Interpretations: The above table indicates the extent to which manufacturing industries adopt the Green training practices. The interpretations drawn from the above table make it clear that Greening criteria is not yet adequately included in the induction program of new employees.

Most of the respondents said that their industries do not include environment awareness criteria while assessing the training needs. It has been observed that industries lack in designing exclusive training sessions for imparting knowledge and skills about greening. Industries fail to carry out paperless practices and they have to put lot of efforts in order to carry out paperless activities in this area.
Data analysis for Green Performance Appraisal and Green Reward Policy

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Study factors</th>
<th>Agreeable level of opinion</th>
<th>No. of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Environmental friendliness is one of the criteria to evaluate employee’s job performance.</td>
<td>Strongly Agree</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>47</td>
<td>47</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>2.</td>
<td>Your organization sets green targets, goals and responsibilities for its employees.</td>
<td>Strongly Agree</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>3.</td>
<td>Your organization rewards its employees for their good environmental performance.</td>
<td>Strongly Agree</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Interpretations:** The above table indicates the extent to which manufacturing industries adopt the Green performance appraisal and Green reward practices. The interpretations drawn from the above table make it clear that most of the industries do not consider the green behavior of employees while evaluating their job performance. Most of the respondents said that their industries do not set green targets, goals and responsibilities for employees and they do not get any kind of reward for their good environmental performance.

Data analysis for Green HR Practices

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Study factors</th>
<th>Agreeable level of opinion</th>
<th>No. of Respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Your organization promotes plastic free zone in the organizational campus.</td>
<td>Strongly Agree</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>2.</td>
<td>Your organization takes cleanliness and waste management initiatives.</td>
<td>Strongly Agree</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disagree</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strongly Disagree</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Contd...
Interpretations: The above table indicates the extent to which manufacturing industries adopt the Green HR practices. The interpretations drawn from the above table make it clear that most of the industries take cleanliness and waste management initiatives. Most of the respondents said that their industries motivate their employees for planting trees in or outside the industrial premises. It is also clear from the above table that most of the industries do not promote plastic free zone in the industrial premises and they do not motivate their employees for car pooling.

Use of Daylight in the Organizational Premises

Interpretations: Most of the respondents expressed that there is average use of daylight in their daily operations.
Use of recycled paper in the organization

Interpretations: It has been interpreted from the above graph that manufacturing industries still are not conscious enough to make the use of recycled paper.

Use of energy saving and Green devices

Interpretations: It has been interpreted from the above graph that manufacturing industries are making the use of energy saving and green devices.

**FINDINGS**

- 56% of the respondents were not aware about the term Green HRM.
- 68% of the respondents stated that there organizations do not include environmental awareness criteria in recruitment policy.
55% of the respondents were disagreeing with the statement that their organizations conduct virtual interviews. Only 45% of the respondents were agreeing with this statement.

41% of the respondents were disagree and 12% of the respondents were strongly disagree with the statement that their organizations carry out joining formalities without the use of paper.

64% of the respondents stated that in selection procedure environmental sustainability criteria is not yet included.

37% of the respondents stated that their organizations offer special green programs to newly joined employees while 63% of the respondents stated that their organizations do not offer such programs.

51% of the respondents were disagree and 13% of the respondents were strongly disagree with the statement that their organizations include environmental sustainability criteria in training need assessment.

53% of the respondents were disagreeing with the statement that training is exclusively designed to impart right knowledge and skills about greening. Only 47% of the respondents were agreeing with this statement.

56% of the respondents stated that training is not carried out paperless. Only 44% of the respondents stated that training is carried out paperless.

61% of the respondents stated that manufacturing industries do not consider the green behavior of employees while evaluating the job performance.

56% of the respondents stated that their organizations do not set green targets, goals and responsibilities for their employees.

61% of the respondents were disagreeing with the statement that their organizations reward their employees for their good environmental performance. Only 31% of the respondents were agreeing with this statement.

63% of the respondents stated their organizations do not promote plastic free zone in the organizational premises.

62% of the respondents stated that their organizations take cleanliness and waste management initiatives.

58% of the respondents stated that their organizations motivate the employees for planting trees in or outside the organizational premises.

60% of the respondents stated that their organizations do not motivate their employees for car pooling.

62% of the respondents stated that their industries still are not conscious enough to make the use of the recycled paper.

43% of the respondents stated that their industries are making the use of energy saving and green devices.

48% of the respondents stated that there is average use of daylight in their daily operations.
SUGGESTIONS

• Organizations should drive campaigns to raise the awareness about the Green practices within the organization as well as outside the organization.
• HR managers should work in the direction of making each function of HRM Green.
• HR managers should align Green HR practices with corporate sustainability goals.
• Organizations should invest heavily in the environmental training of employees.
• Managers should motivate and encourage their employees to pursue Green practices.
• Managers should motivate the employees with incentives for maintaining Green work environment.
• Managers should organize an earth day, recycling day or simple clean up day. This provides employees an opportunity to share ideas about going Green.
• Managers should take disciplinary actions to punish the employees who break the rules of Green practices.

CONCLUSION

This study helps to understand the concept of Green HRM and its importance. Green HRM functions and Green HR practices are the powerful tools in making organizations and their operations green. Green HRM plays an important role in motivating the employees to participate in pollution control, preservation of natural resources, waste management and manufacturing of eco-friendly products. Without proper Green HRM practices, it is difficult to create and maintain sustainable environmental performance.

This study reveals that Green HRM is still in a nascent stage in the manufacturing industries of Udaipur region. In Udaipur region, very few manufacturing industries are following green agenda. Greening criteria is yet not adequately included in the recruitment policy, training programs, performance management system and rewards & compensation policy of the manufacturing industries. From recruitment function to employee relations, HRM has huge potential in greening the organizations and their operations. Hence, it is suggested that industries should give more priority to make each function of HRM Green. Green HRM works as backbone of any organization as it lays down a fruitful impact on the organization’s overall performance.

Green HR initiatives result in increased efficiencies, cost reduction, employee retention, improved productivity and improved company’s image, besides other tangible benefits.

REFERENCES


IMPACT OF SERVICE QUALITY ON CONSUMER PERCEPTION WITH REFERENCE TO MULTI E-RETAILERS

Dr. Garima Malik and Manpreet Kaur Oberoi

ABSTRACT
In a competitive landscape like that of e-commerce where businesses compete for customers, customer satisfaction is seen as a main differentiator and progressively has become a key element of business strategy. The increasing dependence of companies on online channels and the increasing consumer traffic on e-commerce websites, it is critical for the companies to evaluate their service levels. For sustenance in the market, the e-commerce players should try to win customer loyalty by providing enhanced service quality. Customer Satisfaction is dependent on level of service quality provided by organizations. A new model has been used to measure the level of service quality in e-commerce websites modifying the SERVQUAL model suggested through various literatures. The variables used for study are: Trust, Website Interface, Pricing and personalization to evaluate the impact of service quality on customer satisfaction amongst various online shoppers using multiple regression analysis of variance and coefficient of covariance. Through convenience sampling, 100 respondents were taken for the study. The responses were analyses separately for two sets of customer groups based on gender: male and female online shoppers to take into account the gender based differences in perceptions of service quality of e-commerce websites.

Key Words: Service Quality, Customer Satisfaction, Trust, Website Interface, Personalization, Pricing, e-commerce, consumer perceptions

INTRODUCTION
More and more companies are using and exploiting internet as a new channel of delivery of products and services through various online platforms by creating own websites or using third parties’ websites such as Flipkart, Amazon, Jabong or E-bay. The success of e-commerce companies depends upon realizing that the key determinant of success, popularity and consumer
satisfaction and retention lies in providing high quality of services. Low Price tactics or aggressive promotions are no longer attractive to consumers; rather high service levels are what helps a company survive in such a competitive market. Customer purchase decisions are not dependent only on prices or offers but more on the availability of information, options and customer services like customization. E-service quality has a prominent impact on customer satisfaction, loyalty, retention and popularity in the longer run. In order to develop customer loyalty and retention, the e-commerce companies need to actively try and create high degree of customer satisfaction through differentiated e-services. More attention on maintaining e-service quality, before, during and after the online transactions.

Service quality may be defined as the difference between customer’s expectation before the moments of truth and the perceptions formed after actually receiving the service. If the performance does not reach the expected level, customers may consider the quality of services to be low. And if the service levels exceed customers’ expectations, the perception of service quality may go up. Also, in a competitive landscape like that of e-commerce, the service quality is critical to these firms. Customer satisfaction decides the fate of e-commerce companies. It helps in evaluating the service levels of e-tailers.

Customer satisfaction is derived through consumer benefits and utility provided by e-trailers, the benefits may include convenience, value for money and reliability. This means that accelerators of online satisfaction may include my include website features, user friendliness, ease of use and such characteristics which are exclusive to the e-commerce website value and relative values.

**Reasons for growth in E-commerce Sector**

The main factors for this rapid growth in the revenues and number of e-commerce companies operating out of India was the growth of a young tech-savvy generation employed in IT companies, rise in disposable income, changing lifestyles and easier access to banking and internet facilities.

Contrary to the general perception that women are active shoppers, a study by Google reveals that online shopping is dominated by men – 63% men vs. 37% women. This could be due to the lack of financial independence and access to banking facilities like credit/debit cards among a larger population of Indian women.

People of the age group 18 – 35 years are the largest purchasers of items online, with a majority among them having access to their own financial resources.

Internet is accessed majorly from home or workplace but there is a growing number of people who access internet from mobile devices also. Currently it is estimated that 30% of online shopping queries come from mobile phones.

Almost half of the internet shopping comes from outside the top four metro cities with apparel and accessories being the hottest categories. The number of repeat customers from tier 2 and tier 3 cities is also an encouraging sign for e-tailers.

30% of online buyers were drawn to Internet shopping for discounts, 37% of users valued the convenience of shopping from home and 29% appreciated the expanded variety of products available online compared to brick-and-mortar stores.
Like brick and mortar retail shops, online retailers also generate a lot of data from which useful customer insights and shopping patterns can be inferred. Analysis of big data offers huge scope in expanding the e-commerce market and in understanding user behaviors. This will help in digital tracking of customers and in designing customized and targeted advertising and offers. Various E-commerce players may effectively design and manage customer relationship programmes.

The entry Amazon into Indian markets with its e-commerce website amazon in has led to a new chapter in the e-commerce industry in India. With direct FDI still not permitted, Amazon has come up with an innovative business strategy to enter this sunrise sector in India. It has brought together different online vendors on a single platform. This could be a strategy that even bigger Indian players could use in the long run as the markets mature.

With the e-commerce space starting to mature, a consolidation is expected in the e-commerce sector.

A large number of smaller players who see smaller volume and sales turnover might get absorbed by the bigger players or may be forced to shut down. With profit margins being thin in this sector, many of the smaller firms might get bought up by the larger ones.

E-commerce is India is a lucrative sector and companies that would want to reap the benefits of this growing industry would need to jump into the bandwagon soon. The rapid growth of this sector...
sector is propelled by dynamic demographics, rising income levels and changing lifestyles, increasing internet penetration and banking and other payment options like e-wallets etc. But challenges in the form of under-developed IT infrastructure, smaller number of credit card users, logistics issues and lack of governmental incentives plague this sector to certain extent. Despite the challenges, the e-commerce industry in India offers great scope due to the huge potential market size and increasing discretionary spend of the people.

**Future of E-commerce**

According to a study by Forrester, the Indian E-commerce sector is set to grow the fastest in the Asia-Pacific region at a CAGR of 57% between 2012-2016.

![Table: Indian E-commerce industry vs. APAC](image)

<table>
<thead>
<tr>
<th>Country</th>
<th>Sales in $ Billion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
</tr>
<tr>
<td>India</td>
<td>1.6</td>
</tr>
<tr>
<td>Australia</td>
<td>23.2</td>
</tr>
<tr>
<td>Japan</td>
<td>63.9</td>
</tr>
<tr>
<td>China</td>
<td>169.4</td>
</tr>
</tbody>
</table>

*Source: Forrester*

**Figure 2: Indian E-commerce industry vs. APAC**

Though currently having one of the smallest bases, e-commerce market in India is set to grow by more than five-fold by 2020 as the number of online buyers and per capita online spending is expected to increase rapidly. Reasons for this potential growth include:

- Increase in annual disposable income per household by two and half time by 2015. It is expected to grow at a CAGR of 5.1% during 2005 – 2025.
- Discretionary spending expected to rise to 61% in 2015 from 52% in 2005.
- Rise in the sales of PCs, tablets and smartphones as prices have declined.
- Increase in time spent online by an Indian. Average time spent by an Indian on the internet is expected to increase to 21 hours per month in 2015 from the 17.4 hours spent in 2011.
- Increase in the number of payment options. Number of online transactions is expected to increase to 38 million by 2015, compared to 11 million in 2011. The number of debit and credit card holders is expected to increase substantially to 350.4 million and 73.7 million respectively in 2014.
- Continuous reduction in the cost of internet data and bigger players coming into telecommunications space.
LITERATURE REVIEW

Consumer Perception

Perception is a characterized as the process by which an individual chooses, sorts out and translates a stimulus in a meaningful manner. (Schiffman and Kanuk, 2010)

A consumer response is based on what he perceives rather than what actually is the reality. Reality is totally a personal phenomenon and differs from person to person based on their values, beliefs and past experiences. Thus in the marketing scenario, for a marketer, a consumer’s perception is much more important than his actual knowledge about a product. A consumer makes decisions based on what he thinks actually is rather than what actually is in reality therefore it is very important for marketers to understand the factors influencing consumer perception and to understand the factors that influence the consumers to buy a particular product (Schiffman and Kanuk, 2010).

Perceived fit is attitudinal measure of how relevant a particular channel of distribution is for a particular product (Brosekhani and Velayutham,2000).

Service Quality

Service quality is one of the most important requisite for maintaining as competitive edge and building customer relationships. The definition of service quality involves “the overall evaluation of a specific service firm resulting from the comparison between a firm’s performance in line with its customer’s general expectations of how firms should perform, with what it actually delivers” (Parasuraman et al., 1988). Service quality is ‘the difference between customers’ expectations of service performance before service encounter and the perceived level of service received.’ (Asubonteng et al.,1996). Service quality is defined as “the consumer’s opinion about a service entity’s overall excellence or superiority. It is a form of attitude, and results from a comparison of expectations to perceptions of performance received” (Zeithaml, 1987). Service is said to be any behavior or act due to a contact between two parties: the provider and the receiver, the essence of this exchange process is intangible (Kotler, 2003). Service can also be defined as a set of intangible characteristics and the overall end result of a service leads to satisfaction of clients’ needs and meeting their expectations (Michael, 2003) .There are various definitions of service quality which may vary in different literatures but the essence remains the same. The meaning of service quality may differ in wordings but it mainly involves determining whether or not perceived service experience exceeds or fails to meet expectations of customers (Ojo,2010).

The service quality is assessed upon Parasuraman et al.’s (1988) original development of a model to measure perceived service quality (Herington and Weaven, 2008). The assessment tool came to be known as SERVQUAL. Initially there were ten dimensions (reliability, responsiveness, competence, access, courtesy, communication, credibility, security, empathy and tangibles) against which service quality could be measured (Rod et al., 2008). The new perspective proposes that service quality may be evaluated on the functional quality dimension, described by five components which are:
Table: Definitions of dimensions of SEVQUAL model

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangibles</td>
<td>Physical facilities, equipment, external appearance of store and appearance of personnel.</td>
</tr>
<tr>
<td>Reliability</td>
<td>Company’s potential of performing the promised service dependably and accurately.</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Company’s willingness to help customers and provide prompt service.</td>
</tr>
<tr>
<td>Assurance</td>
<td>Employees’ knowledge and courtesy levels and their ability to inspire trust and confidence. This dimension also includes competence, courtesy, credibility, and security.</td>
</tr>
<tr>
<td>Empathy</td>
<td>Caring and personalized attention that the firm provides to its customers. This dimension also includes access, communication and understanding the customer.</td>
</tr>
</tbody>
</table>

Source: adopted by: Lim, Tang and Jackson (1999)

SERVQUAL however does not include the unique facets of online service quality, like customer-to-website interactions (Cai and Jun, 2003). Still SERVQUAL has been widely accepted as a tool to measure quality of service. Saha and Zhao (2007) have argued that SERVQUAL cannot be applied to online services, but dimensions which closely resemble them can be constructed to accurately measure e-service quality. Service quality can be defined as the customer’s comparison between service expectation and service performance. They proposed service quality to be a function of pre-purchase customer expectations, perceived process quality and perceived output quality (Parasuraman et al., 1988). Basically, service quality in i-banking can be viewed from two perspectives:

- customer perspective
- bank perspective

**Customer Satisfaction**

Customer satisfaction is a measure of extent to which an organization is able to fulfill the general expectations of a customer and how well the organization has been able to come close to the image of an ideal organization (Beerli, et. al., 2004). Customer satisfaction can be viewed as the future intentions of customers towards the service provider, which is based on attitude derived from customer experience. Customers perceive services in terms of the quality of the services experience and how satisfied they are with their encounters (Zeithaml and Bitner, 2003). Customer
satisfaction may be influenced by price, quality of product; level of service and brand image (Wirtz, et.al., 2000). Especially in banking sector, the focus on satisfaction and customer quality is increasing, where banks are looking forward to increase the life time value of the customers rather than focusing on the cost of transactions.

**Relationship between Service Quality and Customer Satisfaction**

Customer satisfaction, quality and retention are major issues that affect all organizations, be it large or small, profit or non-profit, global or local. Quality and customer satisfaction have long been recognized as playing a crucial role for success and survival in today’s competitive market. As developed economies are becoming service oriented, meaning that customer impressions play a critical role in this field. A company delivers services to customers, while overall customer attitude towards the company is defined in the relationship between service quality and customer satisfaction. Different research was done on the positive relationship between service quality and customer satisfaction. In the other words, if service quality decreases quickly, customer satisfaction declines dramatically and if service quality grows radically, customer satisfaction rises rapidly too.

It can be concluded that there is a relationship between online banking and customer satisfaction which can be studied through SERVQUAL dimensions (Nupur, 2010). An assessment model suggested by Woodside et al. (1989) emphasizes on the relationship between perceived service quality, customer satisfaction and interest in purchasing. The research shows that customer satisfaction is a moderating variable between service qualities and repurchases interest. In other words, service quality influences customer satisfaction, and customer satisfaction affects repurchase interest.

**Personalization in E-Commerce**

Due to the growing popularity of e-commerce, consumers are making purchase decisions in an online environment. The e-commerce success depends upon the interaction between customers and the (r)e-tailer and how effectively the companies can extract information about customer purchasing habits, their needs, preferences and decision making.

Providing personalized services is possible owing to extraction and tapping of user behavior. Personalized services are said to improve customer satisfaction. Services and products along with payments and delivery mechanism in the service process can be personalized, aimed at meeting all customer demands and requirements. Personalization as a concept in marketing involves developing customers profile over time as the individual develops a trust and relationship in e-commerce companies. Personalizing websites requires anyone who wants to use personalized features on the website to register by filling out personal details but people often defeat the purpose of effectiveness of these websites by entering incorrect information. Personalization tools will include optimizing a search bar based on a set of keywords as per their choices including the price limits. Setting various filters to simplify customer search is also a part of personalization. Recommending systems have been essential to modern e-commerce sites. Features like rating, requesting for recommendations, customer feedback are all a prominent examples of personalization offered through e-commerce websites. By providing extensive information to customers before purchasing from a website reduces risk, increases customer comfort levels and thus enhance the shopping experiences leading to customer satisfaction.

*Global Journal of Business Management*
Website Interface

Customer interacts with sellers in the cyber space through seller’s website and hence web interface becomes one of the major success factors for e-retailers. E-commerce sites lose up to 50% of potential online sales as many customers report frustrations due to lack of standard features of interface within e-commerce websites due to which they cannot find what they are looking for. Web has changed the online business environment dramatically as it is one of the most revolutionary technologies. E-commerce can be defined as marketing of goods, services along with information through internet (Wen et al., 2001).

Though e-commerce offers speedy, convenient and cost effective solutions to its consumers by being one of the fastest growing fronts of the internet but many users complain that many of these e-commerce sites are often too complex to use (Cho and Park, 2001). These problems may be due to poor engineering and designing of these e-commerce sites (Liu et al., 2003). Designing for experienced online users is difficult enough but designing for an even larger population of inept users is a major challenge. In e-commerce, usability of website interface is very crucial as it is a sole platform where customers interact with the e-retailers (Turban and Gehrke 2000).

Trust

Trust as a concept in e-commerce is very crucial since e-commerce is intangible unlike traditional trade. In the times of globalization, where buyers and sellers are spread across different geographical locations and are connected through internet, there is a dire need to pay attention to ethical, cultural and trust issues. The success of e-commerce websites is based on their services that help in building trust which leads to increase in confidence among internet users to use these websites. Consumers have major trust issues while shopping online and sharing of personal details as a way of communication with e-retailers (Lee, 2006). Perceived risks associated with the exchange process online can be reduced by instilling trust in the consumers by enhancing security and reducing environmental risks that are involved in cyber space (Chen and Dhillon, 2003).

Due to the increasing importance of trust in the online environment where uncertainty and risks are involved due to the absence of parties involved in the communication process, trust is the major factor for the growth players in e-commerce (Eastlick and Lotz, 2011).

Pricing

According to consumer’s perspective price is considered to be something that is sacrificed or given up in order to acquire a particular product (Zeithaml, 1988). Studies show that consumers do not often know or remember the prices of products rather they conceal prices in ways that are of some meaning to them (Dickson and Sawyer, 1985). Price models in economics, such as Becker (1965) agree that financial sacrifice is not the sole sacrifice that the consumers make while purchasing a product. Other sacrifices include time cost, search cost, psychological cost etc and they may occur implicitly through one’s own past experience or explicitly through interaction with the outside world such as friends, media etc (Gronau, 1973).

Zeithaml and Berry in one of their studies showed that knowledge about prices differ for different demographic groups. Certain segments of consumers such as working women and men...
are less aware about the prices of various products than the other segments. (Zeithaml and Berry, 1987). Studies have indicated that there is a relationship between price and quality of a product but this relation differs for different product categories (Gardner, 1970). Peter and Wilson concluded in their study that higher the price, greater the tendency of customers to use price as a quality indicator.

RESEARCH METHODOLOGY

Research Objectives

i. To analyze the impact of services provided by various e-commerce players on customer satisfaction.

ii. To establish the relationship between trust, website interface, service quality and personalization with gender as a demographic variable.

This is a Descriptive research. It relies on both Primary data and Secondary data. In this research paper, statistical analysis is done through SPSS. The population under study includes online shoppers in Delhi-NCR. The sample method adopted was non probabilistic convenience sampling. The study involves a sample unit of 144 experienced online shoppers. Since some of the responses were found to be incomplete, eventually the research is carried out on 100 fully completed and usable responses. The responses are collected through a structured questionnaire developed using a 5-point Likert scale and the link for the same were provided through Whatsapp and Facebook.

Conceptual Framework

The following conceptual framework establishes the relationship between the mentioned variables (Trust, Web Interface, Pricing and Customization) and customer satisfaction in E-Commerce.

- **Trust**: Trust includes transaction security, terms of payment and delivery, protection of customers’ financial and personal data.
• **Web Interface:** Web interface includes ease of using, website design, etc.
• **Pricing:** Pricing involves the product cost, time cost, search cost, psychological cost etc.
• **Personalization:** Customization involves customizing tools (filters) such as virtual trials, etc.

The questionnaire was based on the above mentioned dimensions and assumed to have an impact on customer satisfaction and customer satisfaction in the online banking sector, namely – trust, Web Interface, Pricing and Customization. Each dimension had around 4-5 questions which were answered by the respondents on a scale of 1-5, 1 being strongly agree and 5 being strongly disagree. The number of participants in the research is 72.

**Research Analysis**

The characteristics of the respondents have been shown below. All the respondents browse regularly through e-commerce website and are experienced online shoppers. The characteristics of the respondents are below in the table 2.

<table>
<thead>
<tr>
<th>Table 2: Respondents’ Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profile of the respondents</strong></td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>18-25</td>
</tr>
<tr>
<td>26-40</td>
</tr>
<tr>
<td>41-50</td>
</tr>
<tr>
<td>51-65</td>
</tr>
<tr>
<td>Frequency of using internet</td>
</tr>
<tr>
<td>Less than 7 hrs per week</td>
</tr>
<tr>
<td>7-20 hrs per week</td>
</tr>
<tr>
<td>More than 20 hrs per week</td>
</tr>
</tbody>
</table>

A hypothesis test was done in order to find out which e-quality dimension has a positive impact on customer satisfaction for various e-commerce players. For this purpose respondents were divided into male and female groups. Regression analysis was used to study the impact of e-service quality variables namely, trust, website interface, pricing and personalization for both the groups. The following hypothesis was considered:

- **H₀**: There is no significant impact of Service Quality on Customer Satisfaction
- **H₁**: Service Quality has a positive significant impact on Customer Satisfaction

This hypothesis has the following sub-hypotheses:

- **H₁a**: Trust has a significant impact on Customer Satisfaction
- **H₁b**: Website Interface has a significant impact on Customer Satisfaction
- **H₁c**: Pricing has a significant impact on Customer Satisfaction
- **H₁d**: Personalization has a significant impact on Customer Satisfaction

The results for regression applied on male respondents are as follows:
Table 3: Regression Analysis for service quality on customer satisfaction (MALE)

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>COEFFICIENTS</th>
<th>t-Stat</th>
<th>Sig. (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRUST</td>
<td>0.540712812</td>
<td>2.829235992</td>
<td>0.007312513</td>
</tr>
<tr>
<td>WEBSITE INTERFACE</td>
<td>0.055281554</td>
<td>1.273773113</td>
<td>0.749935976</td>
</tr>
<tr>
<td>PRICING</td>
<td>0.184060826</td>
<td>0.321726891</td>
<td>0.008659235</td>
</tr>
<tr>
<td>PERSONALIZATION</td>
<td>0.308663096</td>
<td>1.386755485</td>
<td>0.201482287</td>
</tr>
</tbody>
</table>

Dependent Variable: Customer Satisfaction
F=6.334 (Sig. at p< 0.10), R=0.771, R²=0.291, adjusted R²= 0.312
p< 0.1

H₁a: Trust has a significant impact on Customer Satisfaction
Based on the results in Table 2, Multiple Regression test exhibits that there is a significant relationship between Trust and Customer Satisfaction ( p=0.007, p<0.1). Consequently this hypothesis is accepted.

H₁b: Website Interface has a significant impact on Customer Satisfaction
Based on the results in Table 2, Multiple Regression test exhibits that there is no significant relationship between Website Interface and Customer Satisfaction ( p=0.74, p>0.1). Consequently this hypothesis is not accepted.

H₁c: Pricing has a significant impact on Customer Satisfaction
Based on the results in Table 2, Multiple Regression test exhibits that there is a significant relationship between Pricing and Customer Satisfaction ( p= 0.008, p<0.1). Consequently this hypothesis is accepted.

H₁d: Personalization has a significant impact on Customer Satisfaction
Based on the results in Table 2, Multiple Regression test exhibits that there is no significant positive relationship between Personalization and Customer Satisfaction ( p= 0.20, p>0.1). Thus, we do not accept this hypothesis.

The results of regression applied on female respondents are shown below:

Table 4: Regression Analysis for service quality on customer satisfaction (FEMALE)

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>COEFFICIENTS</th>
<th>t-Stat</th>
<th>Sig. (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRUST</td>
<td>0.884322701</td>
<td>1.811384709</td>
<td>0.308031904</td>
</tr>
<tr>
<td>WEBSITE INTERFACE</td>
<td>0.283645766</td>
<td>1.031830415</td>
<td>0.025391698</td>
</tr>
<tr>
<td>PRICING</td>
<td>0.164852912</td>
<td>0.541302844</td>
<td>0.076632179</td>
</tr>
<tr>
<td>PERSONALIZATION</td>
<td>0.641294389</td>
<td>1.386755485</td>
<td>0.048360722</td>
</tr>
</tbody>
</table>

Dependent Variable: Customer Satisfaction
F=3.436 (Sig. at p< 0.10), R=0.3144, R²=0.1431, adjusted R²= 0.112
p< 0.1

H₁a: Trust has a significant impact on Customer Satisfaction

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Based on the results in Table 2, Multiple Regression test exhibits that there is no significant relationship between Trust and Customer Satisfaction (\( p=0.308, p>0.1 \)). Consequently this hypothesis is not accepted.

\( H_{1b} \): **Website Interface has a significant impact on Customer Satisfaction**

Based on the results in Table 2, Multiple Regression test exhibits that there is a significant relationship between Website Interface and Customer Satisfaction (\( p=0.025, p<0.1 \)). Consequently this hypothesis is accepted.

\( H_{1c} \): **Pricing has a significant impact on Customer Satisfaction**

Based on the results in Table 2, Multiple Regression test exhibits that there is a significant relationship between Pricing and Customer Satisfaction (\( p=0.070, p<0.1 \)). Consequently this hypothesis is accepted.

\( H_{1d} \): **Personalization has a significant impact on Customer Satisfaction**

Based on the results in Table 2, Multiple Regression test exhibits that there is a significant positive relationship between Personalization and Customer Satisfaction (\( p=0.048, p<0.1 \)). Thus, we accept this hypothesis.

For the above stated purpose, the test of Analysis of variance for customer satisfaction was used. F-test is applied to find out whether there is a significant difference in the level of satisfaction among the online shoppers of various e-commerce websites. For the purpose the online shoppers respondents are divided into two groups: male and female.

### Table 5: Analysis of variance

<table>
<thead>
<tr>
<th>Gender</th>
<th>df</th>
<th>sum of squares</th>
<th>mean squares</th>
<th>f-ratio</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>1</td>
<td>0.69</td>
<td>0.69</td>
<td>0.12</td>
<td>4.12</td>
</tr>
<tr>
<td>within groups</td>
<td>98</td>
<td>1264.47</td>
<td>5.84</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The calculated value is greater than the table value as shown in table 3 (table value of \( F=3.84 \) at 5\% level of significance) so the null hypothesis is not accepted. It can be statically inferred that there is a significance difference between the gender i.e., the male and female respondent groups as far as satisfaction after online purchase is concerned.

Now that the male and female respondent groups have different satisfaction levels for e-commerce websites, coefficient of covariance can be used to compare the variances of distributions in these groups for different variables.

### Table 6: Coefficient of covariance for Trust variable

<table>
<thead>
<tr>
<th>Gender</th>
<th>Mean</th>
<th>Std. dev</th>
<th>coefficient of variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>17.79</td>
<td>6.61</td>
<td>27%</td>
</tr>
<tr>
<td>Females</td>
<td>13.56</td>
<td>3.91</td>
<td>38%</td>
</tr>
</tbody>
</table>

As the above table suggest, the trust factor is more consistent for female online shopper group. Building trust relationships with female shoppers may impact the service satisfaction for female customers.
Impact of Service Quality on Consumer Perception...

Table 8: Coefficient of covariance for website interface

<table>
<thead>
<tr>
<th>Gender</th>
<th>Mean</th>
<th>Std. dev</th>
<th>coefficient of variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>7.76</td>
<td>2.15</td>
<td>30%</td>
</tr>
<tr>
<td>Females</td>
<td>4.96</td>
<td>1.43</td>
<td>29%</td>
</tr>
</tbody>
</table>

As the above table suggests, there is not much variation in in case of both male and female groups, as the coefficient of covariance is almost similar, showing that the groups have similar attitude towards website Interface.

Table 9: Coefficient of covariance for price

<table>
<thead>
<tr>
<th>Gender</th>
<th>Mean</th>
<th>Std. dev</th>
<th>coefficient of variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>7.41</td>
<td>2.68</td>
<td>36%</td>
</tr>
<tr>
<td>Females</td>
<td>5.28</td>
<td>1.9</td>
<td>19%</td>
</tr>
</tbody>
</table>

From the above table, it may be concluded that there is a difference in variation for prices of products offered on e-commerce websites between male and female shoppers. Female shoppers are more consistent and positive towards satisfaction on the price aspect of e-commerce than male shoppers.

Table 10: Coefficient of covariance for personalization

<table>
<thead>
<tr>
<th>Gender</th>
<th>Mean</th>
<th>Std. dev</th>
<th>coefficient of variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>8.44</td>
<td>3.01</td>
<td>32%</td>
</tr>
<tr>
<td>Females</td>
<td>4.78</td>
<td>1.41</td>
<td>12%</td>
</tr>
</tbody>
</table>

The above table suggests that the female online shoppers are more consistent and positive in their attitudes when it comes to the degree of personalization provided by various e-commerce websites. The male shoppers are not much satisfied by the personalization tools provided to them on e-commerce websites.

RESULTS AND CONCLUSIONS

A) Service quality has a positive and significant impact on satisfaction of online customers who shop from e-commerce websites. The respondents were divided into gender groups for the purpose of study and the results clearly state that service quality of e-commerce websites affects the satisfaction levels of both male and female shoppers.

B) The factors of service quality used in the study were trust, pricing, website interface and personalization. Trust and pricing were the most important for the male online shoppers whereas website interface, pricing and personalization were considered to be most impactful for female online shoppers.

C) Analysis of variance was used to find out the whether or not there is any significant variance between the two groups of online shoppers (male and female), and subsequently a significant result was found which suggest there is variation in degree of customer satisfaction for both male and female groups.
D) Coefficient of covariance was used to compare the degree of variation or consistency of each variable/factor of e-service quality (as used in the conceptual framework of this study) on both the groups. It was found in the study that the trust factor is more consistent for female online shopper group. Thus, the female shoppers will be satisfied with the quality of service provided by the websites on which they can trust and will be more loyal towards the e-commerce company. It can also be concluded that both groups have similar attitude towards Website Interface.

The ease of using a website, availability of information, ease of browsing through the pages is equally important to both the consumer groups. It was found that female shoppers are more consistent and positive towards satisfaction on the price aspect of e-commerce than male shoppers. Female online shoppers are more consistent and positive in their attitudes when it comes to the degree of personalization provided by various e-commerce websites. The male shoppers are not much satisfied by the personalization tools provided to them on e-commerce websites. Personalization and customizing options attract more female shoppers than male shoppers.

From the research, it can conclude that service quality is critical for maintaining and measuring customer satisfaction. As e-commerce is a service which intangible, service quality plays an important role so as to convert the intangible aspects into tangible elements and create customer delight? It is most important for e-service providers to exceed customer expectations and retain customer base, especially in an increasingly competitive space. The current degree of service levels need to be examined from customer’s perspective and update the offerings so as to deliver it as per target customer expectations. Providing quality experiences during each service encounter and to offer more than the competitors is what all e-commerce companies need to do because the more or less every player today provides the same kind of products, so services become the differentiating proposition. It is important for e-commerce companies to understand the gender effects for evaluation of services and for development of effective marketing strategies. Finding out differences in such relationships is important, because without evidences, managers may take wrong decisions, and wrong decisions may cost a lot to e-commerce companies in terms of revenue, market share and profits. This has become more urgent in an environment where there are a lot of factors are playing like entry of competitors, and empowered customers and empowered suppliers. The porter’s five forces model continuously impacts business decisions and it is pertinent for e-commerce space. The e-commerce companies should not ignore the gender based differences and not make wrong decisions the services should be designed in order to meet the needs of each gender group and should design the offerings as per the sensitivity of gender groups. In case the relative importance of service quality dimensions to customers may vary with gender, resources allocation to both the customers groups is dependent on the importance of these groups. The strategic importance of satisfying customers’ needs to become profitable and become market leaders is what the need of the hour.

Companies are growingly exploring the importance of e-commerce as a channel of distribution to reap the benefit of widespread deliveries, cost affectivity and convenience offered by e-commerce platforms to both consumers and companies. For instance, smartphones companies like Xiaomi (Redmi models) or even Moto are available exclusively on e-commerce websites like
Flipkart, E-bay and Amazon etc. This exclusivity has helped the companies to reap the price benefits provided by the online channels. And also if the consumers are determined to buy the brands, e-commerce is their only resort. The companies are growingly making their distribution model more cost effective by suing the market place models of the e-commerce players. And also, due to the time crunch of the customers, they are growingly purchasing from online channels. The customers have preferred to shop from e-commerce websites due to a larger availability of brands over the brick and mortar stores. The year round promotions and price discounts, offers and doorstep delivery convenience and trials continue to tempt the consumers to buy online.

So to conclude in a nut shell, it can be said that the online companies need to pay attention on building trust in online relations and raise the online buying experiences, to enhance the consumer satisfaction levels. Customization and customer relationship are the most popular weapons for e-commerce service providers to tailor the service offerings for each customer, positioning the company as per individualized needs will attract consumers and maintain them for a lifetime. This will give the consumers a signal to consumers that the e-commerce firms are becoming sensitive to their needs and thus build long lasting customer base and ensure sustainable profits, and help them stay competitive in the longer run in the most rapidly growing e-commerce retail space.

REFERENCES
EMPLOYEE CREATIVITY: THE ROLE OF HARMONIOUS PASSION IN A SUPPORTIVE CONTEXT (SUPERVISORY AND CO-WORKER SUPPORT)

Prof. (Dr.) Tumpa Dey

ABSTRACT
The present study examines the role of harmonious passion as a novel motivational mechanism affecting creativity and the mediational role of work engagement in a relationship between harmonious passion and creativity in a supportive environment. The process that was expected to unfold was: (a) Harmonious Passion leads to work engagement, which in turn has a positive effect on creativity (boss rated creativity and employee rated harmonious passion and work engagement), and (b) moderation by supervisory support and coworker support. This study advances harmonious passion as an important antecedent, and work engagement as an important mediational process explaining individual creativity in an environment of support. Dyadic data (345 data points) has been collected from various manufacturing and engineering organizations in and around Jamshedpur. Results indicate confirmation of 4 out of the 5 hypothesized relationships. Reasons for non-confirmation of the hypothesized relationship have been discussed in detail.

Keywords: Harmonious Passion, Employee Creativity, Supervisory Support, Co-worker Support, Work Engagement.

INTRODUCTION
In an environment which is continuously changing, increasing competition and a very volatile atmosphere of technological change, organizations have come to realize the importance of employee creativity now than ever before. Many organizations in the recent past have shifted their focus from “production” to “knowledge work” (Wartzman, 2014), and depend on the creativity of their employees even more in order to survive and grow. Drucker, for example was of the view, “Every organization will have to learn to innovate” on a constant basis (Wartzman, 2014). Both scholars

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as well as practitioners have shown keen interest in understanding the psychological forces that motivate creativity (Zhou & Shalley, 2003; Amabile, 1996). What then is creativity?

Creativity refers to the production of novel and useful ideas concerning products, services, processes and procedures by an individual or by a group of individuals working together (Amabile, 1988; Shalley, Gilson, & Blum, 2009; Zhou & Shalley, 2003). This definition can include creative solutions to business problems, creative business strategies, or creative changes in job processes. To be considered creative, ideas should be new and should have the potential to create value for the organizations in the long and short run (George, 2007).

Since people are the source of creativity; the processes that have received the most significant attention in the creativity literature are the “within-individual processes”. In the existing creativity literature, the within-individual process which featured most prominently is intrinsic motivation. George (2007) and Zhou and Shalley (2003), are of the view that intrinsic motivation most often have been studied as a theoretical and unmeasured mediating process (e.g., Amabile, 1988, 1996; Shalley et al., 2004) linking organizational variables to creativity.

However, the empirical evidence linking intrinsic motivation to creativity is ambivalent (George, 2007; Shalley et al., 2004). George (2007) is of the view that “some studies have demonstrated that intrinsic motivation is associated with higher levels of creativity (e.g., Amabile, 1985; Amabile, Hill, Hennessey, & Tighe, 1994), whereas others have shown weak or non-significant associations” (e.g., Dewett, 2007; Perry-Smith, 2006; Shalley & Perry-Smith, 2001). Zhou & Shalley (2004) opined, “Research on creativity has yet to support consistently and rigorously the intuitively appealing foundation that intrinsic motivation facilitates creativity”. Based on the above, George (2007) urged researchers “to look at the linkage between intrinsic motivation and creativity in more depth and called for looking at a motivational mechanism other than intrinsic motivation that explains creativity”.

Since the source of intrinsic motivation is Self-Determination theory (SDT), this study uses Self-Determination Theory (SDT) of Deci & Ryan (1987) to address the research-gap described above. Deci & Ryan (1987) explain that, SDT is an organismic theory of motivation that accounts for psychological needs such as autonomy, competence, and relatedness. These three needs are assumed to be innate in SDT and are essential for people’s survival, growth, and integrity. If these three needs are satisfied, intrinsic motivation for the task increases. When the three needs are not met, negative emotions may result, and intrinsic motivation for the task is undermined. Within SDT, (Deci, and Ryan, 1987) outlined the organismic integration theory (OIT) to explain a process of internalization through which individuals satisfy their needs. OIT proposes taxonomy of types of behavioral regulations in the internalization process, each one reflecting a qualitatively different “reason” for acting out the behavior in question. They are external regulation, introjected regulation, identification, and intrinsic motivation.

One of the motivational forces which is slowly receiving attention in Psychology research but has not been studied at length in Organizational Behavior studies is Harmonious passion (Vallerand et al, 2003). Derived from SDT, Harmonious passion (HP) results from an autonomous internalization of the activity into the person’s identity. Further, Vallerand et. al (2003) are of the view that an autonomous internalization occurs when individuals have freely accepted the activity
as important for them without any contingencies attached to it. People spend a lot of time and energy on this activity. This type of internalization produces a motivational force to engage in the activity willingly and engenders a sense of volition and personal endorsement about pursuing the activity. Individuals are not compelled to do the activity but rather they freely choose to do so. With this type of passion, the activity occupies a significant but not overpowering space in the person’s identity and is in harmony with other aspects of the person’s life.

Opposed to HP is Obsessive Passion (OP) which results from a controlled internalization of the activity into one’s identity. Such internalization originates from intrapersonal and/or interpersonal pressure either because certain contingencies are attached to the activity such as feelings of social acceptance or self-esteem, or because the sense of exhilaration derived from activity engagement becomes uncontainable (Vallerand et al, 2003).

Researchers in the past (e.g. Dong, 2011) examined the relationship between HP and creativity but only as a connection between social context with creativity. In this study, however, it is suggested that HP influences the creative process by enhancing individuals’ capacities to engage in their work ushering in the concept of work engagement. Work engagement has been conceptualized as a “positive affective motivational state of fulfillment” as manifested in three dimensions, namely, vigor, dedication and absorption.

Moreover, most of earlier literature linked contextual variables to work engagement in order to provide a positive outcome (e.g. Chughtai & Buckley, 2008). This study is a departure from previous studies and asserts that work engagement can be derived from psychological variables as well (Chughtai & Buckley, 2008). Furthermore, this study has extended work engagement literature by linking it to a psychological variable as its antecedent.

However, the afore-mentioned can be done only in a supportive environment. Previous research shows that workplace creativity can flourish only with support for creativity (Amabile, 1988; Carmeli & Schaubroeck, 2007; Tierney & Farmer, 2004). This paper looked at support (supervisory and co-worker) as variables affecting creativity.

Earlier studies (Madjar et al, 2002; Tierney & Farmer, 2004) have proposed that individuals who are engaged may be able to show high level of creativity. But the degree to which they are able to show this may depend on the extent to which creativity is encouraged and valued by the organization. When supervisors are supportive, they show concern for employees’ feelings and needs, encourage them to voice their own concerns, provide positive, chiefly informational feedback, and facilitate employee skill development (Deci & Ryan, 1987). These actions on the part of a supervisor are expected to promote employees’ feelings of self-determination and personal initiative at work, which should then boost levels of interest in work activities and enhance creative achievement.

Just as supportive, non-controlling supervisory behavior is expected to boost employees’ creativity, comparable behaviors on the part of employees’ coworkers are expected to have similar effects (Zhou, 2003). That is, employees are expected to exhibit high levels of creativity when their coworkers are encouraging and supportive. Conversely, non-supportive, hyper-competitive coworkers should lower creativity (Shalley et al, 2004).
Coworkers may provide a productive setting for creativity through helping and supportive behavior. In the present study, coworker help and support means the extent to which an employee’s coworkers assist the employee with his or her tasks when needed, such as sharing their knowledge and expertise or providing encouragement and support in a difficult or challenging situation. For example, coworkers may share their knowledge and expertise when the employee is faced with a difficult and novel task in which solutions are not readily available (Scott & Bruce, 1994). Creativity often involves combining previously unrelated objects or events in unconventional and useful ways, and requires significant motivational and cognitive effort to persistently tackle problems when faced with obstacles. Often, coworkers are exposed to the same work environment as the pivotal employee, and they interact relatively frequently with the employee. Yet, because coworkers hold little formal administrative authority over the employee, there is little reason to worry about negative consequences of sharing one’s creative ideas with coworkers (Scott & Bruce, 1994). Particularly if the employee’s coworkers are helpful and supportive, it would be relatively easy for the said employee to use coworkers as a confidante for sharing new ideas (Farr, 1990; Scott & Bruce, 1994). The employee may also acquire task-relevant knowledge and expertise from coworkers, which may make creating new ways of doing things possible (Woodman et al., 1993). When an employee is surrounded by coworkers who are able and willing to share expertise and provide encouragement, he or she may believe that creativity is likely to be effective — with the helping hands of coworkers, there is a good chance that useful new ideas will be generated, heard, and successfully implemented (Farr & Ford, 1990).

These actions on the part of co-workers are expected to promote employees’ feelings of self-determination by engaging in work, which should then boost levels of interest in work activities and enhance creative achievement.

Theory and Hypotheses

Harmonious Passion and Creativity

Harmonious passion emerges when “there is autonomous internalization of a task or an activity into one’s identity”, in other words, “it happens when individuals have freely accepted the activity as important for themselves without any contingencies attached to it” (Vallerand et al, 2003).

Vallerand et al (2003) also suggested that harmoniously passionate individuals are flexible in their approach. Flexibility in thinking is one of the criteria for creativity (Runco, 2007). Runco (2007, p.358) opines that flexibility is one of the important inputs to creativity because it precludes “rigidity and functional fixity (the tendency to remain in a rut and see a problem from only one perspective)”. Harmoniously passionate individuals are also open to experience. This is because when people are flexible in their approach and thinking they demonstrate openness to experiences (Runco, 2007, p.404). Openness to experience describes the extent to which individuals are imaginative, curious, independent thinkers, and amenable to new ideas, and unconventional perspectives. People who are high on openness to experience tend to be willing and able to come up with and think about new ideas that challenge the status quo (McCrae & Costa, 1997). Openness allows the individual to deal with the ill-defined nature of problems that have creative potential. It also allows them to tolerate the range of options that should be considered. In organizational settings, people who are high on openness to experience may have both a broader range and depth of
experience, and more of an appreciation of the merits of new ways of doing things and the potential for improving and changing the status quo, than individuals who are low on openness to experience.

Creativity researchers have established that creativity increases when employees find the work interesting, exciting and personally involving. As a result they develop a sense of control over their work processes and outcomes (Amabile & Mueller, 2007). Studies have shown that excitement drive individuals to pursue novel solutions (Shalley et al., 2004). Therefore, it is reasonable to argue that harmonious passion influences creativity. Accordingly, it is proposed:

Hypothesis 1: Harmonious passion is positively related to creativity

The Mediating Role of Work Engagement

Harmonious passion occurs when an individual autonomously internalizes an activity into one self. This kind of internalization gives rise to a motivation that creates a sense of volition in the pursuance of the activity that the person is engaged in. HP exhibited flexibility and persistence (Vallerand et al, 2003; Amiot et al, 2006). Persistence is a prerequisite to creative accomplishment because creative insights require a great investment of time.

Also autonomous internalization of the activity leads the person to engage in the task in a more flexible manner and thus to experience task engagement more fully. Such a flexible form of activity engagement facilitates better concentration and absorption (Vallerand et al, 2003).

Furthermore, the sense of control in the pursuance of the activity in harmoniously passionate individuals (Vallerand et al, 2003) gives rise to cognitive flexibility and concentration (Deci & Ryan, 1987). Autonomous motivation is the principle source of enjoyment and vitality (Ryan & Deci, 2000b).

Work engagement is ‘an active, positive, fulfilling work related motivation, characterized by vigor, dedication and absorption.’ Kahn (1992) proposed that employees must feel that they have physical and emotional energies in order to be able to dedicate themselves to their work. It follows that feeling vigorous is a necessary precursor to dedication, as operationalized by the Utrecht Work Engagement Scale (UWES). Going by the above definition of work engagement, when people are engaged, their capacities to attend to and think about different arrays of choices and actions are enhanced and when one enjoys the work one feels fully immersed in it (Barsade, 2002; Arieti, 1976). Immersion helps in concentrating and focusing attention on the job. Concentration involves attention (Brown, 2006) and attention has long been linked to creativity (Csikszentmihalyi, 1996; Mednick, 1962).

Other criteria for creativity are: physical energy and perseverance which come from vigor and dedication (Bakker & Leiter, 2010). In this context, Csikszentmihalyi (1996), is of the view that “it seems that the energy of these people (creative) is internally generated and is due more to their focused minds than to the superiority of their genes” (p. 58). He opines that there is a “combination of playfulness” as also “a quality of doggedness, endurance, perseverance” (p.61) helps the personalities studied to be creative individuals.

Integrating the above reasoning for the relationships between harmonious passion, work engagement and creativity, it is expected that work engagement will play a pivotal role in translating this autonomously internalized motivational mechanism into creativity. Accordingly it is proposed:
Hypothesis 2: Harmonious passion will be positively related to work engagement.

Hypothesis 3: Work engagement will be positively related to creativity.

Hypothesis 4: Work engagement will mediate the relationship between harmonious passion and creativity.

Moderating Support for Creativity

Although, there are conceptual reasons to expect that engaged individuals will be creative, nevertheless there could be situational factors that could strengthen this relationship. One of the important situational factors that may enhance the relationship between engagement and creativity is support for creativity. Based on earlier theory and research (Baer & Oldham, 2006; Woodman & Schoenfeldt, 1992), this study examines whether a dimension of the social environment, support for creativity, moderates the relationship between work engagement and creativity. Support for creativity refers to the extent to which supervisors and co-workers encourage employees to develop and improve creative ideas (Madjar et al, 2002). Previous work suggests that such support not only provides employees with the encouragement and assistance necessary to engage in the idea generation process, but also signals expectations that creativity is not only desirable but also valued by the organization. Tierney and Farmer (2004) showed that employees who perceived their supervisors as supportive of their creative efforts came to believe that creativity is an expected and valued aspect of their performance. Hence when supervisors give valuable feedback about the employee’s work or support him/her when the employee introduces an unpopular idea or solution to work, the employee demonstrate their innovative behaviors at work.

Quite a few previous studies concerned with support for creativity have shown that it has positive relations to employee creativity; some of them have failed to produce evidence supporting this link (Shalley et. al, 2004). Zhou (2003) found a non-significant relationship between employee creativity and supervisor developmental feedback, but established that feedback interacted with the presence of creative coworkers to affect creativity. Shalley et. al (2004) and Zhou (2003) suggest that support from supervisors and coworkers may serve to moderate the effects of contextual conditions on creativity.

Extending this line of research, the present study examines the moderating role of support for creativity in the form of both supervisory and coworker, on the relationship between work engagement and creativity. It has been argued that employees who are engaged in their work are expected to be creative; it is possible that when supervisors provide employees with creativity-relevant feed-back and information (Madjar, et al, 2002), the employees may attempt to be creative because they perceive that creativity is valued and supported by the supervisor and hence the organization.

Support from coworkers can influence employee creativity through encouragement, open communication and informational feedback (Zhou & George, 2001). “Since the co-workers are typically more similar to the focal individual than is the supervisor, social information provided by co-workers is likely to have a greater influence on individual innovation” (Festinger, 1954). In addition several researchers have concluded that coworkers may be a salient referent for creativity expectations informing an employee’s sense of creative role identity (Scott & Bruce, 1994). In
this context, the employees perceiving that their coworkers expect them to be creative may define themselves to be creative and more likely to take risks and freely explore and experiment with ideas and approaches. Formally it is proposed:

**Hypothesis 5:** Supervisory support will moderate the relationship between work engagement and employee creativity such that work engaged employees having high supervisory support will demonstrate high creativity than those who have low supervisory support

**Hypothesis 6:** Coworker support will moderate the relationship between work engagement and employee creativity such that work engaged employees having high coworker support will demonstrate high creativity than those who have low coworker support.

**The Proposed Research Model**

![Diagram](image)

**Note:** S. Support = Supervisory Support; C-W Support = Co-worker support

**Sample and Procedures**

Data for this study was collected from an Indian multinational conglomerate company headquartered in Mumbai, Maharashtra, India. It encompasses seven business sectors such as Communications and information technology, Engineering, Materials, Services, Energy, Consumer products and Chemicals.

The data therefore was collected from 5 organizations under this conglomerate in and around Jamshedpur. All the organizations are in the manufacturing and engineering sector related to steel manufacturing, auto parts manufacturing, roll making, tinplate manufacturing, construction machinery manufacturing etc. The respondents are employed in factories and offices located in industrial towns in and around this township.

The survey was administered to about 600 superior-subordinate pairs/dyads working in different divisions of the organization. Data from a total of 415 pairs/dyad respondents were received. Out of which 345 were found complete in all aspects and used for data analysis resulting in a final response rate of 57.5%.
The valid responses consisted of 345 managers (subordinates) and their 110 bosses, yielding 345 boss-subordinate pairs. The sample comprised of 106 males & 4 females (Bosss) of ages from 32 years to 61 years (Median= 45.5 years) and having work experience ranging from 1 year to 30 years in their current organization. The subordinates consisted of 330 males and 15 females of ages between 22 years to 59 years (Median= 35 years) having work experience ranging from 1 year to 39 years.

**Scales and Measures**

**Harmonious passion for work:** Vallerand et al.'s (2003) seven-item scale was used to measure a subordinate’s harmonious passion for work. The items were modified by Liu et al. (2011) to refer to an employee's harmonious passion for work. Sample items included, “The new things that I discover with my job allow me to appreciate it even more” and “My job is in harmony with the other activities in my life. “This is a self-reported questionnaire and was filled by the subordinates. This measure consisted of Likert-type items ranging from 0 (never) to 6 (always). In the present research, the Cronbach’s alpha of this scale is .89.

**Work engagement:** To measure work engagement a 9-item scale (Work Engagement Short scale) by Schaufeli and Bakker (2003) was used. This is a self-reported questionnaire and was filled by the subordinates. Sample items included “At my work, I feel that I am bursting with energy” and “Time flies when I’m working”. This measure consisted of Likert-type items ranging from 0 (never) to 6 (always). The scale reliability for the present study is 0.93.

**Supervisory support for creativity:** Madjar et al.’s (2002) 3-item Likert-type scale was adopted for this study. It is a Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree). The reliability of this scale in the present study is 0.86.

**Co-worker support for creativity:** Here too Madjar et al’s (2002) 4-item scale was adopted. It is a Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree) which measured subordinate’s coworker support for creativity. The reliability of this scale in the present study is 0.82.

**Creativity:** In line with previous creativity studies (e.g., Zhou, 2003), bosses were asked to assess each subordinate’s creativity using a 13-item scale developed by Zhou and George (2001) measured on a Likert type scale ranging from 1 (Never) to 7 (Always). In the present research the Cronbach’s alpha for this scale is 0.95.

**ANALYSIS AND RESULTS**

Because past research has suggested that demographic differences may influence employees’ harmonious passion and creativity (e.g., Liu et al, 2011; Vallerand et al., 2003) age, education and organization type were used as control variables.

The objectives of this study are to test the hypothesized relationships. To analyze the data, we used Structural Equation Modeling (SEM) to test the hypotheses. Table 1 presents the descriptive statistics and correlations of the study variables.
Table 1: Descriptive Statistics and Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) HP</td>
<td>4.88</td>
<td>1.13</td>
<td>(0.90)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) CR</td>
<td>4.50</td>
<td>1.21</td>
<td>0.50</td>
<td>(0.95)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) WE</td>
<td>4.67</td>
<td>.95</td>
<td>0.64</td>
<td>0.64</td>
<td>(0.93)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) CS</td>
<td>5.46</td>
<td>1.07</td>
<td>0.12</td>
<td>0.10</td>
<td>0.10</td>
<td>(0.95)</td>
<td></td>
</tr>
<tr>
<td>5) SS</td>
<td>5.36</td>
<td>1.22</td>
<td>-0.12</td>
<td>-0.10</td>
<td>-0.09</td>
<td>0.82</td>
<td>(0.97)</td>
</tr>
</tbody>
</table>

Note. The reliability coefficients are in diagonal. HP = harmonious passion; WE = work engagement; CR = creativity; SS = supervisory support.

* \( p < .05 \) (two tailed)   ** \( p < .01 \) (two tailed).

# shows the sq. correlation value of average variance extracted.

Table 2: Cronbach’s alpha and composite reliabilities of the scales

<table>
<thead>
<tr>
<th>Factors</th>
<th>Cronbach’s Alpha</th>
<th>Composite</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmonious Passion</td>
<td>.90</td>
<td>.94</td>
</tr>
<tr>
<td>Creativity</td>
<td>.95</td>
<td>.98</td>
</tr>
<tr>
<td>Supervisory Support</td>
<td>.82</td>
<td>.95</td>
</tr>
<tr>
<td>Coworker Support</td>
<td>.95</td>
<td>.97</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>.93</td>
<td>.94</td>
</tr>
</tbody>
</table>

Table 3: Average Variance Extracted (AVE) of the constructs under use

<table>
<thead>
<tr>
<th>Constructs</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmonious Passion</td>
<td>.89</td>
</tr>
<tr>
<td>Creativity</td>
<td>.80</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>.89</td>
</tr>
<tr>
<td>Supervisory Support</td>
<td>.68</td>
</tr>
<tr>
<td>Coworker Support</td>
<td>.70</td>
</tr>
</tbody>
</table>

Table 3 shows that the all AVEs are above 0.50, this means that there is a fairly good convergent validity of the constructs used in the study.

The exploratory factor analysis showed that all the items of the scales used loaded onto a single factor. This is in line with the literature where most of the studies where the scales have been used have pointed towards uni-dimensionality.

The exploratory factor analysis for the scales clearly shows one-factor structure for the WE scale. This is because there were very high correlations among the 3-factors.

We have also found the discriminant analysis of the scales. We have used the AVE Method to find the discriminant validity of the scales. After obtaining the AVE value from composite reliability, we compared the AVE to the squared correlation between the two constructs of interest. The avg. variance extracted should be greater than the squared correlation in order to demonstrate satisfactory discriminant validity. Table 3 a shows the squared correlation of the AVE.
The above table confirms the discriminant validity of the scales used. Also, the AVE for a single dimension came to around 18% rejecting any scope of common method bias. In other words, there is no common method bias.

Factor Structure of the Scales used

In order to examine the factorial validity, the fit of two models (the one-factor and three-factor models) for the 9-item versions of the Work Engagement Scale were assessed. The fit indices for both the three-factor and the one-factor models for the 9-item UWES (Utrecht Work Engagement Scale) are reported in Table 4.

Table 4: Results of the Confirmatory Factor Analyses of the 9-Item UWES

<table>
<thead>
<tr>
<th></th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2$/df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-item/1-factor</td>
<td>72.1</td>
<td>17</td>
<td>4.24</td>
<td>.925</td>
<td>.963</td>
<td>.075</td>
</tr>
<tr>
<td>9-item/3-factor</td>
<td>109</td>
<td>24</td>
<td>4.56</td>
<td>.908</td>
<td>.951</td>
<td>.098</td>
</tr>
</tbody>
</table>

The fit index suggests the superiority of the one-factor model over the three-factor model.

Because of the substantial inter-correlation among the factors, an alternative two factor model with vigor and absorption merged into one factor and dedication as the second factor was examined. This is due to the highest correlation found between vigor and absorption in the original three-factor model. The two-factor model was not an improvement over the one-factor model and demonstrated an acceptable but inferior fit when compared with the one-factor model ($\chi^2=576.185$, $df=108$; $\chi^2$/df=5.33; RMSEA = 0.085; TLI = 0.931; NFI = 0.885; CFI = 0.930).

Table 5 provides the measurement models for 7-items single-factor Harmonious Passion and 13 items single-factor Creativity scales:

Table 5: Results of the Confirmatory Factor Analyses of the 7-Items, 1-factor model of Harmonious Passion and 13-items 1-factor model of Creativity

<table>
<thead>
<tr>
<th></th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2$/df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-factor/7 items</td>
<td>102</td>
<td>14</td>
<td>7.258</td>
<td>.943</td>
<td>.952</td>
<td>.069</td>
</tr>
<tr>
<td>(HP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-factor/13 items</td>
<td>116.8</td>
<td>65</td>
<td>2.566</td>
<td>.977</td>
<td>.845</td>
<td>.061</td>
</tr>
<tr>
<td>(Creativity)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The fit indices in table 5 show that both the 1-factor models have a reasonably good fit enough to go ahead with the structural model. Finally, Table 6 shows the overall CFA model with 3-factors and 1-factor WE-short scale. Model 1 consists of 3-factors WE. Model 2 consists of 1-factor WE-short.
The fit index suggests the superiority of Model 2 ($\chi^2=1257; \text{df}=650; \chi^2/\text{df}=1.933; \text{CFI}=.961 \& \text{RMSEA}=0.045$). The model 1 also seemingly has a reasonably acceptable fit; WE decided to go ahead with Model 2 based on RMSEA as a fit index.

After proving the uni-dimensionality of the variables of the individual constructs we then move on to gather evidence on the relationships of the hypothesized structural model.

**Structural Model**

We used SEM (M-Plus statistical tool) to test the hypotheses. Hypotheses 1 posited that HP would be positively related to creativity. Hypotheses 2 & 3 predicted that HP would be positively related to WE, and WE would be positively related to creativity respectively. Hypothesis 4 predicted that WE would mediate the relationship between HP and creativity. The results for testing Hypotheses 1 and 3 are also shown in Tables 7 and 9. WE controlled for employees’ age, education and organization type as Level 1 predictors and company size as Level 2 predictors in our analyses. Specifically, the results indicate that HP was positively and significantly related to creativity ($\beta=.477, p\.000$) and WE ($\beta=.690, p\.000$). These results support Hypotheses 2 and Hypotheses 4a, respectively.

Hypothesis 1 was supported. Hypothesis 2 and 4 were also fully supported. Hypothesis 2 proposed that: HP will be related to WE and Hypothesis 3 proposed that WE will be related to Creativity. Hypothesis 4 was: WE will partially mediate the relationship between HP and creativity.

### Table 6: Over-all CFA model

<table>
<thead>
<tr>
<th></th>
<th>$\chi^2$</th>
<th>Df</th>
<th>$\chi^2$/df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>1264.2</td>
<td>637</td>
<td>1.985</td>
<td>.932</td>
<td>.951</td>
<td>.064</td>
</tr>
<tr>
<td>Model 2</td>
<td>1257</td>
<td>650</td>
<td>1.933</td>
<td>.952</td>
<td>.961</td>
<td>.045</td>
</tr>
</tbody>
</table>

### Table 7

<table>
<thead>
<tr>
<th>Work Engagement (DV)</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Est./S.E.</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.006</td>
<td>.005</td>
<td>-1.20</td>
<td>.228</td>
</tr>
<tr>
<td>Education</td>
<td>-.033</td>
<td>.087</td>
<td>-.379</td>
<td>.521</td>
</tr>
<tr>
<td>Org. Type</td>
<td>0.022</td>
<td>.006</td>
<td>3.666</td>
<td>.016</td>
</tr>
<tr>
<td>HP (Predictor)</td>
<td>0.494</td>
<td>.123</td>
<td>4.016</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: HP=Harmonious Passion

#### Test for Mediation

According to Baron and Kenny (1986), four conditions are necessary to establish mediation. This method was used to ascertain mediation (Table 8):

(a) The independent and mediating variables must be significantly related ($\beta=.494; p\.000$)

(b) The independent and dependent variables must be significantly related

(c) The mediator (WE) and dependent variable (Creativity) must be significantly related
(d) The relationship between the independent and dependent variable should be non-significant or weaker when the mediator is added (â=.230; p<0.05). To further assess the significance of the mediation, WE applied Sobel’s test for indirect effects in order to cross-verify our results (MacKinnon et al, 2002). Results show that the intervening effect of WE (p<.000) was significant. Taken together, Hypothesis 4a was supported.

Table 8: Result of Mediation

<table>
<thead>
<tr>
<th>Factor and statistic</th>
<th>WE</th>
<th>Creativity (Step 1)</th>
<th>Creativity (Step 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.006</td>
<td>-.19***</td>
<td>-.17***</td>
</tr>
<tr>
<td>Education</td>
<td>-.033</td>
<td>.068</td>
<td>.072</td>
</tr>
<tr>
<td>Org. Type</td>
<td>0.022*</td>
<td>.018*</td>
<td>.016*</td>
</tr>
<tr>
<td>HP</td>
<td>.494***</td>
<td>.477***</td>
<td>.230**</td>
</tr>
<tr>
<td>WE</td>
<td>.690***</td>
<td>.688***</td>
<td></td>
</tr>
<tr>
<td>R. Sq</td>
<td>.276</td>
<td>.305</td>
<td>.343</td>
</tr>
<tr>
<td>Adjusted R. Sq</td>
<td>.273</td>
<td>.300</td>
<td>.335</td>
</tr>
</tbody>
</table>

Note: HP=Harmonious Passion; WE= Work Engagement; * p<0.10 **p<0.05 ***p<0.00

Interaction Effects

Hypothesis 5 posited that the interaction of WE and supervisory support would predict creativity. This hypothesis was not supported. In fact it shows that the interaction of WE and supervisory support have a negative relationship with creativity. However the interaction of WE and co-worker support show a positive relationship. These results are also shown in Table 9 below.

Table 9: Within-level 2 (includes interactive effects of supervisory and coworker support)

<table>
<thead>
<tr>
<th>Creativity (DV)</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Est./S.E.</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.199</td>
<td>.135</td>
<td>1.474</td>
<td>.000</td>
</tr>
<tr>
<td>Education</td>
<td>-.068</td>
<td>.064</td>
<td>1.062</td>
<td>.201</td>
</tr>
<tr>
<td>Org. Type</td>
<td>0.018</td>
<td>.006</td>
<td>3.000</td>
<td>.002</td>
</tr>
<tr>
<td>HP (Predictor)</td>
<td>0.477</td>
<td>.059</td>
<td>8.084</td>
<td>.000</td>
</tr>
<tr>
<td>WE (Predictor)</td>
<td>0.690</td>
<td>.080</td>
<td>8.595</td>
<td>.000</td>
</tr>
<tr>
<td>WE X SS</td>
<td>-0.001</td>
<td>0.000</td>
<td>5.885</td>
<td>.000</td>
</tr>
<tr>
<td>WE X CS</td>
<td>0.001</td>
<td>0.000</td>
<td>3.082</td>
<td>.002</td>
</tr>
</tbody>
</table>

Note: WE represents Work Engagement; HP= harmonious passion; Mind=mindfulness. HP X Mind=interaction of harmonious passion and mindfulness; WEXSS=interaction of work engagement with supervisory support; WEXCS=interaction of work engagement with coworker support.

Following the procedure recommended by Aiken and West (1991), we charted and conducted simple slope tests of the significant cross-level interactive effects in the next page.
**Fig. 2:** The interactive effect of work engagement and supervisory support on creativity

**Fig. 3:** The interactive effect of work engagement and supervisory support on creativity
Finally, result of the structural model is significant as shown in Table 10. The present findings suggest that creativity is influenced by a newer motivational mechanism known as harmonious passion. Not only that, this for our study means the estimated model, models the data well. Figure 4 gives the complete picture of the results found in the above tests.

Table 10: Over-all Structural Model (Individual-level)

<table>
<thead>
<tr>
<th>Estimated Model</th>
<th>2</th>
<th>Df</th>
<th>2/df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1435.7</td>
<td>657</td>
<td>2.185</td>
<td>.918</td>
<td>.928</td>
<td>.05</td>
</tr>
</tbody>
</table>

FINDINGS

The within person results confirm that harmonious passion is indeed a different motivational mechanism other than intrinsic motivation that influences creativity. First, it has been stated that intrinsic motivation does not always exist in organizations hence there is a need to look at a different motivational mechanism other than intrinsic motivation that influences creativity. This study confirms this view as hypothesis 1 gets supported.

Earlier studies in work engagement have related work engagement only to contextual factors. This study departs from earlier studies in conceptualizing and testing that work engagement can be induced by psychological factors as well (Chugtai & Buckley, 2008). Hypothesis 2 (HP will be positively related to WE) confirms this view.

Published research on engagement indicates that engagement is associated with positive job attitudes. Though work engagement has been related to various positive outcomes in the work place, no other study has related it to creativity. Building on earlier literature this study theorized that work engagement as a work-related motivation is an antecedent of creativity. The result confirmed the view. Hypothesis 3 (WE will be positively related to creativity) is supported. As theorized, results establish that work engagement as a mediator explains the process that links harmonious passion with creativity. The results indicate that work engagement partially mediates the linkage between harmonious passion and creativity. Hypothesis 4 gets supported.
Third, the fifth hypothesis states that supervisory support will moderate the relationship between work engagement and creativity (H5). Though earlier research on creativity has always supported this view, this study shows a negative relationship between the two.

There can be various explanations for this negative relationship, one, that since work engaged individuals are already creative and that they are both able and willing to perform creative work supervisory support for creativity might be an obstacle rather than a facilitator in the generation of creative ideas. In fact, it is quite possible that for an engaged manager, interaction with and involvement of supervisors may take the employees’ focus, energy and attention away from the process of creative idea generation to other tasks. This reasoning is a further indicator of the fact that concepts which are by definition positive and have an intuitively positive appeal may not always yield positive outcomes. Future research may want to look into the darker side of such positive concepts in relation to creativity.

Besides, because supervisors (unlike coworkers) hold formal administrative authority over the focal employee, there could be reasons to worry about the negative consequences of sharing one’s creative ideas with bosses rather than with coworkers.

Another explanation could be LMX (Leader-Member Exchange). It is possible that while supervisors find their employees creative as part of their in-groups, the same employees do not consider their supervisors as supportive of their creative ideas as they find their support as interfering with their creative ideas.

The other reason could be that while supervisory support and creativity research has been mostly conducted in the Western countries it is possible that supervisor support has a different connotation in the Indian context. In India supervisory support may take the shape of paternalism where the supervisors assume the role of parents and support would mean benevolence coupled with controlling authority (Pellergini, Bandura & Jayaraman, 2010; Sinha, 1990; 1994). In paternalistic relations subordinates are expected to reciprocate the leader’s benevolent care and protection by showing loyalty, deference, and compliance. Subordinates are expected to be devoted to their supervisors in exchange for the resources and the holistic concern that they provide.

On the contrary, compliance or conformity is antithetical to creative pursuits because creativity entails challenging the systemic status quo. In such a situation it would be difficult for a subordinate to come up with a new idea that the supervisor does not approve of. It is for these reasons that supervisory support may have had a negative connotation for the employees who were both harmoniously passionate and work engaged.

It is possible that supervisory support may be important to those employees who are low on work engagement than those who are high on work engagement. Future research is needed to identify additional aspects of the work environment that may serve to encourage the creative tendencies of individuals who are high on work engagement.

Finally, we had interviewed 3 managers (2 from the industry and 1 from academics) who are unanimous in their view that quite often the superior may feel threatened because the subordinate may be more creative and efficient than the superior. Therefore, more often than not the subordinate is not allowed to work because of which the subordinate feels the environment as stifling than supportive.
However, in line with previous research (Amabile & Gryskiewicz, 1989; Cummings & Oldham, 1997; Madjar et al., 2002; McGlynn, Gibbs & Roberts, 1982; Torrance, 1965), coworker support was found to be moderating the relationship between work engagement and creativity (H6). It has been hypothesized that work engaged employees whose coworkers exhibit nurturing and supportive behaviors are likely to demonstrate creative behaviors. This hypothesis has been supported.

**IMPLICATION FOR PRACTICE**

The findings signify that harmonious passion indeed has an implication for creative performance and outcomes. Because harmonious passion is also associated with flexible task engagement and other behavioral outcomes there could be ways by which harmonious passion could be developed in organizations. Managers should tailor their recruiting and selection processes so as to attract harmoniously passionate candidates. A former study on harmonious passion and creativity (Liu et al., 2011) looked into the antecedent conditions of harmonious passion; hence these conditions need to be encouraged for harmonious passion to develop in organizations which could further lead to creative performance in organizations.

**CONCLUSIONS**

In sum, this study suggests that there is a need to look at Harmonious Passion as an important variable affecting creativity rather than assuming intrinsic motivation as the only motivational mechanism that influences creativity. This study brings novelty to both creativity as well as harmonious passion Literature and also addressed the gaps of earlier studies on creativity by introducing a new motivational mechanism. Harmonious Passion has not been explored in organizational studies. In addition this research looked at work engagement literature as an important variable influencing creativity. This variable has not been studied systematically in earlier organizational creativity research. All in all the foregoing study makes an important contribution to creativity literature.

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MANAGEMENT OF AGGRESSION AND VICTIMIZATION AMONG FORMATIVE YEAR’S SCHOOL CHILDREN

Rajesh Ganesan* and Moon Banerjee**

ABSTRACT

The aim of the present study is to manage Aggression and Victimization among the formative year’s school children. Based on the purposive sampling technique 40 school children were selected from Bijoy Kumar H.S School from Agartala town. Their age ranged from 13-15 years. The Aggression and Victimization level of school children were measured by using Aggression and Victimization scales. Then intervention techniques were administered to the school children for a period of 2 weeks. After the completion of 2 weeks, the level of aggression and victimization were again assessed. Results indicated that there is reduction in the level of aggression and victimization among the school children.

Key Words: Aggression, Behaviour, Obstructionism, School children, Self-assertion, Self-expressive drive, Victimization

INTRODUCTION

Aggression is a form of physical or verbal behaviour leading to self-assertion. It is often angry and destructive and intended to be injurious, physically or emotionally and aimed at domination of one person by another. It may arise from innate drives and is a response of frustration. It is manifested by over attacking and destructive behaviour, by covert attitudes of hostility and obstructionism, or by a healthy self-expressive drive to mastery.

With response to the increasing rates of serious youth violence, there has been an urge of research to investigate strategies for preventing aggressive behaviour among the formative year’s school children. It may be defined as “A transitional period of development between an initial or early change and an establishment or mature phase”. It is also the “period of human development that occurs between the beginning of puberty and adulthood”.

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One of the forms of aggression that take place at school is bullying, where the child is the victim of that aggression. It is the process where the dominant individual repeatedly exhibits aggressive behaviour which is intended to cause distress to a less dominant individual (victim). The effects of victimization have long term negative consequences on the formative year’s school children.

D’Esposito (2006), “peer aggression encompasses a wide range of aggressive acts among children and adolescents; the term bullying also can be used to describe these acts of aggression”. Bullying may take many forms, including physical bullying; teasing or name-calling; social exclusion; peer sexual harassment; bullying about race, ethnicity, religion, disability, sexual orientation, and gender identity; and cyber bullying (bullying through email, text messaging, or other digital means. It is an intentional act and it causes physical or psychological damage. Peer aggression is relatively common and frequently experienced among children and adolescents.

According to Finkelhor and Dziuba-Leatherman (1994), peer victimization involves the experience of any act of aggression from similar age peers. It is in opposition with victimization from parents or other adults, siblings, or specific members of the community. Victimization is a common and a serious problem among school age children that requires due concern (Adefunke, 2010; Felix, Furlong & Austin, 2009).

Causes of Aggression

Frustration is always associated with aggression as the behaviour shown by an individual when he has been thwarted and prevented from achieving a goal, as well as the way a person tries to prevent being thwarted at all. There are so many sources of frustrating situation which ultimately leads to aggression resulting in victimization among the formative year’s school children.

Ajeagbu, (1999) was of the view that parent may be responsible for aggressive behaviour in their children. According to her, the child who turns into a victim may be a product of parental teasing and bullying. She added that homes where tension is incessant are damaging for the child’s emotional development. It is also observed that some children came from homes in which they are neither loved nor valued by their parents. This type of child may become lonely and helpless as his need for affection, and security are threatened. These unmet needs may be the source of one’s misbehaviour, if the child notices that he gains attention only when he misbehaves. Aggression caused by peer group influence always finds its root in teasing and bullying. This accordingly may involve pointing out and jerking at a real or supposed disability. This includes the use of nickname which arouses anger.

Teachers, peers, older children, parents, and status – figures are model to the child. Children tend to follow blindly the actions of teachers. Thus, an aggressive teacher whose only method of controlling the class is through punishment, corporal or otherwise will produce aggressiveness in his pupils’ personality.

The child who is physically or mentally inadequate for tasks that are expected from him is certain to experience frustration. According to Haggai and Mallum, (2000) frustration can also be as a result of the child’s inability to reach the goal he set for himself. The aggressive behaviour in this case may be direct, in which the object of frustration is either destroyed or thrown away.
Okonkwo, (2005) was of the view that a child who as a result of poverty cannot afford materials necessary for school work might exhibit retaliatory aggression towards those who have or more so, bully them and collect such by force or even resort to steal from them. For the forgoing, it can be seen that the causes of aggressive behaviour in children are numerous and varying in degrees.

REVIEW OF LITERATURE

Wilson, S.J., Lipsey, M., & Derzon, J.H, 2003 conducted a research on the effectiveness of school-based programs for reducing aggressive behavior among school children through meta-analysis. The role of school-based programs is to reduce the levels of aggression that are already occurring in schools. It was found that there was a change in aggressive behavior between pretest and posttest. Experimental groups showed significant reduction in aggressive behaviour but control groups showed little change in aggressive behaviour.

Marina Camodeca, et al. 2002 relates to the links between bullying and victimization on the one hand and reactive and proactive aggression on the other. The author also investigated the stability and incidence of bullying and victimization. At age 7, 236 children were rated on bullying and victimization using peer reports. At age 8, 242 children were rated again. Two hundred and fifteen children (114 girls and 101 boys) were present at both time points. Reactive and proactive aggression was assessed by teachers. The results showed that bullies and bully/victims were both reactively and proactively aggressive, while victims were only reactively aggressive.

Stoltz, et al. 2013 conducted a study to evaluate a school-based individual tailor-made intervention, which is designed to reduce aggressive behaviour in selected children by enhancing cognitive behavioural skills. The sample consisted of 48 schools, with 264 fourth-grade children selected by their teachers because of elevated levels of externalizing behaviour, randomly assigned to the intervention or no-intervention control condition. The intervention was found to be effective in reducing reactive and proactive aggressive behaviour as reported by children, mothers, fathers or teachers, with effect sizes ranging from .11 to .32. Children also showed improvement in social cognitive functioning and positive self-perception.

Martha Putallaz, 2007 did a comparative examination of overt and relational aggression and victimization among African and American girls across multiple perspectives in the school setting (peers, teachers, observers in the lunchroom, self-report). The author explored socio metric status, ethnicity and gender among 4th graders, with particular emphasis on girls. Controversial and rejected girl children were perceived as higher on both forms of aggression, but only rejected children were reported as victims. The author found that both the girls showed a greater tendency toward relational aggression and victimization than overt aggression or victimization.

Objectives of the Study

1. To determine the socio-economic profile of formative year’s school children.
2. To assess the level of Aggression of formative year’s school children.
3. To assess the level of Victimization of formative year’s school children.
4. To determine whether any correlation exists between Aggression and Victimization.
METHOD

Hypothesis

1. The level of aggression is higher among formative year’s school children.
2. The level of victimization is higher among formative year’s school children.
3. When the level of aggression is higher, the level of victimization will be higher.
4. When the level of aggression is less, the level of victimization will be less.
5. The level of aggression and victimization will reduce after applying intervention to the formative year’s school children.

Sample

On the basis of purposive sampling technique 40 school children were selected for the present study (identified by the teachers from three different classes). Their age ranged from 13-15 years. All the subjects possess a history of aggression and peer victimization. The sample was collected from Bijoy Kumar High secondary school of Agartala town. Demographic variables like age, standard, economic status, area of living, socio-economic background was included in the study.

Interventions

Anger Reversal Technique (Ganesan, 2004): This technique was developed by Ganesan (2004). The aim of this technique is to reduce anger level of the subject. Steps involved in Anger Reversal Technique:

- Be seated on a chair, press your feet strongly over the floor. Experience the muscles tension in your calf and thigh muscles.
- Clinch your fists, with the elbows bent and fore arm parallel to the floor. Experience the muscles tension in your fist, fore arm, upper-shoulder and chest.
- Bite the teeth; experience the tension in jaw muscles.
- Open eyes widely and stare in line with your eyes.
- Bite the teeth and breath through the teeth and nostrils, noisily and swiftly
- Give command to yourself as follows calls yourself by your name and says for example- Ram or Sita- get ready and get angry. Follow this by adapting all the above steps simultaneously and maintain this behaviour for 15 seconds
- Call yourself again by your name for example- Ram or Sita reduce angry and relax- follow by simultaneously closing your eyes and lips. Breadth deeply relaxing your figure and toe hanging the head down.
- Like this 10 trials have to be done.

Breathing Rate Reduction Technique (Rajesh. G, 2014): Breathing is an automatic function of the body that is controlled by the respiratory centre of the brain. When we feel stressed, our breathing rate and pattern change as part of the ‘fight-or-flight response’. The primary role of breathing is to absorb oxygen and to expel carbon dioxide through the movement of the lungs. When a person is under stress and their breathing pattern changes. Typically, an anxious person
takes small, shallow breaths, using their shoulders rather than their diaphragm to move air in and out of their lungs. This style of breathing disrupts the balance of gases in the body. This technique was developed by Rajesh (2014). Steps involved in Breathing Rate Reduction Technique:

- At first the subject has to sit comfortably and mentally count 1 while exhaling and count 2 while inhaling. This has to be done for a period of 1 minute.
- Then the total number is to be recorded. This number is to be divided by 2 and the final figure is to be recorded.
- After each trial a gap of 1 minute rest is required.
- Continue the same procedure with a slight difference by gradually prolonging the duration of exhalation and inhalation within the comfort level.
- Like this 20 trials have to be done.

**Controlled Deep Breathing and Muscle Relaxation Technique (Mills, 2005):** This technique was developed by Harry Mills (2005). The breathing rate and heart rate both increase when one become emotionally aroused. One can learn to reverse these increases by deliberately slowing the breathing or systematically relaxing the tense muscles. Relaxing in this manner will help one to maintain control over their aggression. Steps involved in Controlled Deep Breathing and Muscle Relaxation Technique:

- Sit comfortably, count slowly to four as you breathe in, and then breathe out slowly as you count to eight.
- As you do this, notice where the air in your lungs is going. Open your lungs and breathe deeply across the lung’s full range.
- Your breath should enter your belly first, then your chest, and finally your upper chest just below your shoulders.
- Feel your ribs expand as your lungs expand. Pay attention to how your ribs return to their original location as you exhale completely.
- Continue this breathing pattern for 10-15 minutes, returning immediately to normal breathing if at any time you feel odd or out of breath.
- Slow, deliberate and controlled deep breathing in this manner will help return your breath to a more normal, relaxed pattern.

**Procedure**

First a proper rapport was established with the school children and socio-demographic variables were noted. Self administered method was used in case of data collection. The Aggression and Victimization scales were presented to the school children. The children were instructed to select 1 out of 6 options according to their present feelings. Then the above mentioned intervention techniques were administered to the school children for 2 weeks. After the completion of 2 weeks, the level of aggression and victimization were again assessed.

**Data Analysis**

Mean, Standard deviation, T-test was employed for determining the significant difference between before and after Aggression and Victimization level among the school children. Correlation
was used to determine the relationship between Aggression and Victimization among the school children.

RESULTS

TABLE-1

Shows the mean, standard deviation and t-value of Aggression among the school children

<table>
<thead>
<tr>
<th>INTERVENTION</th>
<th>Number</th>
<th>Mean</th>
<th>SD</th>
<th>t-value</th>
<th>Level of significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before intervention</td>
<td>40</td>
<td>25.1</td>
<td>3.74</td>
<td>21.90</td>
<td>Significant</td>
</tr>
<tr>
<td>After intervention</td>
<td>40</td>
<td>15.22</td>
<td>1.29</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The value of ‘t’ is 21.90 which is significant at 0.01 level. This indicates that there is a significant reduction in the level of aggression among the school children after applying interventions.

TABLE-2

Shows the mean, standard deviation and t-value of Victimization among the school children

<table>
<thead>
<tr>
<th>INTERVENTION</th>
<th>Number</th>
<th>Mean</th>
<th>SD</th>
<th>t-value</th>
<th>Level of significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before intervention</td>
<td>40</td>
<td>22.9</td>
<td>3.87</td>
<td>19.69</td>
<td>Significant</td>
</tr>
<tr>
<td>After intervention</td>
<td>40</td>
<td>13.82</td>
<td>1.39</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The value of ‘t’ is 19.69 which is significant at 0.01 level. This indicates that there is a significant reduction in the level of victimization among the school children after applying interventions. This shows when aggression level has reduced; the level of victimization has also reduced.

TABLE-3

Shows the mean, standard deviation and correlation of Aggression and Victimization among the school children

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggression</td>
<td>25.1</td>
<td>3.74</td>
<td>0.620</td>
</tr>
<tr>
<td>Victimization</td>
<td>22.9</td>
<td>3.87</td>
<td></td>
</tr>
</tbody>
</table>

A significant relation is found between aggression and victimization level among the school children. The observation indicates that there exists significant correlation between Aggression and Victimization. The level of aggression is found to be positively correlated with the level of victimization. This shows that when aggression is high, the level of victimization is also high.

DISCUSSION AND CONCLUSION

Aggression is a common problem among school children that leads to significant mal-adjustment. The result of the study indicates that, if there were aggressor, then there were victims and vice-versa. It was found that more than half of the student reported at least three experience of victimization. Additionally most of the student reported being the victim of resulting aggression. One important finding of the study was that teasing was the most frequent form of peer victimization.
and peer aggression. So the present study aims to manage Aggression and Victimization among the formative year’s school children.

All students deserve to study in safe schools. Hull (2000) asserts that “safe schools are those where students, staff members and visitors feel safe and welcome and have the opportunity to learn, teach, work, and engage in activities without being threatened, intimidated, bullied, harassed, or made the victim of crime”. Without an appropriate school environment, learning will not take place. One component of a secure school environment is the positive school climate, Lehr (2004). One of the measures of school climate is the frequency of student discipline referrals. When scrutinizing student discipline referrals, there are always two concerns to consider, the aggressors and the victims.

At the school level, acceptance (being liked) and rejection (being disliked) by peers are strong correlates of victimization. Low peer acceptance and high peer rejection predict increases in victimization because children who are rejected and not liked by their peers are seen as easy targets by aggressors. The school children receive positive reinforcement like peers cheering, peer beating or at least little punishment. Sometimes the degree of teacher’s punishment towards school children is related to children’s aggressive behaviour. Aggression in teacher, expressed physically or verbally towards children, tends to make the children give wrong answers or make mistakes which leads to aggressiveness in school children.

In the present study, intervention module is applied to manage the level of aggression and victimization among the school children. The aim of intervention was to eliminate the incidence of aggression and victimization among the school children. It was found that the intervention has reduced the level of aggression among the school children. At the same time, the frequency of peer victimization has also reduced.

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TRANSITION TO DIGITISED CONSUMER BEHAVIOUR

Sumi. KV*

ABSTRACT

An imperative for digital innovation and engagement has emerged and businesses have already realised that they must use digital channels to engage with their key customers to maintain relevance and drive the conversation. The real imperative in a world where ‘everything’ is digitised is that businesses need to pursue innovation to disrupt their own business model before the competition does. Without innovation strategies, companies will lose their competitive advantage in an increasingly commoditised world. In order to meet the high customer expectations, companies must accelerate the digitization of their business processes. But they should go beyond simply automating an existing process. They must reinvent the entire business process, including cutting the number of steps required, reducing the number of documents, developing automated decision making, and dealing with regulatory and fraud issues. Operating models, skills, organizational structures, and roles need to be redesigned to match the reinvented processes. Data models should be adjusted and rebuilt to enable better decision making, performance tracking, and customer insights. To deal with this challenge, companies must develop an end-to-end response. They need to develop a comprehensive digital strategy and rethink their business and operating models to deliver this. Such a strategy must go far beyond the Marketing department.

Key Words: Decision making, Digital innovation, Digital strategy, Consumer behaviour

INTRODUCTION

Early period consumers often go for shopping at malls and shops and buy products they require by physically examining them. Consumers are considered as the king. Consumers shop the products they needed and make payments by providing liquid cash. Due to advancement in technology, people find it difficult to waste time by going to shops and make purchases. Today, technology is changing the ways in which marketers and consumers interact, as well as offering a mind-boggling range of new options. At the end of the day, though, the challenge remains the same. Marketers must seed information into the marketplace, identify interested consumers, engage those consumers in conversation, and then convert them into purchasers and users of the final product.
product. While technology makes it easier to reach out to the masses, the rapidly-changing message space presents consumers with even more options, and more opportunities to turn away from marketing messages. The internet and mobile phones, for example, put an immense amount of power in the hands of consumers, and social media gives them a voice to make themselves heard. This can work positively, because satisfied customers can be your best advocates, but can also make the marketer’s job more challenging as they have to address more immediately the concerns of the unhappy. The digital era has and will continue to change social trends, which in turn directly affects consumer behaviour and demands. The change in consumer behaviour can be hard to understand or even recognise, but brands today need to realise that it is happening and they need to change and adapt their customer service accordingly. The digital consumer has the potential to unsettle current competition as well as new players in any industry. Changing consumer behaviours can be alarming for brands and can present certain challenges such as an increase in negative publicity. This said, there are also certain constructive opportunities that come with the risks, like the chance to engage with customers who are looking at the overall brand value of the product or service as opposed to just the price tag.

Customers are no longer comparing brands with their direct competitors, but rather all brands they consume, no matter the industry or product. They are comparing not only the product but a myriad of brand elements such as service, quality, and overall customer satisfaction to name a few. Brands should no longer be focusing on their direct competitors, but instead focusing on how they can be better than the best brands their consumers are using. The implications for traditional marketing are substantial. The mobile channel offers interesting opportunities, certainly, but the mode of operation (opt-in) has brought results that are greatly improved over old-school methods. Opt-in marketing represents a shift, a new paradigm in marketing, one where consumers and marketers work together, and that turns marketing material from an intrusion into something that consumers welcome in order to receive incentives and benefits. The higher conversion rate represents the higher value that consumers place upon marketing material that they have asked for themselves, especially when they know that what they will receive will match their interests and pursuits.

**REASONS FOR OUTGROWTH OF DIGITISED CONSUMER BEHAVIOUR**

There are several reasons for the preference of online shopping among consumers. They are briefly described below.

**Customer Tolerance**

Now it is much easier for customers to complain about bad service. Customers place a large emphasis on the ease of service, and if this isn’t met they will take to digital media to complain and let others know of their misfortunes. Brands need to accept the fact that customers are less tolerant than they used to be, and they need to act accordingly in order to retain their customer base.

**Customer Dialogue**

Between social media and customer forums, consumers have the ability to both build and destroy brands. Word of mouth was, and still is, king. Customers have always been led by the
opinions of friends and family, but nowadays this is corroborated by social media likes and testimonials. Brand reputations can stand or fall over night, all based on the communication between consumers.

**Loyalty**

Customers want value for money and will no longer just accept cheap products and services. Likewise, customers won’t accept overpricing or poor standards of customer service. Brands need to understand that today’s customers are open to brand switching and do not have the same level of loyalty as they once did. Customers demand superiority and are happy to pay for it.

**Promotion**

Consumers no longer trust traditional information channels as they once did, and so consumer opinion and relationships are formed on other, digital based, channels. This has meant a complete shift for brands to jump into digital and embrace conversation with consumers, which was previously reserved for personal comment and opinions. It’s difficult for some brands to keep up with both traditional and digital development, but it’s vital that they do in order to continue successful conversation and promotion with their customer base.

**Information**

The digital revolution has provided customers with a far greater knowledge of products and services, meaning that brands no longer decide what information are handed to consumers regarding product knowledge. Consumers are able to access information and opinions within seconds, providing them with enough facts to make informed purchase decisions.

**MULTI CHANNEL COMMUNICATIONS**

Brands don’t decide which communication methods are best used by consumers. They themselves decide this, based on which channels are used by their friends, family, and influencers alike. Brands need to choose channels based on whether it’ll be suitable for the type of interaction they’re looking for, otherwise the exposure of the interaction to the consumer won’t be profitable. A direct and focused approach to customer service is imperative for brands to meet the heightened expectations of service, and to accommodate changing consumer behaviour. This approach will give brands the opportunity to mine insight and intelligence to progressively improve their relationships with consumers.

**Customer-to-customer dialogue has grown.** Social media and customer forums have huge potential both to build and to destroy brands. Customers are led by the opinions of their ‘friends’ or ‘followers’, corroborated by ‘likes’ and testimonials. The reputation of the company is shaken or strengthened accordingly. Customers will no longer accept perceived overpricing or poor standards of customer service, and are open to switching provider. They want value for money, not just cheap goods and services – they demand quality and are willing to pay for it.

**Customers no longer accept branding and marketing from organisations.** There’s widespread distrust of mainstream information channels, plus strong legislation against direct marketing and a growing technical ability to screen out advertising messages. Opinions and commercial relationships are formed elsewhere.
Customers are more informed. Digital technology has given consumers enhanced knowledge of products and services. The company does not have the monopoly on product knowledge: information and opinions on which to base decisions are a click away.

All customers are becoming multichannel users. Customers – not businesses – decide which communication methods will be most used. If the channel proposed by businesses is suitable for the type of interaction, then it will succeed; otherwise, it will fail. A customer-centric approach to customer service is vital for the company to accommodate changing consumer behaviour and meet new expectations of customer service. Such an approach will provide the intelligence and insight necessary for continuous improvement of the commercial relationship.

The Digitization megatrend

By the year 2020, an entire generation will have grown up in a primarily digital world. Computers, the Internet, mobile phones, texting, social networking — all are second nature to members of this group. And their familiarity with technology, reliance on mobile communications, and desire to remain in contact with large networks of family members, friends, and business contacts will transform how we work and how we consume. The effects of an increasingly digitized world are now reaching into every corner of our lives because three forces are powerfully reinforcing one another:

• Consumer pull: Consumers are already fully adapted to the digital environment. They naturally expect to be always connected, are willing to share personal data, and are more likely to trust referrals from their closest friends than well-known brands.

• Technology push: Digital technology continues to expand its influence. The infrastructure backbone of the digital world is bringing affordable broadband to billions of consumers. In parallel, low-cost connected devices are being deployed in every industry, and cloud computing, and the vast information-processing machinery it requires, is developing quickly.

• Economic benefits: The economic benefits to be captured through digitization are real. A wave of capital has poured into the new digitization technologies and companies, and the public markets reward early movers with unprecedented valuations.

EFFECT OF DIGITIZED CONSUMER BEHAVIOR ON FIRMS

Every firm in every industry will be dramatically affected by the digitization megatrend, and it will be the responsibility of the top teams to lead the charge by building the right capabilities for their companies to remain relevant in the digitized environment, achieve growth, and overcome competitive threats. Companies will need to be clear about their digital strategy. New technology deployments and related investments will add up to more than even the largest and wealthiest enterprises can afford. Trade-offs will be required, and the risks of making the wrong choices will be high. The basis of competition will be set by the companies that embrace and deploy digitization in the right places at the right time. To not only survive the digitization megatrend but also use it to their advantage, companies need to be clear about their digital strategy and focus on the digital capabilities they are going to build along the value chain. So the companies should develop effective strategies to survive in the competitive world.
Loss of control over the customer relationship

The proliferation of digital channels and devices gives consumers greater access to information, and the means for communication and collaboration. The physical world is being replicated in the digital world through digital communities, businesses and assets, fundamentally changing the way consumers engage with businesses and each other. Information aggregation and price comparison have evolved. Consumers now have real-time, mobile access to data that they previously relied on brands to provide them with. Today’s consumer has real-time access to competitive pricing information simply by scanning a product barcode into their mobile phone and reading this information through an application such as Red Laser. In this way price transparency is increasing as consumers can compare the prices of products on the move, placing power firmly in their hand. As well as relying on brands for pricing information, consumers also used to rely on brand communication and brand values to make informed choices, but this is increasingly not the case.

The need to engage digitally with suppliers and employees While companies tend to be aware of the need to achieve collaborative and cross-channel engagement with their customers, they are less conscious that this need applies equally to suppliers and to employees. The rise of social media is breaking down barriers between these groups. Instead of talking one-on-one to customers, suppliers and employees, organisations are now talking to a crowd of people who are often talking to each other. As well as generating a great deal of noise, this interaction means that information can flow in directions that the company did not anticipate.

Increased competition and the risk of commoditization

Consumers want choice, without the cost of developing and maintaining multiple relationships; and companies are continually seeking ways to retain and develop increased share of wallet through deeper customer relationships. These two forces are made possible by digital advance and globalisation. Digital channels lower barriers to entry and increase globalisation, leading to a spiral of intensifying competition and commoditisation. Innovative organisations are taking the opportunity to diversify, bringing cross-industry convergence and blurring of the boundaries between industries.

CONCLUSION

Today, most companies are either thinking about or pressing ahead with digital transformation initiatives. Every company has a website, and few marketing strategies are signed off without incorporating social media. Certainly, social media is a critical component of any digital strategy, but a holistic response to the digital shift must go much further. The digitisation of everything is a step change even greater than the invention and adoption of the internet, primarily because of its scale and pace of change. Digital is changing the world, and progress is not linear. Not every digital initiative will work for every organisation, and it is important to assess capability and capacity for change before deploying a digital strategy. In general, though, the more holistic the initiative is the greater the chance of success. We believe that those who act holistically, and act now, stand to gain the greatest competitive advantage. The marketer’s challenge has always been one of persuasion - put forward the product in as attractive a fashion as possible, and then through a system of rewards and other incentives, try to influence consumer behavior in the desired direction. Media has taken a different approach, one in which consumers themselves play a role in the
marketing process. Instead of beginning from the somewhat adversarial traditional position, where marketers have to overcome consumer resistance, Out There Media uses a process called opt-in marketing that is a quite revolutionary approach to the usual marketing problem.

**REFERENCES**


TRENDS IN THE GROWTH OF SCHOOLS BY MANAGEMENT IN ANDHRA PRADESH

Dr. D. Pulla Rao

ABSTRACT
Education is the important requirement and foundation on which the development of every citizen and the nation as a whole built on. Free and compulsory education to all children up to the age fourteen is the Constitutional commitment in India. Though the Parliament of India has enacted the Right to Education Act, yet the country has to achieve the elusive goal of Universalization of Elementary Education (UEE), which means 100 percent enrolment and retention of children with schooling facilities in all habitations. It was rightly recognized that, elementary education was of an immense importance for building up a responsible citizenry for a democratic, secular and socialist society.

In this paper an attempt is made to analyze the trends in the growth of Primary, Upper Primary and High Schools by management. The study covers the time period from 2000-2001 to 2011-2012. The total number of primary schools in Andhra Pradesh increased from 55,901 in 2000-01 to 66,721 by 2011-12 and Upper Primary schools increased gradually from 9,804 in 2000-01 to 15,759 by 2011-12. The total number of high schools increased from 10,277 in 2000-01 to 19,770 by 2011-12 and noticed to increase at an annual growth rate of 5.43 per cent during the study period.

Key Words: Constitutional commitment, Elementary Education, Right to Education.

INTRODUCTION
Education is the key to human development. It determines the growth of civilization and culture of a country. Education is responsible for an individual to be transformed into a social and cultural being and remains as an integral part of human existence. It empowers the individuals to became self-reliant and enable them to participate in the process of nation building and economic development. The integral relationship between education and economic development has received conceptual recognition since the times of classical economists. A good education system that fulfils
the requirements of the economy of a country will generate productivity and innovation. It removes obstacles to economic and social development as it preserves and transmits knowledge.

The state of Andhra Pradesh, situated on the country’s south eastern coast, is referred to as one of the favored centers of higher education in India. This south Indian state has spread quality education at each and every level of the entire education system prevalent there. Almost all the towns as well as the villages are covered under this educational jurisdiction. The Government of Andhra Pradesh introduces and pioneers many projects and programs so as to enhance the education system in the state. Apart from that many educational schemes are introduced by the state government to facilitate basic education among the underprivileged students. One of the most famous among them is the Sarva Shiksha Abhiyan, where free education is provided to the poor students. All of these initiatives have resulted in the growth of the state’s literacy rate. According to the Census report of the year 2011, over a period of 10 years, the average rate of literacy of this state has increased to 67.77 % from 61.11 % in Census, 2001.

In Andhra Pradesh the education system is of 10+2 system before joining under graduation. First standard to Tenth standard classes are conducted by the School Education under the administration of the School Education Department and finally the Tenth Class (S.S.C.) Public examination at state level is conducted by the Board of Secondary Education, Hyderabad. After this two year Intermediate Education under the administration of the Board of Intermediate Education, A.P, Hyderabad.

The paper is intended to analyse trends in number of schools by management and by different types. The present study covers the time period of 12 years i.e., from 2000-2001 to 2011-2012 for which the uniform and comparable secondary data is available. Secondary data relating to schools by management and by different types is tapped from various issues of District Information System of Education (DISE). Supplementary information relating to secondary data is also drawn from Annual Status of Education Report (ASER) 2012, Socio Economic Survey, Planning Department, Government of Andhra Pradesh, 2012 – 13, and Working Group Report on Elementary Education and Literacy, 12th Five Year Plan, 2012-2017, Government of India.

Schools are powerhouses of knowledge, citadels of education. Andhra Pradesh can boast of some schools that can be considered at par with some of the internationally acclaimed ones. Yet there are others which though not so elitist, yet provide sound education to its pupils. Around 1,02,436 schools ranging from the pre-primary to the senior secondary ones, the state is home to a number of institutes, which impart higher education. Andhra Pradesh Education is offered through a number of institutes spread across the state. In order to improve the literacy rate among the masses and enhance the standard of education, the government of Andhra Pradesh has launched numerous projects and schemes.

**Trends in Number of Primary Schools by Management**

Table 1 presents, Trends in primary schools in Andhra Pradesh by management. From the Table it is clear that, number of primary schools run by Central Government which stood at 22 by 2000-01 increased to 43 by the following year and thereafter gradually declined to 20 by 2006-07 and thereafter though increased, ultimately declined to 16 by 2011-12. However, during the study period (2000-12) on the average 27 Central Government run primary schools are found to
exist. Further, Central Government run primary schools are noticed to decline at an annual growth rate of 6.3 per cent. It is pertinent to note that the negative growth rate is statistically significant at 1 per cent level. The percentage share of central government schools in the total schools is found to be insignificant as the percentage is less than 0.01 per cent over the study period. As revealed by the coefficient of variation, primary schools of central government are noticed to fluctuate in terms of their number by 32 per cent.

Number of Primary schools run by the state government which stood at 4,216 by 2000-01 are increased to 5,580 by 2003-04 and thereafter gradually declined to 4,862 by 2007-08. However, in the following years, number of state government maintained primary schools are slightly above 5,000. Further, number of primary schools of state government increased at an annual growth rate of 0.3 (statistically not significant) and accounted for an average number of 5,040 over the study period. The percentage share of state government schools in the total primary schools is observed to be about 8 to 9 per cent over the study period. Based on the coefficient variation, number of primary schools of the state government experienced less fluctuations compared to that of central government schools implying steady increase.

Number of primary schools of Mandal Praja Parishad (MPP) which stood at 46,946 in 2000-01 are increased to 50,013 by 2003-04 and thereafter gradually declined to 47,953 by 2007-08. Later, MPP schools are increased and reached 49,659 by 2011-12. Further, the number of primary schools of MPP increased at an annual growth rate of 0.34 (statically not significant) and accounted for an average number of 49,030 over the study period. Moreover, the Mandal Praja Parishad (MPP) schools in total primary schools are observed to take lion’s share as the percentage of MPP schools over the study period is found to be about 74 to 84 per cent. As revealed by the coefficient of variation, number of primary schools of MPP is noticed to fluctuate least in terms of their number by about only 3 per cent during the study period.

Number of primary schools run by Municipalities increased from 1,430 to 1,644 and thus, accounted for an average number of 1,495 over the study period 2000-12. Further, the total number of municipal schools increased at an annual growth rate of 1.43 per cent which is not statistically significant. The share of municipal primary schools in the total number of primary schools is found to fairly above 2 per cent, but less than 3 per cent. As revealed by the coefficient of variation, municipal schools fluctuated by about 7 per cent in their number and is fluctuated more compared to MPP schools.

Number of primary schools under private management which are slightly above 3,200 during the first two years of study period are doubled by the 2002 – 03 and thus, reached 6,428. Thereafter, the private primary schools gradually increased year by year and ultimately stood at 10,344 by 2011-12. Further, the number of primary schools of private management is increased at an annual growth rate of 7.9 per cent and accounted for an average number of 7,322 schools over the study period. It is pertinent to note that the growth rate is statistically significant at 1 per cent. The share of private primary schools in the total primary schools is noticed to vary between 6 to 16 per cent.

The total number of primary schools in Andhra Pradesh increased from 55,901 in 2000 – 01 to 63,897 by 2003 – 04 and thereafter in the subsequent year declined to 61,680. However, the
number primary schools in Andhra Pradesh gradually increased in the following years and ultimately reached 66,721 by 2011–12. Thus, during the study period total number of primary schools experienced an annual growth rate of 1.25 per cent (statistically not significant) and accounted for an average number of 62,914 schools.

Table 1: Number of Primary Schools by Management

<table>
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<tr>
<th>Sl. No</th>
<th>Year</th>
<th>Central Govt.</th>
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<th>Municipal</th>
<th>Private</th>
<th>Total</th>
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<td>(100.00)</td>
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<td>(100.00)</td>
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<td>(12.68)</td>
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<tr>
<td>Average</td>
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<td>5040</td>
<td>49030.2</td>
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<td>7322.41</td>
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<td>0.34</td>
<td>1.51</td>
<td>7.9*</td>
<td>1.25</td>
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</table>

Source: District Information System of Education, Commissioner & Director of School Education.
Note: i. Figures in parentheses indicate percentages to total
ii. *, **, *** indicate that the coefficients are significant at 1 percent, 5 percent and 10 percent.

Figure 1 presents the comparative changes took place in the number of primary schools as per management. For the sake of simplicity, the bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.
Trends in Number of Upper Primary Schools by Management

Table 2 presents information about Upper Primary (UP) schools in Andhra Pradesh by Management. From the Table it is observed that, number of upper primary schools run by Central government which stood at 3 by 2000-01 is gradually increased to 10 in the following years and thereafter declined to only one by 2005-06. Further, there are no central government run upper primary schools up to 2009-10 and ultimately there appeared 3 schools by 2011-12. Thus, upper primary schools run by central government are noticed to decline at annual growth rate of 18.41 per cent, which is statistically significant at 1 per cent level and on the average 3 schools are found during the study period 2000 - 12. The percentage share of central government run upper primary schools in the total number of upper primary schools is found to be insignificant.

Number of upper primary schools under state government which stood at 368 in 2000-01 are gradually increased to 592 by 2006 – 07 and thereafter steadily declined to 366 by 2011 – 12. However, during the study period, on the average 471 UP schools run by state government are found to exist and are noticed to decline at annual growth rate of 1.5 per cent, which is not statistically significant. The percentage share of state government run UP schools in the total number of UP schools is found to be in the range 2 – 4 per cent. As revealed by the coefficient of variation, the number of state government UP schools is noticed to fluctuate more or less with same rate along with MPP and private management schools during the study period.

Number of upper primary schools of Mandal Praja Parishad (MPP) are increased steadily from 5,599 in 2000 – 01 to 11,143 by 2005 – 06 and thereafter gradually declined to 8,339 by 2011 – 12. Thus, number of UP schools under MPP management experienced an annual growth
rate of 0.05 per cent, which is not statistically significant and resulted in an average number of 9,436 schools over the study period. Further, the percentage share of MPP run UP schools in the total number of UP schools is found to be in the range 53 – 67 per cent, which is the highest among other managements. As revealed by the coefficient of variation, the number of MPP managed UP schools is noticed to fluctuate more or less with same rate along with state government and private management schools during the study period.

Number of upper primary schools managed by municipalities which stood at 218 by 2000-01 are gradually increased to 399 by 2007-08 and thereafter gradually declined to 159 by 2011-12. Further, UP schools of Municipalities declined at an annual growth rate of 4.12 per cent, which is statistically significant at 1 per cent level and accounted for an average of 274 schools over the study period 2000-12. The share of municipal UP schools in the total number of UP schools is found to be about only between 1 – 2 per cent. As revealed by the CV, number of municipal UP schools run municipalities fluctuated more widely compared to other schools (except central schools).

Number of UP schools under private management during the study period increased continuously and consistently from 3,616 to 6,892 and experienced an annual growth rate of 5.46 per cent during the study period, which is statistically significant at 1 per cent level and resulted in an average number of 5,303 schools. Further, the share private UP schools in the total is noticed to be in the range 29 – 44 per cent, which is the second highest.

Total number of UP schools in Andhra Pradesh increased gradually from 9,804 in 2000-01 to 17,957 by 2007 – 08 and thereafter steadily declined in following years and ultimately stood at 15,759 by 2011 – 12. Thus, total number of UP schools in Andhra Pradesh increased at a growth rate of 1.79 per cent per annum, which is statistically not significant and resulted in an average number of 15,487 schools.

Table 2: Trends in Number of Upper Primary Schools by Management (2000 to 2012)

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<th>Sl. No</th>
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<th>Municipal</th>
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<td>(2.21)</td>
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</table>
Table 1 presents the comparative changes took place in the Management wise UP schools in Andhra Pradesh. For the sake of simplicity the bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.

<table>
<thead>
<tr>
<th>Year</th>
<th>Type</th>
<th>Total</th>
<th>Central Govt.</th>
<th>State Govt.</th>
<th>M.P.P.</th>
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<td>218 159</td>
<td>366</td>
<td>5599</td>
<td>218 159</td>
<td>366</td>
<td>9804</td>
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Source: District Information System of Education, Commissioner & Director of School Education.

Note: Figures in parentheses indicate percentages to total

*** indicate that the coefficients are significant at 1 percent, 5 percent and 10 percent.

Figure 2 presents the comparative changes took place in the Management wise UP schools in Andhra Pradesh. For the sake of simplicity the bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.

Figure 2: Number of Upper Primary Schools by Management
Trends in Number of High Schools by Management

Table 3 shows information about high schools in Andhra Pradesh by Management. From the Table it is observed that, during the steady period, number of High Schools run by Central Government fluctuated around 29 to 49 and thus, resulted in average number of 39 schools over the steady period. Further, central government high schools are noticed to decline at an annual growth rate of 0.9 per cent, which is not statistically significant and the share of Central government run schools in the total number of high schools is noticed to be very much insignificant.

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Source: District Information System of Education, Commissioner & Director of School Education.

Note: Figures in parentheses indicate percentages to total

*,**,** indicate that the coefficients are significant at 1 percent, 5 percent and 10 percent.
Number of high schools run by state government is increased gradually from 1,025 to 1289 during the study period and thus resulted in an average number of 1,418 schools. Further, the number of state government managed high schools increased at an annual growth rate of 4.32 per cent, which is statistically significant at 1 per cent level and the share of state government high schools in the total number of high schools varied in the range 7 – 10 per cent. As revealed by the CV, number of high schools of state government is relatively more fluctuated, when compared to high schools of central government, MPP and Municipal high schools.

Number of high schools during the study period, under the management of Mandal Praja Parishad (MPP) increased steadily from 5,606 to 8,395 and accounted for an average number of 7,441 during the study period. Further, the number of high schools of MPP increased at an annual growth rate of 3.36 per cent, which is statistically significant at 1 per cent and their share in the total varied between 44 to 55 per cent. As revealed by the coefficient of variation, number high schools increased steadily as fluctuations are found to be moderate.

Number of high schools run by municipalities increased continuously and consistently from 240 to 312 during the study period and thus, resulted in average number of 287 schools. Further, municipal high schools are seen to increase at an annual growth rate of 2.25 per cent, which is statistically significant at 10 per cent level and the share of these schools in the total number is about 2 per cent.

Number of high schools under private management increased enormously from 3,363 to 8,825 and increased at annual growth rate of 7.9 per cent during the study period, which is found to be statistically significant at 1 per cent level. However, during the study period, on the average 6,110
private high schools are found to exist. As revealed by the coefficient of variation, number of private high schools is noticed to increase more rapidly when compared to all other high schools.

The total number of high schools increased from 10,277 to 19,770 and noticed to increase at an annual growth rate of 5.43 per cent during the study period 2000-12, which is statistically significant. On the average, 15,370 schools are found to exist over the study period 2000 – 2012.

Figure 3 presents the comparative changes in the high schools managed by different authorities. For the sake of simplicity, the bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.

Trends in Number of Schools by Different Types

Table 4 presents information about trends in type wise i.e., different types of schools. From the Table it is observed that, number of primary schools (of all managements) during the study period increased from 55,901 to 66,721 and thus, resulted in an average number of 62,914 primary schools over the study period. Further, primary schools increased at an annual growth rate of 1.25 per cent (which is not statistically significant) and the share of primary schools in the total number of schools varied in the range 64 – 73 per cent. Moreover, as revealed by the CV, number of primary schools is noticed to increase consistently when compared to other schools.

Number of UP schools increased from 9,804 in 2000-01 to 17,957 by 2007 – 08 and thereafter declined to 14,942 in the following year and ultimately reached 15,759 by 2011 – 12. Further, the number of UP schools increased at an annual growth rate of 1.79 per cent, which is statistically not significant and accounted for an average number of 15,490 schools during the study period 2000-12. The share of UP schools in the total number of schools varied in the range 13 – 19 per cent. As revealed by the coefficient of variation, growth of UP schools exhibited less consistency when compared to primary schools.

Number of high schools increased gradually from 10,277 to 19,770 and thus, on the average there existed 15,371 schools over the study period. Moreover, the number of high schools increased at an annual growth rate of 5.43 per cent, which is statistically significant at 1 per cent level and the share of these schools in the total number of schools during study period varied between 14 – 19 per cent. Based on the value of CV, the growth of high schools experienced relatively more fluctuations when compared to primary and UP schools.

Number of higher secondary schools during the study period, increased from 82 to 186 and on the average found to be 104 schools. Further, the number of higher secondary schools registered for an annual growth rate of 7.9 per cent, which is statistically significant at 1 per cent level during the study period 2000-12 and their share in the total number of schools is noticed to be insignificant. Moreover, higher secondary schools are noticed to experience relatively wide fluctuations when compared to all other type of schools.

Total number of all types of schools (primary, UP, high schools and higher secondary schools) in Andhra Pradesh are increased from 76,064 to 1,02,436 and increased at an annual growth rate of 2 per cent which is statistically significant at 10 per cent level during the study period. Further, on the average there existed 93,876 schools ranging from primary to higher Secondary schools in Andhra Pradesh during the study period.
Table 4: Schools by Different Types (2000-12)

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<th>Higher Secondary</th>
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Source: District Information System of Education, Commissioner & Director of School Education.

Note: Figures in parentheses indicate percentages to total

*, **, *** indicate that the coefficients are significant at 1 percent, 5 percent and 10 percent.

Figure 4 presents the comparative changes in the schools by different types. For the sake of simplicity, bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.
Analysis of Trends in Total Number of Schools by Management

Table 5 shows information about trends in total schools by management. From the Table it is clear that, number of total schools run by central government which stood at 117 by 2000-01 increased to 144 by 2002 – 03 and thereafter gradually declined and ultimately reached 114 by 2011-12. Further, total number of central government schools declined at an annual growth rate of 1.78 per cent, which is not statistically significant and accounted for an average number of 122 schools during the study period. Moreover, the share of central government schools in total number of schools is found to be insignificant. As revealed by the value of CV, growth of total central government schools are more fluctuated when compared to that for state government, MPP and Municipal schools.

Number of total state government schools, which stood at 5,609 by 2000-01 increased to 7,716 by 2011 – 12 and increased at an annual growth rate of 1.57 per cent, which is not statistically significant during the study period. Further, on the average 7,021 schools are found to be managed by the state government and the share of state government schools in the total number of schools observed to vary between 7 to 8 per cent. As revealed by the coefficient of variation, growth in number of state government schools experienced relatively less fluctuations, when compared to that for central government and private schools and relatively more fluctuated when compared to MPP and municipal schools.

Total number of schools managed by Mandal Praja Parishats (MPP) is increased consistently from 58,151 to 66,393 over the study period 2000-12 and thus, experienced an annual growth rate of 0.6 per cent, which is not statistically significant. Further, during the study period, on the
average MPP schools are averaged to 65,907 schools and the share of MPP schools in the total schools observed to vary between 66 to 77 per cent. Based on the value of coefficient of variation, growth of MPP schools is more uniform when compared to central, state and private schools.

Number municipal schools in the state increased consistently and continuously from 1,888 to 2,115 and on the average 2,056 schools are found to be under the management of municipalities during the study period 2000-12. Municipal schools in the state are observed to increase at an annual growth rate of 0.86 per cent, which is not statistically significant and the share of municipal schools in the total number of schools is found to be about 2 per cent. As revealed by the coefficient of variation, municipal schools are said to increase consistently when compared to all other schools.

Table 5: Trends in Total Number of Schools by Management (2000 - 2012)

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Source: District Information System of Education, Commissioner & Director of School Education.
Note: Figures in parentheses indicate percentages to total
* , ** , *** indicate that the coefficients are significant at 1 percent, 5 percent and 10 percent
Privately managed schools in the state increased enormously from 10,299 to 26,098 during the study period and experienced an annual growth rate of 7.21 per cent, which is statistically significant at 1 per cent level. During the study period, on the average 18,771 private schools are found to exist and their share in the total number of schools varied between 13 to 25 per cent. However, based on the coefficient of variation, growth of private schools is subjected to wide fluctuation when compared to all other schools.

Total number of schools in Andhra Pradesh under different managements increased from 76,064 to 10,1204 during the study period and on an average 93,097 schools are noticed to exist over the study period. Further, total number of schools increased at an annual growth rate of 2.16 per cent, which is statistically significant.

![Figure 5: Trends in Total Number of Schools by Management (2000 – 2012)](image)

The analysis reveals that, Mandala Praja Parishats have lion’s share in the total number all schools in Andhra Pradesh (with an average share of about 70 per cent over study period) followed by state government schools with an average share of about 7 per cent, municipalities schools with an average share of about 2 per cent. However, private schools have an average share of about 20 per cent. Total schools in Andhra Pradesh are increasing at an annual growth rate of 2.03 per cent.

However, based on the growth rates, the analysis reveals that central schools may disappear soon as their growth is negative. State government schools are noticed to increase at an annual growth rate about 1.5 per cent, while municipalities are expanding its schools at an annual rate of about 1 per cent. Further, MPP schools are found to increase at an annual growth rate of 0.8 per cent. It is pertinent to note that private schools in the state are increasing at a growth rate of about 7.21 per cent per annum. Thus, school education in Andhra Pradesh in the near future may be dominated by the private sector, which is not desirable from the point of view of poor and middle class people.
Figure 5 shows the comparative changes in the total schools by management. For the sake of simplicity, bar diagrams are presented for the first year and last year of the study period i.e. 2000-01 and 2011-12.

**SUMMARY AND CONCLUSIONS**

Primary Education in Andhra Pradesh follows more or less the all India pattern. In Andhra Pradesh by 2012, in rural area local body namely Mandal Paja Parishat schools (account for 74 per cent of primary schools) will cater to the needs of rural pupil; while municipal schools (account for 2.5 per cent of primary schools) provide the primary education service to pupil in urban area. However, very few Central government primary schools (only 16 schools) and State government primary schools (account for 8 per cent of primary schools) exists in the state besides Private schools accounting for 16 per cent of primary schools in Andhra Pradesh.

Education in Andhra Pradesh follows more or less the all India pattern. In Andhra Pradesh by 2012, in rural area local body namely Mandal Paja Parishat schools will cater to the needs of rural pupil; while municipal schools provide the education service to pupil in urban area. However, very few Central government schools and State government schools exist in the state besides. Private schools also exist in primary, upper primary and high school level in Andhra Pradesh.

In this paper an attempt is made to analyze the trends in the growth of Primary, Upper Primary and High Schools by management. The study covers the time period of 12 years i.e., from 2000 – 01 to 2011 – 12 for which the uniform and comparable secondary data is available.

Total number of schools in Andhra Pradesh by 2011 – 12 was found to be 1, 02,436 of which there are 66,721 primary schools (65 per cent) and 15,759 exclusive upper primary schools (15 per cent) and the rest being upper primary cum high schools.

The following are the major findings of the study:

1. Mandal Praja Parishat (MPP) schools are noticed to have lion’s share in the total number of Primary, Upper primary and High schools in Andhra Pradesh followed by private schools, municipal schools, state government schools and central government schools in the order.

2. Private schools are noticed to increase rapidly at all levels i.e., primary, upper primary and high school level, while central government schools are found to decline at all the three levels and expected to disappear very soon. However, municipal schools may increase to some extent in view of urban expansion.

3. Primary, Upper primary and high schools in Andhra Pradesh are found to increase at annual growth rates of 1.25 per cent, 1.79 per cent and 5.43 per cent respectively.

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HRD EXECUTION OF GOVERNANCE; CONCERNING DISASTER MANAGEMENT

Dr. Budhi Sagar Mishra*

ABSTRACT
The climate change will increase the frequency and intensity of some extreme climate event from being viewed as a response mechanism at the end of the impact cycle. Adaptation is now identified as a process that builds the resistance of communities to the impact of climate change and variability by enhancing the process of sustainable development. The research ideas in climate change alteration now focus on mainstreaming it in ongoing development programme by execution of government of India. The identification of the impact by climate change will have on development issues by appropriate execution of concerned ministry with reference of manmade disaster and natural disaster. By this explanatory qualitative research, researcher tries to analysing the governance system for improvement of capability development by awareness, skill and knowledge development programme for effective areas citizens by intuitional method in different state on the basis of valuable data, since 2011 to 2016, and funding amount for preparedness by various agencies including UNDP, NIDM, HRD under the execution of government of India. In this research article, researcher endeavor to crisis by disaster in the Union tertiary and Governance administration regarding protection and safety of citizens by economics assurance and by maintaining the eco-systems of the effective areas.

Key Words: HRD-Execution, UNDP, Climate Change, World Bank, NIDM. Natural & Manmade Disaster, Intuitional Method.

INTRODUCTION
A disaster is a natural or man–made hazard that has come to fruition, resulting in an event of substantial extent causing significant physical damage or destruction, loss of life, or drastic change to the environment. A disaster can be ostensive defined as any tragic event with great loss stemming from events such as earthquakes, floods, catastrophic accidents, fires, or explosions. In contemporary academia, disasters are seen as the consequence of inappropriately managed risk.

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These risks are the product of hazards and vulnerability. Hazards that strike in areas with low vulnerability are not considered a disaster, as is the case in uninhabited regions. Developing countries suffer the greatest costs when a disaster hits – more than 95 percent of all deaths caused by disasters occur in developing countries, and losses due to natural disasters are 20 times greater (as a percentage of GDP) in developing countries than in industrialized countries.

Disaster (as derived from French – désastre, from Italian – disastro, from Latin pejorative prefix dis – bad + astrun star) is the impact of a natural or human made hazard that negatively affects society or environment. The word disaster’s root is from astrology: which implies that when the stars are in a bad position, a bad event will happen. Disaster occurs when hazards strike in vulnerable areas. Hazards that occur in areas with low vulnerability do not result in a disaster; as is the case in uninhabited regions. It is often argued that all disasters are human made, because human actions before the strike of the hazards can prevent it developing into a disaster. A disaster may be – natural or human made.

Disaster attentiveness and Management have alleged crucial importance particularly after the disaster-tragedies at different area of the nation; disasters were part of our history and geography for some centuries. But, the wisdom has dawned on all of us and Government of India in recent times that we must tackle the disasters on a pinnacle priority and war-footing. It was also realized that we needed a comprehensive approach for tackling disasters: natural or man-made. As a result, the disaster management subject at the centre was transferred from the ministry of Agriculture to the ministry of Home affairs recently (2002) and a separate division was created for disaster management. More than this, the Government has also launched a national programme for capacity building for earthquake management.

• It is in this context, Human Resource Development (HRD) strategy occupies a vital importance in disaster management. In fact, UNDP, World Bank and all its affiliates have, for past few years, recognised the crucial importance of HRD not only as a strategy but also as a modus-operandi for tackling the disasters and rehabilitating the disaster victims. HRD is a process of capacity-building in human beings. It is a process of imparting to and equipping the human beings with certain skills, techniques and competencies so as to transform them into better performing human resources (in any context and in any job or activity). In other words, HRD is an improvement process, skills enhancement process, growth / development oriented process. HRD as a strategy also attempts to bring about attitudinal change in the human beings from negative to positive, from pessimistic to optimistic and from fatalistic to action-oriented attitude. Thus, HRD is essentially a change oriented process in the human beings (resources) so as to make them effective performers in any context / situation, particularly in the crisis situations like disasters/earthquakes. There exists complex disasters also, where there is no single root cause, are more common in developing countries.

• A specific disaster may spawn a secondary disaster that increases the impact. A classic example is an earthquake that causes tsunami, resulting in coastal flooding. India is one of the world’s major theaters of disasters-both natural and human made. Floods, droughts, cyclones, and earthquakes pound it end to end every year. Communal riots, conflicts, fires, epidemics, and other disasters compound the country’s chronic troubles. The social and
economic progress and advances physical development in any country achieved over decades can be significantly devastated and degraded by disasters. Urbanization, industrialization, globalization and liberalization of economy all have influenced human life. People are tend to live in disaster prone areas due to severe stress on land, high prices of land and construction of buildings, poverty, migration and non-regulation of urban housing constructions. Even, the natural protection measures are neglected to pave the way for economic development. The government of India through various stake-holding agencies has been making efforts to meet the exigencies as arisen by natural disasters. It is, however, experienced that all these efforts and contingency plans concentrate on the post disaster situation.

- A half backed approach is adopted for preventing the occurrence of disasters. There is need for fundamental change in national disaster policy itself. The community has to be associated at all levels of planning and implementation of the disaster management programmes. Natural hazard may cause a natural disaster. Appearing to arise without direct human involvement, natural disasters are sometimes called acts of God. A natural disaster is the result of inappropriate human action in an area exposed to a hazard.

- Disasters having an element of human intent, negligence, error or involving a failure of a system are called human made disasters. Further, human made disasters are in turn categorized as technological or sociological. First occurs because of failure of technology, such as engineering failures, transport accidents or environmental disasters. Sociological hazards have a strong human aspect, such as crime, stampedes, riots and war.

**Capacity Building Programme**

Human resource development is a key aspect in establishing a disaster-resilient community, as it aims to institutionalize capacity-building processes. By and large, the education and training system had ignored disaster mitigation and risk reduction until recently. The capacity building process is being introduced at both the primary school level and in updating the curricula of specialized courses such as engineering, architecture, and medicine. Efforts are being made to improve the capacities of education and training institutions to impart training in new concepts and practices to the workforce. At the school level, disaster management has been included in the curricula for middle and secondary education. Disaster management has also been included in the post-induction and in-service training of civil and police officers. Course curricula have been developed for engineering, architecture, medical, and nursing courses also.

Earthquake-engineering education has been included in the curricula of the engineering colleges at the undergraduate level as a major step towards disseminating disaster education. As a public awareness initiative, a compilation of information, education, and communication (IEC) material on various aspects of disaster risk mitigation has been distributed to all states for translation into local languages and subsequent dissemination among communities. Awareness programmes about earthquakes, floods, and cyclones are being broadcast by All India Radio, Doordarshan, and print media, and sensitization programmes are being held for school and college students at the national, state, and district levels. A programme to train and certify 50,000 rural masons in multi-hazard resistant construction is also being implemented.
The National Centre for Disaster Management has been set up with the aim of creating an institute of excellence in disaster management studies in India. As per the provisions of the Act, the NIDM is required to design, develop, and implement training programmes; undertake research; formulate and implement a comprehensive human resource development plan; provide assistance in national policy formulation; assist other research and training institutes, state governments, and other organizations in discharging their responsibilities effectively; develop educational materials for dissemination; and promote awareness among stakeholders in addition to any other function as assigned by the Central Government. The NIDM is also required to network with various research and training institutions to share knowledge and resources.

Table 1: State-wise Grant Allocation for Capacity Building for Disaster Response

(Rs. in Crore)

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Government of India has set up national level institutions for providing training and capacity building of personnel. National Fire Service College has been set up at Nagpur to train the personnel of State Fire Services/Brigades in all spheres of fire engineering. A scheme for up gradation of National Fire Service College was also launched in 2010 to enhance the capacity of the college to meet the requirements of specialized professional training in all aspects of emergency management especially fire. National Civil Defenses College has also been set up at Nagpur which aims at providing management training for radiological, nuclear, biological and chemical emergency response. The college has been upgraded to an institution of excellence at national level in order to train a professional cadre of trainers for disaster response and recovery management. The 13th Finance Commission, Government of India has also recommended a grant of Rs. 525 crore for building capacity within the administrative machinery for better handling of disaster response and for preparation of district and state level disaster management plans (Table 1). Financial assistance to administrative training institutions and other training institutes has also been provided to strengthen training capacities of ATIs and other training institutes on disaster management. The scheme is being implemented in 30 disaster management centers run by the administrative training institutes of the state governments and six centers for excellence. Besides, UNDP supported programme of disaster risk reduction, being implemented in 176 multi-hazard districts also focuses on institutional strengthening and capacity building for disaster risk reduction. The programme also aims at enhancing the capacity for urban risk reduction by addressing planning, capacity building and ensuring suitable legislative and regulatory mechanisms to promote safe built environment.

**Vital Development of Skills and Knowledge for Disaster Management**

The modern day disaster mitigation and management requires a high level of professional skill, while volunteers will always be important in disaster response operations, staff involved in planning, situation evaluation, needs assessment or service delivery have to be equipped with the technical and management skill required to participate in increasingly complex programs. It is an establishment fact that the disasters of different types will require different types of trained rescue workers, and the equipments. The skills required for rescue work cannot be dealt in isolation. They have to dovetail into the holistic picture of the disaster management plan as stated earlier. The post disaster management can be divided into four distinct phases. First phase is the rescue work, which involves saving the victims of the disaster. Second phase is the relief, which involves comforting the victims and establishment of order at the disaster location. The third is the rehabilitation of the victims. The fourth and the last phase is Reconstruction. It also takes the longest time. The first phase is the most critical from the point of view of saving human lives. It also has a very short duration when the victims can be saved. This makes rescue work the most critical so far as the disaster management is concerned. Thus the rescue workers must be trained and equipped to deal with the ground realities. Then and only then they can be effective in saving the human lives. The skills required in the disaster management include those required for (1) Rescue Work, (2) Relief, (3) Rehabilitation, and (4) Reconstruction. The skills can be disaster specific for Rescue and the relief works. Rehabilitation and Reconstruction are more or less similar in the different types of disasters. The most common natural disasters affecting our country are: (1) Earthquakes, (2) Floods, (3) Landslides, (4) Hurricanes, (5) Drought and Desertification. The
different types of skills required for the management of these disasters is comprehensive and can be listed under different categories.

Emergency response is one of the most demanding forms of activity worldwide because it operates in conditions of uncertainty, often in remote locations and within severe time constraints. It therefore tests the management and logistic capabilities of the agencies involved to the limit. These teams are the first to reach the disaster locations. Their basic function is to provide First Aid to the disaster affected and organize Rescue operation. These tasks require certain basic skills. These include-

- Civil Defense to organize rescue operations,
- Fire protection in case of fire hazard,
- Ground and a serial first-aid service,
- Medical help in disasters,
- Environmental protection,
- Emergency supplies and provision of food,
- Labor safety and occupational hygiene,
- Water and food protection and treatment,
- Rescue operations in traffic crashes,
- Rescue and first-aid service in mining and mountaineering,
- Protection of material values and property rescue operations in natural disasters.

The disasters victims in these categories are affected more severely than the other victims. They required specialist treatment. The medical team should have trained persons to deal with these categories of patients. In case of severe disasters like Earthquakes or Major floods the mass fatalities are common phenomena. To deal with the ground situation, it requires skill of the highest order. Disposal or cremation of the dead bodies becomes a serious problem and places a heavy strain on the resources of the organization. This situation is further complicated by the problem of identification of the dead.

Technical skills are the specialized engineering skills in various fields. The specialists in these fields are professionals and required very little training before inducting them into rescue work. Communication is one of the most important part of the disaster management work. The biggest problem faced by the planners is the level of dependence of the existing communication network, either in the form of landlines, or cell phones. Both the forms of communication are susceptible to damage in the event of disaster. The only reliable link can be wireless network. Unfortunately it requires specialist knowledge for operation and maintenance. Satellite linked phones can be a better option but it is exorbitantly expensive.

The disaster affected areas might contain a number of utility services like electricity, water supply, telephones, and gas lines for domestic or industrial supply petrol oil and lubricant storage at the petrol pumps. The live electric lines, gas lines and water lines can pose a serious threat to life. They have to be effectively disabled to prevent accidents. It requires technical as well as the local knowledge. Like any large scale project the disaster mitigation and management project is a
multidisciplinary and multi specialty project. To conduct such an operation a variety of organizational skills and the best of the project management skills are required. Every project throws up a variety of problems during the execution stage. Despite of the care taken at the planning stage to avoid such situation, these emergencies are increasing. The emergency planners are required to take care of this situation and find away to bypass the emergencies and permit the project to run smoothly.

The manpower requirement in the disaster management is very large. To mobilize and organize such a large force of volunteers is a Herculean task. The volunteers are invariably untrained or at best semi-trained persons. To motivate such a force requires very high level of commitment and organization skill. The decision-making capability is a gift and very few people have this capability. It is more so in case of a crisis situation. The decision has to be made at that point of time. Correctness of the decision can only be judged by subsequent results. The project Managers is the specialists who oversee the project execution. Their main functions are to ensure that:

- Resources are deployed at right time,
- Adequate resources are available,
- Coordination between different agencies or Groups,
- Monitoring the progress of the project.

Finance or the Money forms an important part of resources. The main sources of funds are the Government departments, Voluntary Organizations, Public and Private sectors. All of them have their own rules, regulations and other conditions for the release of funds. These conditions have to be fulfilled. The funds have to be deployed for productive work. All this process requires specialist knowledge and skills including strategic planning, leadership, and decision making.

Integration of the skills in Disaster management plan-All the skills listed above are integral part of disaster management, Most of the skills are part of some Medical, Technical Management sciences. There are qualified specialists working in these fields. To integrate these skills into the disaster management plan will mean bringing in all these specialists into the action plan. Then only these skills can be utilized in the execution of the action plan. The plan has to be prepared by professional planners. The requirement of manpower for disaster management is very high. The mobilizing such a huge force is itself is a formidable job. It a common practice all over the world to look for the manpower from various organized and disciplined groups like armed forces, civil defense fire brigade etc. There is another big source of manpower that has not been paid adequate attention. These are the local population who are the biggest stakeholders.

The basic requirement of the rescue volunteers is that they must be properly organized, should have discipline, adequate resources to operate on their own if necessary and last but not the least they must have some basic rescue and or disaster management training. Referring to the above list, we find armed forces are the only group coming closet to the requirements. Unfortunately their main training and responsibility is National defense. The deployment of armed forces for disaster management or counter insurgency is not a good practice. It affects their training as well as their moral. This point has been stressed by the Armed forces high command as well as various high-powered committees. Unfortunately we lack an organized, disciplined and trained force to
counter the disasters as well as the insurgency. The Government departments have very little training and organization to combat any disaster. Their best use will be for organizing the back end of the project execution like inventory management, supply and logistics, emergency centers management. Some of the organizations like Red Cross, St. John Ambulance Brigade are reasonably organized and adequately trained for disaster management. Their limitations are their limited authority to undertake the disaster management on their own. They have to tie up with government officials.

**Indispensable HRD Skills and Techniques for Disaster Management**

- Scouting/organizing/harnessing and acquiring people particularly youth and community leaders in the disaster prone villages, areas and regions so as to equip them with the skills of preparedness for the disasters.
- Communication skills, particularly in the event of the disaster-crisis to communicate to all the parties concerned, Government, voluntary agencies and local bodies etc.
- Co-ordinating and networking skills with an emphasis on priorities basis.
- Team building skills so as to marshal and organize the different segments of people in villages during the disasters or post disasters.
- Motivating skills to improve and infuse self-confidence in the affected population/victims to take up the construction work required.
- Interpersonal relationship skills to build the common cause and tackle the problems collectively in the affected villages/communities.
- Counselling to disaster affected victims and their families with real empathy.
- Leadership skills to train the youth and community leaders in taking initiative, objective analysis of the crisis and launching an action drive for withstanding the crisis and tackling the crisis.
- Attitudinal-change training from resigned, fatalistic pessimistic, karma attitude to pro-action, positive, self-confident and self-helping attitude among the population in the affected villages/areas.

The above mentioned skills/techniques are essentially required and immensely useful for tackling disasters at different stages: (1) Preparedness stage (2) Mitigation stage (3) Rehabilitation stage through the post disaster rehabilitation measures. Thus, HRD, not only as a most effective strategy but also as a comprehensive action programme/plan becomes an inseparable modus operandi in disaster management. More than this, HRD becomes a part and parcel of various measures in disaster management:

- Engineering and architectural precautions/measures for earthquake risk management for better preparedness to the disasters.
- Mitigating the disasters through the various intervention-skills mentioned above.
- Rehabilitating the disaster victims through the comprehensive package of measures like:
  - Building proper well designed homes/shelters for the victims.
  - Designing the village layout and community life, to be least affected by the disasters.
HRD Execution of Governance; Concerning Disaster Management

- Planning for the important services like providing health care, awareness and literacy etc.
- Launching and providing essential services during the crisis: providing food, medicines, transport, logistics, information spread out etc.
- In all the stages and facets of disaster preparedness, mitigation and rehabilitation, HRD interventions become crucial. Hence, the new found importance of HRD dimensions in disaster management programme.

REFERENCES


