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# Contents

1. **Association between Emotional Intelligence (EI) and Conflict Management (CIM'S) in RMG'S**
*Abu Taher and Balasundram Nimalathasan* 5

2. **Covert Factor Influencing Employee Retention—A Conceptual Paper**
*J. Anitha and Shridula S. Perumal* 20

3. **A Study on Job Satisfaction among Employees in Seshasayee Paper and Boards (SPB) Limited, Erode**
*T. Murugan and G. Murugesan* 32

4. **Transfer of Technology (TOT) in the Bio-pharma Industry—A Case Study on Selected Companies in Iran**
*H. Madani, R. Radfar, M. Mahboudi, A. Khamse, M. Sharbiyani and R. Radmanesh* 43

5. **Consumer Decision Making Process—A Study on the Rural Woman Consumer in Tamilnadu—An Empirical Study**
*S. Sundararajan* 55

6. **Case Study: Non-Stop Drive to Airport**
*S. Jaisankar* 73

7. **Book Review: *The Evolution of a Corporate Brand* by Morgan Witzal**
*Ramesh Kulkarni and Alvina Clara* 78

***AUTHOR INDEX*** 83

# Association between Emotional Intelligence (EI) and Conflict Management (CIM'S) in RMG'S

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**Abstract—***Many industrial enterprises today are teetering on the edge of disaster. Excessive downsizing has created employees who find themselves overworked, underappreciated and constantly seesawing between exhaustion and fear. Competition in the workplace is fierce and many new recruits feel a need to turn to aggressive tactics to get ahead of their peers or risk falling behind. Business leaders are beginning to realize that such negative emotions among their employees are not healthy for the organization and its prospects for success. Many are seeking ways to turn negative emotions into positive productive behaviour. Therefore, the present study is initiated on association between emotional intelligence (EI) and conflict management styles (CMS) in industrial enterprises. Random and purposive sampling techniques are used for drawing samples for this study. The questionnaire is designed by the researchers a seven point Likert type summated rating scales from strongly disagree (-3) to strongly agree (+3) are adopted to identify the EI and CMS variables. In the present study, we, therefore, used Cronbach's alpha scale as a measure of reliability. Its value is estimated to be 0.900. Operational hypotheses are formulated, result shows that the EI has a significant impact on CMS. In addition EI and CMS are highly correlated.*

**Keywords***: Emotional Intelligence (EI); Conflict Management Styles (CMS) and Industrial Enterprises.*

## INTRODUCTION

Emotional intelligence (EI) has rapidly become a popular concept (Sjöberg, 2001a, 2001b, 2001c), especially following successful books by Goleman (Goleman, 1995, 1998). Researchers and practitioners, such as Bar-On, market self-report instruments that purportedly measure EI (Bar-On, 2000) but little published research supports this claim. Claims to the effect that EI is much more important than traditional intelligence have not been supported; on the contrary traditional intelligence remains a major dimension in the prediction of work achievement (Austin, Deary, Whiteman, Fowkes, Pedersen, Rabbitt, Bent, & McInnes, 2002; Schmidt & Hunter, 1998). This does not preclude that EI could add an important piece of information. McCrae argued that self-report EI has not been established as distinguished from the dimensions of the five-factor model (McCrae, 2000). In spite of such critical remarks, EI flourishes in the test market and is probably seen as the biggest innovation of personality measurement of the 1990's.

The origins of the term EI date back to 1990s, when Peter Salovey, from the University of Yale, and John Mayer, from the University of New Hampshire, published an article entitled "Emotional Intelligence" (Salovey & Mayer, 1990) and this created great interest in the idea. Salovey & Mayer are the real coiners of the term, which they define as the ability to accurately perceive, evaluate and express emotions: the ability to have access to and/or generate feelings which make thinking easier; the ability to understand emotions and emotional knowledge, and the ability to manage emotions by promoting emotional and intellectual growth (Mayer & Salovey, 1997). Their contributions can be regarded as a starting point from which a great number of studies on EI have been developed and it is also important to acknowledge the United State of America (USA) as the most advanced country in this line of research.

EI is the ability to recognize and manage emotions (yours and others). EI is increasingly relevant to organizational and personal development as it has huge impact when considering work place issues and environments and can be defined as a set of skills encompassing empathy, self-awareness, motivation, self-control and adeptness in relationships.

There are obvious reasons why the introduction of EI has raised great hopes. Most people have probably experienced, in their own lives, the severe problems that may arise in human interactions of various kinds. Manipulation and deception constitute one example of the "dark side" of human transactions, other common problems have more to do with the sheer lack of understanding of how others feel and react. It is a common mistake to assume that others' opinions and attitudes are more like one's own than they (Baumeister, 1998). Managers often face grave difficulties having their roots in lack of social skills. Policy making in society runs into severe difficulties when people's concerns and worries are overlooked.

Conflict is a certainly in organization and may sometimes be highly desirable for all parties. Although it may be possible to prevent many conflicts, others will need to be managed so that conflicts between co-workers, supervisors and subordinates, two or more departments, the organization and external groups (such as major customers, unions, and government agencies) can be resolved. Employers must handle conflict in a way that protects employees' rights. In addition to discipline issues, conflict on the job may arise for a host of reasons; sexual harassment; equal opportunity complaints; or disputes over promotions, pay, or admission to training programs. Some organizations have designed procedures for handling these conflicts.

From the organization point of view, conflict among the individuals or groups can create several positive or negative outcomes which depend on level of conflict. That is the organization believes that when conflict arises among the employees that leads to considerable positive effect to the organization like competition. There are different views of conflict; the organization uses conflict management techniques. Conflict may also affect profitability and survival of the organization. In the competitive world, every organization is trying to achieve its competitive advantage. Therefore organization should use its resources effectively in order to achieve its objectives. One of the most import resources is the human. This human resource may be affected by several factors. These factors also affect the performance of the employees. Conflict is an important aspect in determining employees' performance. So, the organizations wish to maintain proper level of conflict. For this, they are using conflict management technique like stimulation or resolving techniques. Now-a-days one of the technique is EI, so this study attempts to study the association between EI and CMS in retail industrial enterprises.

## RESEARCH QUESTIONS

In the competitive world, competition among employees is at the higher level. Workload, promotion and employee behaviour also induce conflict among employees. There is no need conflict leads to negative impact to the organization. Conflict may be result in either negative or positive impact. Employers and employees wish to have conflict with positive impact, such as employee performance, satisfaction, etc. because conflict is a vital part in achieving organizational objectives through high performing employees.

Two questions would be explored in this research:

- Is there a relationship between EI and CMS?
- Does EI impact on CMS in industrial enterprises?

## REVIEW OF RELATED LITERATURES

The literature review describes emotional intelligence, conflict and conflict management styles.

## Emotional Intelligence (EI)

Salovey & Mayer (1990) defined EI as "the ability to monitor one's own and others' feelings, to discriminate among them, and to use this information to guide one's thinking and action". Theoretical perspectives and empirical studies on what abilities comprise EI differ somewhat, although one of the most widely reported models includes four dimensions (Salovey, Mayer & Caruso, 2002): (1) Perceive one's own and others' emotions and accurately express one's own emotions; (2) Facilitate thought and problem solving through use of emotion; (3) Understand the causes of emotion and relationships between emotional experiences; (4) Manage one's own and others' emotions. This is an "ability model", but other perspectives (e.g., Goleman, 1998) reflect "mixed models"; combining abilities with a broad range of personality traits. Both the ability and the mixed models have strengths and limitations (Caruso, Mayer & Salovey, 2002; Mayer, Salovey & Caruso, 2000).

Empirical and theoretical evidence suggest that EI is relevant for a number of aspects of individual and organizational life (e.g., effective leadership, productivity/performance, satisfaction with life, health and well-being; see Van Roy & Viswesvaran, 2004, and the respective references for a synthesis). Studies also have shown that EI of service providers' predicts customer satisfaction (Kernbach & Schutte, 2005) and that EI is associated to salesperson's customer orientation (Rozell, Pettijohn & Parker, 2004).

## Conflict

Conflict is endemic to all social life. It is an inevitable part of living because it is related to situations of scarce resources, division of functions, power relations and role-differentiation. Because of its ubiquity and pervasive nature, the concept has acquired a multitude of meanings and connotations presenting us with nothing short of a semantic jungle. Like other terms, conflict generates considerable ambivalence and leaves many scholars and administrators quite uncertain about (1) its meaning and relevance and (2) how best to cope with it.

Conflict refers to more than just overt behaviour. Concentrating only upon its behavioural manifestation is an extremely limiting exercise. The three-dimensional conception of conflict emphasizes the need to consider the situation in which parties (individuals, groups or organizations) come to possess incompatible goals, their structure of interaction and the nature of their goals. We have to consider emotional (e.g. distrust) and cognitive (e.g. stereotyping) orientations that accompany a conflict situation as well as the range of action undertaken by any party in a situation of conflict.

Conflict is a natural, everyday phenomenon in all private and working spheres. It is an unavoidable component of human activity (Brahnam, Margavio, Hignite, Barrier, Chin,2005) that may be viewed as a situation in which the concerns of two or more individuals appear to be incompatible (Darling & Fogliasso, 1999), and which tends to occur when individuals or groups perceive that others are preventing them from attaining their goals (Antonioni, 1998). More broadly, conflict is an interactive process manifested in incompatibility, disagreement, or dissonance within or between social entities (i.e., individual, group, organization, etc.) (Rahim, 2002).

Within organizations conflicts are inevitable, and arise in case of disagreements over workloads, problems in communication, individual differences in needs, wants, goals, values, opinions, preferences or behaviours, as well as in case of disputes between employees/unions and employers. Explicitly, as human beings interact in organizations, differing values and situations create tension (Darling & Walker, 2001).

In the 1930s and 1940s, conflict was viewed as an undesirable phenomenon. However, that traditional viewpoint of conflict gave way to the behavioural viewpoint of the 1960s in which conflict was seen as an inevitable fact of organizational life to be recognized and addressed (Jones & White, 198), and to the contemporary interactionist viewpoint, in which conflict is viewed as potentially useful to energize a company, point out problems and unify a group (Banner, 1995, 31). Conflict is today not considered to be a bad thing anymore4. Opposite to the "conflict avoidance" perspective of traditionalists, the "conflict management" perspective of integrationists recognizes that while conflict does have associated costs, it can also bring great benefits. Properly managed, it can be a creative force for the business and the individual, because if we regard differences of opinion as valuable sources of cross-fertilization, they begin to enrich our experience (Bagshaw, 1998). In other words, conflict presents exciting possibilities about the future (if managed in a positive, constructive fashion), because difficult situations and relationships are said to be the ones that make people grow.

Organizations are living systems consisting of interacting units performing a task in a mutually dependent manner within a structure of scarce resources. It seems commonplace to suggest that conflicts would be present in such a setting. The parties in an organization may have a conflict about the distribution of resources, or they may have a more fundamental conflict about the very structure of their organization and the basic nature of their interaction (Aubert, 1963).Once the parties are in a situation of goal incompatibility, their conflict develops in a dynamic fashion, initiating valuable and much-needed constructive changes or leading to escalating strategies and destructive consequences (Deutsch, 1969). As there is nothing pre-determined about its course or development, it seems erroneous to view conflict from a negative perspective only-destructive or dysfunctional. It is true that conflict may be uncomfortable, it may even be a source of problems, but it is absolutely necessary if change is to occur, if organizations are to survive and adapt. Organizational change and innovation does not just happen, it requires a stimulant. That stimulant is conflict.

Finally, even successful management these days depends heavily on an ability to handle conflict effectively, as Mintzberg (1975) observed over 30 years ago, when he said that every manager must spend a good part of his time responding to high-pressure disturbances and called that managerial role the disturbance handler, and McShulskis (1996) reaffirmed with his finding that executives spend 18 percent of their time resolving employee personality clashes, while ten years before the time spent on employee mediation was half that amount. Thus, the foremost managerial task nowadays became to create a climate where conflict is managed and not avoided (Bagshaw, 1998), and to permit conflict to serve a productive function (Phillips & Cheston, 1979). In other words, contemporary managers are called upon to resolve differences in priorities and preferences, and use conflict in a way that benefits their organizations (Friedman, Tidd, Currall, Tsai, 2000).

## Conflict Management Styles

The mostly acknowledged and utilized framework of styles of resolving interpersonal conflict is the one developed by Thomas (1974) and Rahim and Bonoma (1979, cited in Rahim, 1983), following the work of Blakeand Mounton from 1964, precisely their managerial grid. That framework accounts for five styles of handling conflict (Moberg, 2001): avoiding, competing (dominating), accommodating (obliging), collaborating (integrating), and compromising, determined by two dimension. Rahim and Bonoma (1979 in Rahim, 1983) labelled those two dimensions “concern for self” (It is the concern for one’s own wellbeing and fulfilment of one’s own concerns and needs, when individuals are oriented toward satisfying their own needs no matter the consequences for the party) and “concern for others" (It is the concern for other people wellbeing and their concerns and needs when individuals neglect their won concern for satisfying their needs in order to satisfy the needs of the other party), whereas Thomas (1974 in Brahnam et al., 2005) labeled them "assertiveness" (it is behaviour intended to satisfy one' own concerns) and "cooperativeness" (It is behaviour intended to satisfy another's concerns).

Among the five styles for the resolution of conflict described, literature appears to favour the use of collaborative style and points out that collaborative management strategies generate higher quality decisions than distributive strategies (Thomas, 1977; Filley, 1978; Bettenhausen, 1991; Lovelace, Shapiro, Weingart, 2001); Brahnam, Margavio, Hignite

Barrier, Chin, 2005). As Brahnam et al. (2005) highlight, since there is typically less emphasis in modern business on competitive negotiation and more on inter organizational relationships, it is not surprising to find that the most valued conflict management strategy in business is collaboration, i.e. the win-win style of managing conflict. Namely, collaborating is the only conflict management style that considers the interests of both parties and focuses on mutual gains, and it is therefore argued that this style produces superior outcomes with more open exchange of information and a higher level of satisfaction through exploring the conflict issues more comprehensively (Van Slyke, 1999 in Goodwin, 2002, 383).

Hence, now-a-days EI is a tool for handling the conflict. Based on the previous studies we can say that there are some studies but there is no detailed and comprehensive study in respect of EI. Hence, the researchers have identified the research gap to conduct the study effectively.

## RESEARCH MODEL

Based upon related literatures, the research model is shown association between EI and CMS in industrial enterprises.

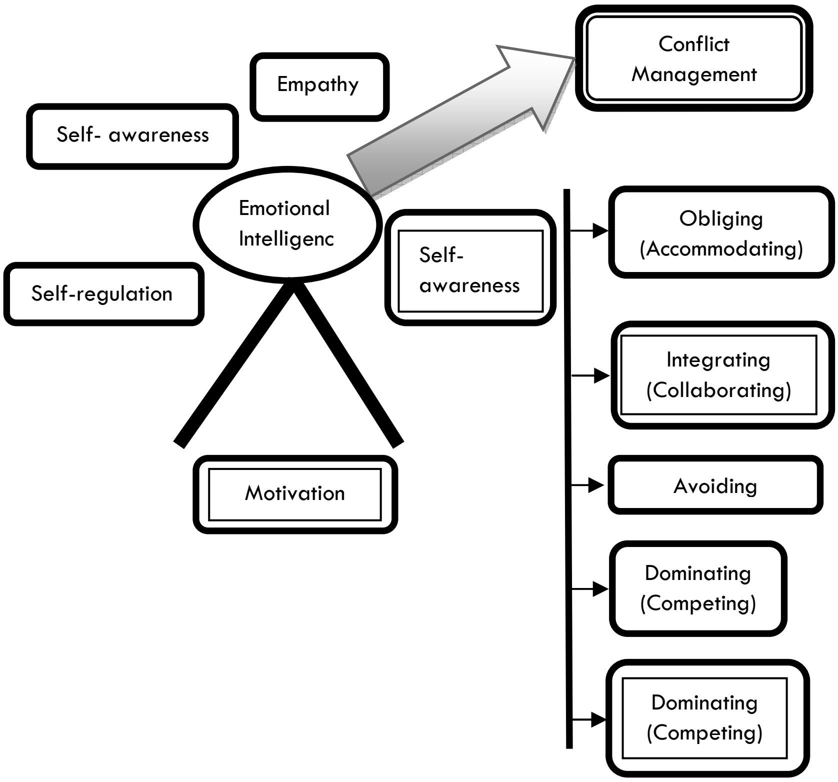


**Fig. 1: Research Model**

## Objectives

The main purpose of the study is to identify the association between EI and CMS in industrial enterprises of Bangladesh. In order to materialize this objective, the following specific objectives have been considered.

- To identify the variables of EI and CMS in industrial enterprises in Bangladesh;
- To identify the impact of EI on CMS in industrial enterprises in Bangladesh; and
- To suggest some measures in order to solve the conflict in industrial enterprises of Bangladesh.

## Hypotheses

The following hypotheses are taken for the study

- EI and CMS are significantly correlated.
- EI has great impact on CMS.

## Research Design and Methods

This section describes research approach, sampling strategy, data sources, instrumentation, reliability and validity and statistical tools used.

## Sampling Strategy

The sample for this study was Readymade Manufacturing Garments (RMGs) industry in Bangladesh. A random sampling technique was used to select the industries. Initially researchers identified fifty RMGs in Chittagong then, decided to distribute questionnaires among chief executive officer (CEO)/manager from each RMGs. Hence ultimate sample is fifty CEO/ manager.

## Data Sources

Given the nature of the present study, it was required to collect data from the primary and secondary sources. During data collection, the authors were always careful of the objectives and hypotheses of the study. Primary data were collected through the questionnaire. Secondary data were collected from research studies, books, journals, newspapers and ongoing academic working papers. The collected data may be processed and analyzed in order to make the study useful to the practitioners, researchers, planners, policy makers and academicians.

## Instrumentation

The questionnaire was administrated to CEO/ managers from each RMGs which is in Bangladesh. A seven points Likert type summated rating scales from strongly disagree (-3) to strongly agree (+3) were adopted to measure the variables.

## Reliability and Validity

Reliability was established with an overall Cronbach's alpha of 0.845. If we compare our reliability value with the standard value alpha of 0.7

advocated by Cronbach (1951), a more accurate recommendation (Nunnally & Bernstein's, 1994) or with the standard value of 0.6 as recommended by Bagozzi & Yi's (1988). Researchers find that the scales used by us are highly reliable for data analysis.

Validation procedures involved initial consultation of the questionnaires. The experts also judged the face and content validity of the questionnaires as adequate. Hence, researchers satisfied content and construct validity.

### Statistical Tools Used

In the present study, we analysed the collected data by inferential statistics (i.e., correlation and regression). For the study, entire analysis is done by personal computer. A well known statistical package for social sciences (SPSS) 13.0 version was used in order to analyze the data.

## FINDINGS

The findings have been discussed under the following heads.

### Relationship between EI and Conflict

EI considered as independent variables and CMS are considered dependent variables as well for further analyses. From these, correlations analysis was carried out to find out the relationship among the variables. Further the following; model was formulated to examine the relationship between ED and HRD.

CMS=f (SA, SR, M, E, SSS)

Model

$C=\beta_O+\beta_1(SA)+\beta_2(SR)+\beta_3(M)+\beta_4(E)+\beta_5(SSS)+e$

Where $\beta_0$, $\beta_1$, $\beta_2$, $\beta_3$, $\beta_4$, $\beta_5$ are the regression co-efficient

C=Conflict Management Styles

SA=Self Awareness

SR=Self Regulation

M=Motivation

E=Empathy

SSS=Social Skills of Supervisor to Subordinates e=error term

To test how well the model fit the data and findings, correlation (r), R, $R^2$ (Coefficient of determination), variance, analysis of variance (ANOVA) and the t statistic are used. Correlation analysis is performed to find out the pair wise relationship between variables; SA SR, M, E, SSS and CMS. Hence, the results are summarised in Table-1.

**Table 1: Correlations Matrix for EI and CMS**

| Variables | EI | SA | SR | M | E | SSS |
|---|---|---|---|---|---|---|
| CMS | 0.859** (0.000) | 0.805** (0.000) | 0.724** (0.000) | .656** (0.000) | 0.606** (0.000) | 0.589** (0.000) |
| EI | | 0.894** (0.000) | 0.899** (0.000) | 0.789** (0.000) | 0.725** (0.000) | 0.652** (0.000) |
| SA | | | 0.614** (0.000) | 0.652** (0.000) | 0.587** (0.000) | 0.548** (0.001) |
| SR | | | | 0.587** (0.002) | 0.547** (0.004) | 0.487** (0.000) |
| M | | | | | 0.498** (0.004) | 0.465** (0.000) |
| E | | | | | | 0.475** (0.000) |

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

Table-1 shows that the correlation values between the variables. EI and CMS are positively correlated with the value of 0.859 which is highly significant at 1 percent level of significance. In addition, SA, SR, M, E and SSS are also positively correlated with CMS. Hence hypothesis one is accepted.

## EI and Its Impact on CMS

Further a multiple regression analysis is performed to identify the predictors of CMS as conceptualized in the model. An enter wise variable selection is used in the regression analysis and table-2 provides the summary measure of the model.

**Table 2: Predictors of CMS-Model Summary**

| Model | R | $R^2$ | Adjusted $R^2$ |
|---|---|---|---|
| 1 | 0.847 | 0.758 | 0.577 |

Predictors: (Constant), SA; SR; M; E and SSS

The EI (SA, SR, M, E and SSS) in the above model revealed the ability to predict CMS ($R^2$=0.758). In this model value of $R^2$ denotes that 75.8 percent of the observed variability in HRD can be explained by the different in activities of EI namely SA, SR, M, E and CMS. The remaining 24.2 percent is not explained which means that the rest 24.2 percent of the variation in CMS is related to other variables which are not depicted in the model. This variance is highly significant as indicated by the F value (F=55.431 and P=0.000) and an examination of the model summary in conjunction with ANOVA indicates that the model explains the most possible combination of predictor variables that could contribute to the relationship with the dependent variable.

In this model, t value for SA is highly significant at 1 percent level. It indicates that with increasing level of SA, CMS will be increased 5.244 levels. Similarly, SR, M, E and SSS are also highly significant at 1 percent level which clarifies that with the increasing a unit of characteristics of INS, AD, SMS and GMS, C will be increased 4.154, 3.741, 2.457 and 1.478 respectively. Therefore, hypothesis two is also accepted.

**Table 3: Coefficients for Predictors of CMS**

| **Models** | **Unstandardized Coefficients** | | **Standardized Coefficients** | **t** | **Sig** |
|---|---|---|---|---|---|
| | **ß** | **Std. Effor** | **Beta** | | |
| 1 Constant | -.368 | .219 | | -1.680 | 0.097 |
| SA | .796 | .143 | .617 | 5.244 | 0.000 |
| SR | .649 | .133 | .511 | 4.154 | 0.002 |
| M | .505 | .130 | .421 | 3.741 | 0.001 |
| E | .456 | .128 | .321 | 2.457 | 0.001 |
| SSS | .357 | .124 | .305 | 1.478 | 0.001 |

*Source*: Survey data

## CONCLUSION

The association between EI and CMS could be valuable for improving workplace relations and productivity. Namely, there are practical implications for understanding how individuals, depending on their demographic and work characteristics, handle conflicts. A better understanding of the contribution of individual differences to conflict management has implications for managing human resources in organizational contexts, especially for their recruitment and selection, training and development, as well as motivating and rewarding. More to it, findings of this research could aid practitioners in fitting together the individual differences of their employees with CMS they use, as well as to anticipate conflict handling behaviour of their employees depending on their gender, age, and educational level, field of work, hierarchical level or family status.

Finally, this research induces that both academics and practitioners should give more attention to identifying potentially positive effects on organizational behaviour and effectiveness deriving from behavioural differences associated with diverse workforce.

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# Covert Factor Influencing Employee Retention—A Conceptual Paper

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**Abstract—***The article examines the fact of the present escalating employee attrition and various practices and possibilities of sustaining employee retention. Studies show a number of factors and practices that organisation would adopt to retain their talent. However, apart from various common measures of employee retention, the article identifies four major causes for employee retention, which are not given prime importance, which today's organisations need to concentrate on. Based on the four factors, namely, employee voice, organisation culture, organisation mission and perceived supervisor support, a conceptual model is built and is supported with literature. Research shows that when organization gives employees the opportunity to voice dissatisfaction over aspects of their work, the probability of employee retention is high. Organisation culture has relatively very high impact on employee performance and retention. Research also supports that perceived supervisor support has a vital role in employees morale and hence their intention to stay increases. Apart from above factors, it is remarkable to note that employees believe in the organization's purpose and recognized their role in fulfilling that purpose and hence the mission of the organisation has a significant impact on employee retention too. These covert factors need immediate attention of employers in the present scenario.*

**Keywords:** *Employee Retention, Employee Voice, Perceived Supervisor Support, Organisation Culture, Mission*

## INTRODUCTION

Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Employee retention is beneficial for the organization as well as the employee. Employees today are different. They are not the ones who don't have good opportunities in hand. As soon as they feel dissatisfied with the current employer or the job, they switch over to the next job. It is the responsibility of the employer to retain their best employees. If they don't they would be left with no good employees. A good employer should know how to attract and retain its employees. World over, the biggest challenge faced by the companies is to retain their staff. Day by day, the attrition rate in an organization moves upward. This article studies in general the various measures commonly taken by organizations to retain their talented employees. Apart from the common measures, the study identifies through a thorough literature review, four major factors that have a significant hold on employee retention. When organizations notice the factors and the level of their existence in their premises, and accordingly take steps, would definitely help them to do a significant change in the present attrition level in their organization.

## ATTRITION RATE IN DIFFERENT SECTORS 2010

A study (Brown and Yoshioko, 2003) has identified that there were three main reasons for employee attrition, namely, other career plans, insufficient pay and opportunities, and frustration with management. The most common reason was related to careers where they had either other career plans or another career or job already. The second most prevalent explanation was related to pay and workload: the pay was not satisfactory, or there was too much work. The final set of comments was conceptualized as frustration with management. This was expressed in two ways: the organization is "not run well", or the organization "doesn't reflect the mission", which results in perceived inconsistencies in management's rhetoric and actions. However there may be numerous other reasons for the escalating employee turnover in today's scenario. The reasons may include inappropriate recruitment and selection, inadequate wages, poor morale and low levels of motivation, stress, inadequate safety measures at workplace, inadequate options for career advancements, unsatisfactory relationship with supervisor, poor health of employee, partiality and favouritism and so on (Anitha and Sneha, 2011).

The graphical representation in Fig 1 depicts the attrition rates in different sectors in India. Attrition is a major problem with India Inc. and it suddenly got increased in the first quarter of the fiscal year 2011. The major reason behind (this) was that firms had started paying more to newly hired employees. Beside pay packages, career level growth and relationships with supervisors are the other major reasons for higher job attrition. According to a study given in a popular HR website, 2011, the main reason for switching a job is pay packages (21%), followed by career level growth (16%), dissatisfaction with supervisors (15%), work pressure (14%) and other reasons contributing to around 30%. It was also found that employees with experience of up to five years had the highest attrition rate of 39%, while it was 27% for those with 5-10 years of experience and 22% in the 10-15 years' experience bracket. Interestingly, senior-level employees (experience more than 15 years) had a very low attrition rate of 15%. There is overall 11% of attrition rate in the compressor manufacturing industries in India.

As per analysis by Naukrihub, 2011, the BPO sector is suffering from high attrition with 50%-55% all over. The manufacturing sector with 17%-

20% has low attrition rate while compared to other industries. The attrition is caused due to various reasons as quoted above that includes, low salary which is not given according to market rate, lack of appreciation, under utilization of the employees and their work, lack of growth opportunities, poor working conditions like inadequate infrastructure, lack of autonomy and motivation for employee. However, in some of the organizations there is pro-employee and they take best effort to fulfill their requirements to sustain retention in their organization.

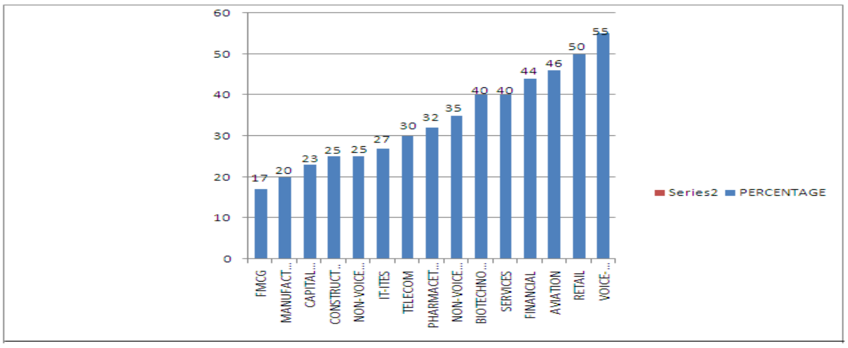


**Fig. 1: Attrition Rates in Different Sector-2010**

High attrition rates drive up training costs, and increase cost of human resources, recruitments, productivity etc. It is therefore essential for an organization to focus on the retention of the employees. Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Employee retention is beneficial for the organization as well as the employee. A good employer makes every effort to retain an employee. To retain talented individuals, a strong HR policy needs to be adopted by company.

## FACTORS THAT CONTROL ATTRITION

The employee retention is the most important role for the management in the company to retain the employees for a longer period of time. There are five main factors which plays a major role to retain employees, according to the popular online portal Naukrihub, 2011. These five factors will help to retain the employees into the organization for a longer span of time. A short note on these important factors in general is discussed below.

***Compensation*** constitutes the largest part of the employee retention process. The employees always have high expectations regarding their compensation packages. Compensation packages vary from industry to industry. Compensation includes salary and wages, bonus, benefits, prerequisites, stock options, vacations, etc. An attractive compensation package plays a critical role in retaining the employees.

***Environment*** comprises the working conditions in the organization that should be conducive and comfortable for the employees. An employee should feel that the Organization in which he works is a 'second home'. Organization environment includes strong work culture, values and norms, company's reputation, employee development and career growth, quality of people, trust etc. The roles and responsibilities of each member should be well defined and there should be role clarity.

The employees' roles and reponsibilities has to be defined well and communicated to the staff. A periodic schedule may be prepared and communicated to the employee. A good interpersonal relationship shall be maintained among the employees and are supportive to each other. The departement heads shall organize regular meetings and review the progress and suggestions may be invited from the employees. The higher authoritities need to trust their subordibates and seek their suggestions. These present a conducive atmosphere to the employees. Lack of absence of such environment may push the employees to look for better opportunity.

***Growth*** and development are the integral part of every individual's career. The important factors an employee looks for himself for his growth comprises personal and professional growth. Personal growth and dreams should be attainable. Employees' responsibilities in the organization should help him achieve his personal goals also. Organizations cannot keep aside the individual goals of employees and foster organization's goals. Training and development is a significant aspect of one's professional development. Employees should be trained and given a chance to improve and enhance their skills. Programmes that focus on developing communications skills, technical skills, in-house processes and procedures improvement related skills, customer satisfaction related skills, and special project related skills, need to be planned. The employees need to be provided periodical training in their respective area.

The ***relationship*** of the employee with the management and the peers becomes a factor to detemine his retention in the organization. There are times when an employees start feeling bitterness towards the management or peers. This bitterness could be due to many reasons like distrust, disrespect, promotion not based on merits etc. This leads to employee's disinterest and demotivation and eventually attrition. The seniors shall play a mentor role, and guide them in executing their task. The mentor provides hand holding support to the employees to complete the task given efficiantly. The promotions need to be based purely on their performance.The employees are continuously monitored to make assesment of their ability. The employees are given respect and a professional relationship is maintained. Suggestions made by the employees are well taken and use them for their growth. This aspect is the basis of one of the factors identified as an importnat factor that positively influence employee retention, namely, perceived supervisor support.

The ***support*** that the management can render to its employee also plays a major role in employee retention. Management should support the emplyees not only in their difficult times at work but also through the times of personal crisis. Management can support employees by providing them recognition and appreciation. Employers should also provide valuable feedback to employees and make them feel valued to the organization. Excellent support shall be given to the employees by the seniors. The seniors shall provide sincere feedback to the employees and timely counselling.

## FACTORS INSPIRING HIGH RETENTION

A company is able to retain their staff through an efficient HR policy. There are numerous factors that influence employee retention in an organisation. The article analyses numerous factors that aids in retaining employees and identifies four important factors as major influences of employee retention through research studies, which are relatively noticed less. This conceptual study validates this model with the support of literature review, however it awaits an empirical study for statistically validating the model.

This section analyses various usual measures that a company would take in order to retain its talent. Studies (Abelson & Baysinger, 1984; Boudreau & Berger, 1985) have shown that an effective ***human resource strategy*** needs to be raised that should balance the cost of replacing the employees who leave against the cost of retaining those who stay. It should induce new employees who perform well to stay longer in the organisation.

***Compensation*** plays a major role in employee retention. When the company pays the employees according to their qualification and experience and the pay is fixed according to the levels and positions and commensurate to the prevailing market rate, employees feel satisfied with the remuneration benefits. ***City grade allowance*** is a special allowance that is provided to the employees in the cities where the cost of living is very high. ***Welfare measures*** such as housing loan to confirmed employees, subsidized food through staff canteen, personal accident policy, laptop policy, leather bag policy, mediclaim policy, gift policy, guest house policy, expenses to meet transfer of goods policy, free car parking and a number of such schemes aim in keeping their employees happy in the workplace.

Apart from such welfare policies, ***Rewards and Recognitions*** motivate the employees. Awards can be created enthusiastically to induce desired behaviour of the employees. Awards encouraging excellence in work, good housekeeping, attendance, sales excellence, technology excellence, service excellence, safety award and employee of the year awards are a few to name. Apart from motivating the employees with reference to work, they may also be recognised through ***family picnics*** that shall be organized every year where all the employees along with their family can participate and cherish such memories. ***Promotions*** need to be awarded based on performance appraisal, merits and skills of the employees. ***Motivation*** can also be given to employees by recognizing the talent of the employees and assign job suitable to the individual talents, providing training opportunities to the employees who yearn to enhance their knowledge, exposing employees who like challenges to new roles and so on.

Many organizations would opt for an ***employee referral system*** where the employees of the company are given the opportunity to refer people whom they know to suit the requirements of the company. This system is a very encouraging as the employee who refers is also appreciated by means of some compensation for referring the required candidates. Through this system the employees feel comfortable to work with their co-workers and the management also helps the employee to retain in the company for a longer a period of time. This can be a major factor that aids in the high retention.

***Training and development*** is yet another way to motivate employees. Every new employee shall be trained in the organization to implement their skills and knowledge in their work to reach the goals of the organization. The existing employees may be encouraged by exposing them to continuous management development plans and similar programmes. ***Performance Appraisal*** identifies the performance and potential of employees. A proper appraisal would identify if appropriate person–job fit exists and in assigning the right tasks to the employees in the future that gives a major fulfilment in one's job.

Appropriate ***Leave policy, Shift timings, Attendance policy, Housing loan policy, industrial or personal accident insurance policy, Mediclaim policy, Laptop***

***policy*** and the like are a few of the many HR policies practiced by present organisations to impress their employees and hence retain them. Apart from keeping the company one of the best among their competitors and holding a considerable market position, the organisation takes care that the employees are given lots of comforts both personally and officially and makes sure that the employee feels happy and comfortable working with its team.

## THE COVERT FACTORS INFLUENCING EMPLOYEE RETENTION

Apart from the above policies that are generally accepted and practiced in organisations, there are factors that are quite sensitive and peculiar that organisations need to pay attention to. This research explores major significant factors, apart from those mentioned above, that would aid in employee retention. These factors are not very well conceived by the organisations as significant rationale that will aid in employee retention. Hence there is a dire need for the organisations to look into these various perspectives and understand their employees better and improve their retention rate. A conceptual model is drawn based on these factors as in Figure 2 that needs to be further validated.

Attending to ***Employee Voice*** or recognising and accepting the employees' expressions of their satisfaction or dissatisfaction do have an important effect on employee retention. Relationship between the extent to which employees have opportunities to voice dissatisfaction and voluntary turnover do have significant correlation. Research has shown that factors like unionisation (Freeman and Medoff, 1984), which is one way of employees expressing their needs, when demonstrated consistently and significantly is associated with retention of employees, especially when wage rates and other known predictors of employee exit are controlled for. Also the results of a study (Spencer, 1986) suggest that the more an organization gives employees the opportunity to voice dissatisfaction over aspects of their work in order to change dissatisfying work situations, the greater the likelihood that its employees will remain with the organization. Hence it is significant for the management to take into consideration the efforts of employees who volunteer to voice their dissatisfaction and respond properly. Steers and Mowday's (1981) study show that investigations of the process of employee turnover need to consider employees' efforts to change unsatisfactory work situations. Therefore when organisations are interested in employee retention they need to not only consider the formal voice mechanisms but also informal organisational cultures that create and sustain those mechanisms. Organisations need to consider simple communications like suggestions from employees up to specific and particular petitions and requisitions in order to retain valuable employees.

Apart from employee voice, another major factor found to influence employee retention is the ***Organisation Culture***. Studies (Sheridan, 1992; Kerr and Slocum, 1987; Kopelman, Brief and Guzzo, 1990) show that organisation culture values had a significant effect on the rates at which the new employees quit the organisation. According to these studies, apart from influencing human resource strategies like selection and placement policies, promotion and development procedures and reward systems, the culture of the organisation also influences the job performance of the employee (Kopelman, Brief and Guzzo, 1990, Sheridan, 1992). It was found that cultural impacts were relatively very high on performance rather than other external factors like labour market and employees' demographic characteristics.

According to Kerr and Slocum (1987), organisation culture values moderate differences in retention rates of strong and weak performers. When some organisations have cultures that emphasize team work, security and respect for individual members, they tend to foster loyalty and commitment to the organisations among all employees, irrespective of their job performance. However there are organisations whose culture emphasizes personal initiative and individual rewards for accomplishing work objectives. Such organisation values foster an entrepreneurial norm and present a challenging atmosphere and the organisation does not offer long term security and employees do not promise loyalty. In such cases, the researchers found that the weak performers would soon leave such a culture and strong performers would stay to utilise the opportunities for their rewards.

Another major factor that leads to employee retention according to research is ***Perceived Supervisor Support***. When employees perceive that their superior is supportive and helpful in their activities, they tend to stay for long in the organisation. Studies (Levinson, 1965; Hutchison, 1997; Malatesta, 1995; Rhoades et al., 2001; Yoon et al., 1996; Yoon & Lim, 1999) show that Perceived supervisor support leads to Perceived organisational support and studies (Yoon and Thye, 2000, Eisenberger et al., 2002) also show that both perceived supervisor support and perceived organisation support leads to employee retention. When employees believe that organisation cares about them and values their work, they also believe that their superiors are favourably inclined towards them and hence their intention to stay in the organisation increases. Employees appear to infer Perceived Organisation Support from Perceived Supervisor Support based on their perception of their supervisors' status in the organization, leading to reduced turnover (Eisenberger *et al.,* 2002). Employees who believed that the supervisor valued their contributions and cared about their well-being showed increased

Perceived Organisation Support, which in turn was related to decreased turnover (Eisenberger *et al.,* 2002. This finding also authenticates the organizational support theory, which states that favorable treatment from supervisors increases Perceived Organisation Support, that leads to felt obligation to aid the organization and to affective organizational commitment, both of which should reduce turnover (Eisenberger *et al.,* 2001; Rhoades *et al.,* 2001). Thus, a reduction of Perceived Organisation Support, resulting from low perceived supervisor support or other sources, may increase employees' likelihood of quitting the organization.

According to Brown and Yoshioka (2003), apart from various other significant factors that helps retain an employee in the organisation, especially for a non-profit organisation, the Mission of the organisation is one major factor that plays a vital role here. Studies (Maertz and Campion, 1998; Griffeth, Hom, Gaertner, 2000; Hom and Griffeth, 1995; Hom and Kinicki, 2001) have consistently recognized employees' expressed intentions to stay as an important reason to actual turnover and as reflective of employee commitment to the organization. Concerns like a proper link between employee and organizational values is related to employee attraction and turnover (Werbel and Gilliland, 1999). Rycraft (1994) found that child welfare caseworkers identified mission as the most prominent explanation of why they stayed. They believed in the organization's purpose and recognized their role in fulfilling that purpose. The study identified mission, goodness of fit, supervision, and investment as four reasons for staying on the job. Brown and Yoshioko (2003) identified three broad areas as explanations of why individuals intend to stay in organisations: belief in the mission and the desire to help people, satisfaction with the organization and coworkers, and satisfaction with their job and opportunities for personal and professional growth. It was found that there was a strong positive association between mission attachment, employee satisfaction and expressed intentions to stay with the organisation. Hence it is significant for organisations to set their missions positive and meaningful enough to attract and retain their employees.


**Fig. 2: Conceptual Model of Covert Factors Influencing Employee Retention**

## CONCLUSION

The four significant factors that are found to have vital role in employee retention are presented as a conceptual model. This model is justified with the literature review that is quoted through the paper. However the model needs to be validated through an empirical study where the influence and direct impact of the four factors on employee retention needs to be statistically validated.

There are a number of organisations that has great policies and do a lot more better welfare measures for their employees. It is obvious to see the raise in attrition rate in many sectors in the recent times, for e.g., Indian IT industries suffer an attrition of 25% and companies like Wipro suffer attrition upto 22%, IBM at 8%, TCS at 14%, Cognizant at 11.2%, Infosys at 11.6%. As mentioned earlier in the case, the attrition rate at various sectors is quite disheartening and threatens the stability of organisation structure in general. It can be seen that most of the companies do practice and implement the important factors that aids in retaining talented individuals. In spite of that what is the major reasons that lead to the soaring attrition in the industry at present? Apart from the HR initiatives which play a major role in the success of today's organisations, do the older versions of organisation success in terms of profit turnover, production and financial results play an important part in employee retention? A deeper discussion on to these aspects and the various covert factors that influence retention, will definitely serve the bread crumbs to a normal routine or to better and evolved measures that would help companies to face this great challenge of attrition.

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# A Study on Job Satisfaction among Employees in Seshasayee Paper and Boards (SPB) Limited, Erode

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**Abstract**—*Human Resources are the most important assets of any organization and Economy. It may be noted here that human resources should be utilized to the maximum possible extent, in order to achieve individual and organization goals. Job satisfaction refers to a person's feeling of satisfaction on the job, which acts as a motivation to work. Factors include: the work itself, conditions, influence of internal and external environment to the job which are uncontrolled by the management etc. The study tries to assess the reasons for satisfaction/ dissatisfaction. SPB, incorporated in June 1960, was promoted by Seshasayee Brothers (Pvt) Limited in association with a foreign collaborator M/s Parsons and Whittemore, South East Asia Inc., USA. Managers should take concrete steps to improve the level of job satisfaction. These steps may be in the form of job redesigning to make the job more interesting and challenging, improving quality of work life, linking rewards with performance, and improving overall organizational climate. The study based on Descriptive Research which includes survey and fact finding enquires of different kinds. Sample Size consists of the permanent employees of Seshasayee Paper and Boards Limited i.e., 300 employees. Out of this the researcher has taken 150 samples from the employees. Statistical Tools Used*

a) *Percentage Analysis,*
b) *Chi-square Test., the Overall the job satisfaction of employees in Seshasayee Paper and Boards Limited though is not very high but still satisfactory. But there is still considerable room for improvements.*

**Keywords:** *Job satisfaction, job redesigning, quality of work life, organizational climate, grievance, motivation.*

## INTRODUCTION

Human Resources are the most important assets of any organisation. Human resource to animate, active of living man with or dissatisfaction resentment of pleasure, resistance or acceptance for all type of managerial actions. Therefore it becomes important for every organization, to save the needs of human factors effectively. There are various factors that may effect the working environment of the employee within an organization `stress in one of the major factors that kind to do demoralize the employee within as organization. Human Resource is considered to be the most valuable asset in any organization. It is the sum-total of inherent abilities, acquired knowledge and skills represented by the talents and aptitudes of the employed persons who comprise executives, supervisors, and the rank and file employees. It may be noted hear that human resources should be utilized to the maximum possible extent, in order to achieve individual and organization goals. It is thus the employee's performance is to large extent, influenced by motivation and job satisfaction.

## JOB SATISFACTION

Job satisfaction refers to a person's feeling of satisfaction on the job, which acts as a motivation to work. It is not the self-satisfaction, happiness or self-contentment but the Satisfaction on the job. The term refers to the total relationship between an individual and the employer for which he is paid. Satisfaction does mean the simple feeling-state accompanying the attainment of any goal, the end-state accompanying the attainment by an impulse of its objectives. Job satisfaction does mean absence of motivation at work. Resource workers differently described the factors contributing to job satisfaction and job dissatisfaction. Hop pock described job satisfaction as, any combination that cause and person truthfully to say I am satisfied with my job.

Job satisfaction is defined as: "The pleasurable emotional state resulting from the appraisal of one's jobs as achieving or facilities the achievement of one's job values". In contrast job dissatisfaction is defined as "the unpleasurable emotional state resulting from the appraisal of one's job as frustrating or blocking the attainment of one's job values or as entailing disvalues". However both satisfaction and dissatisfaction were seen as, "a function of the perceived relationship between what on perceives it as offering or entailing." Job satisfaction is denied as the, pleasurable emotional state resulting from the appraisal of one's job as achieving simple feeling–state accompanying the attainment of any goal, the end-state accompanying the attainment by an impulse of it one's job values or as entailing disvalues". However, both satisfactions were seen as, "a function of the perceived relation between what on perceives it as offering or entailing."

## FACTORS INHERENT IN THE JOB

These factors have recently been found to be important in the selection of employees. Instead of being guided by their co-workers and supervisors, the skilled workers would rather like to be guided by their own inclination to choose jobs in consideration of 'what they have to do'. These factors include: the work itself, conditions, influence of internal and external environment to the job which are uncontrolled by the management etc. They include the nature of supervision, job security, and kind of work group, wage rate, promotional opportunities, and transfer policy, duration of work and sense of responsibilities. All these factors greatly influence the workers. Their presence in the organization motivates the workers and provides a sense of job satisfaction.

Though performance and job satisfaction are influenced by different set of factors, these two can be related if management links rewards to performance. It is viewed that job satisfaction is a consequence of performance rather than a cause of it. Satisfaction strongly influence the productive efficiency of an organization whereas absenteeism, employee turnover, alcoholism, irresponsibility, un-commitment are the result of job dissatisfaction. However, job satisfaction or dissatisfaction forms opinions about the job and the organization which result me employee morale.

## REVIEW OF LITERATURE

Job satisfaction is the total of the sentiments related with the hob conducted. If the workers perceives that values are realized with in the job, improvises a positive attitude towards his/her job and acquires job satisfaction.

***Bulm and Maylor (1968)*** define job satisfaction as a generalized attitude resulting from many specific attitudes in three areas: Specific job factor, Individuals adjustment, and Group relationship. ***Weits (1952) Kornhauser (1965) and Iris Barrette (1972)*** have reported significant correlation between attitudes towards the job and life. An individual's job attitude can also affect his view of himself for instance. ***Hezberg at. al., (1959)*** found that satisfying job experience often increased the individuals self confidences by the same logic, dissatisfying experience are likely to have an adverse effect on ones self confidence.

***Kornhauser (1946)*** reports findings that the job satisfaction rises with occupational level. He finds that the high income groups indicated greater personal satisfaction. ***Schaffer (1958)*** has proposed the hypothesis that "overall satisfaction will vary directly with the extent to which the needs of an individual which stronger the need the more closely will job satisfaction depend upon its fulfillment". ***Kirchner (1967)*** and Sheppard (1967) indicate that the more satisfied personnel were the better performance. ***Bullock (1952)*** defines "job satisfaction which results from the balancing and summation of many like and dislikes experienced in connection with jobs". Several studies performed that pay is hob characteristic most likely to be a source of employer dissatisfaction ***(Lawler 1971)***.

***House (1971) and Mitchell (1974)*** have found that a leader who is considerate and supportive is likely to more important for employers with low self esteem or very unpleasant and frustrating jobs. ***Singh (1980)*** investigated that personal and social factors have significant effect on the level of job satisfaction. ***Kapoor (1983)*** in the national representative study of one thousand seven hundred and forty one workers found 75% of the workers were satisfied with their job only 25% were dissatisfied.

## NEED FOR THE STUDY

The study was undertaken to find the reasons for Job Satisfaction. The organisation therefore can take steps for the betterment of employees' services and facilities in organization with a view to boost the morale of employees and to help the company future progress.

## STATEMENT OF PROBLEM

Job satisfaction plays significant role in the organization. Therefore, managers should take concrete steps to improve the level of job satisfaction. These steps may be in the form of job redesigning to make the job more interesting and challenging, improving quality of work life, linking rewards with performance, and improving overall organizational climate. Employee satisfaction and retention have always been important issues for physicians. After all, high levels of absenteeism and staff turnover can affect your bottom line, as temps, recruitment and retraining take their toll. But few practices (in fact, few organizations) have made job satisfaction a top priority, perhaps because they have failed to understand the significant opportunity that lies in front of them. Satisfied employees tend to be more productive, creative and committed to their employers, and recent studies have shown a direct correlation between staff satisfaction and patient Satisfaction.

## OBJECTIVE OF THE STUDY

1. To find out the level of the job satisfaction enjoyed by the employees at various levels of the organization.
2. To make a review of the working of Seshasayee Paper and Boards Limited.

3. To identify the reasons for dissatisfaction among the employees.
4. To suggest measures to improve the level of job satisfaction among the various levels of employees in the organization.

## RESEARCH METHODOLOGY

### Types of Research

The study based on Descriptive Research which includes survey and fact finding enquires of different kinds. The main characteristic of this type of research is that the researcher has no control over the variables. He can only report what has happened or what is happing.

### Types of Sampling

Probability Sampling is used for the study. Here the researcher knows the population whom he wants to conduct the study. In this method each item has its own chance for being selected.

### Sampling Technique

The samples were taken through Simple Random Sampling technique. A Simple Random Sample is a sample selected from a population in such a way that every member of the population has an equal chance of being selected and selection of any individual does not influence the selection of any other.

### Sample Size

Sample Size consists of the permanent employees of Seshasayee Paper and Boards Limited i.e., 300 employees. Out of this the researcher has taken 150 samples from the employees.

## SOURCE OF DATA

### Primary Data and Secondary Data

Questionnaires and Interview Schedules were used for collecting primary data.

Secondary data were collected from figures, statistics and tables from company's annual publications, memorandum of settlement and from library books.

### Statistical Tools Used

1. Percentage Analysis,
2. Chi-square Test

## DATA ANALYSIS AND INTERPRETATION

The data collected from the primary sources were analyzed using SPSS 11.0 package. Analysis of the significance of association between the opinions on each factor of level of satisfaction of the respondents was carried out.

Table 1 depicts that 8% of respondent under the age group of 20-30 years, 25% of respondents belonging to 31-40 years. 54% of respondents are 41-50 years and 13% of respondents are above 51 years. 32% of respondents are single and 68% of respondents are married. The educational qualification of the respondents are 34% of respondents had studied up to School level only, 40% were graduate, 12% of the respondents were post graduate, 14% of the respondents were others. 8% respondents are working in the institution less then 1year, 17.33% respondents are 1-2 years, 28% respondents are 2-5 years and 46.67% of respondents are working in the institution above 5 years.

The opinion of the employees about their job satisfaction is presented in Table 2. It reveals that 38% of respondents feel the working condition is in average level, 32% feels it is satisfied & 30% of respondents are feels they are not at all satisfied with the working condition. 42% of respondents feel their job is interesting, 32%of respondents feel it is manageable and 26% of respondents feel that it is monotonous. 32% respondents feel that, they interact with their colleagues most of time, 38% interact some time and 30% seldom interact with their colleagues.

Among 31.33% of respondents are comfortable with their work environments, 36.67% feels their work load is excessive and 32% of respondents feel that they need intervals adequately. 53.33% feels that they getting well paid salary, 24% respondents feel on par with other institution and 23% feels that they need more incentives. 38% respondent's feels that the company environment is excellent and 53% of respondents feel it is moderate and 9% feels it is bad. 7% of respondents feel that the canteen facilities are excellent 58% feels that it's moderate & 40% reveals that it is bad.

The above table shows that the respondents are very much satisfied with the safety measures adopted by the institution, 43% of respondents feels it is moderate and 8% feels it is bad. 57% of respondents are highly satisfied with the senior's guidance, 27% are moderately satisfied and 16% of them are dissatisfied with peers' guidance. 21% of respondent responded that they are always encouraged by the seniors, 55% are some time encouraged and 24% are rarely encouraged by their seniors. 41% of respondents getting an opportunity to make active participation in various activities always, 32% getting some times, 27% are rarely getting the opportunity for the participation in various activities. 59% of respondents responded that their co-working supported them always, 20% of respondents responded sometime and 21% of them responded that it is rarely. It implies that 26% responded 'always' to express the grievance, 48% responded sometimes and 26% responded rarely. In the above table shows that 29% respondents feels that they getting easy approach, 49% feels that good appreciation for their performance and 22% feels they getting bad guidance.

In order to test the association between job-related variables and level of satisfaction Chi square test was used. The null hypothesis was, there is no significant relationship between job-related variables and level of satisfaction. In the above table, job variables were found to be significant ($p<.05$), hereby interpreting that those variables have significant association with level of satisfaction, concluding that these variables put major impact and give high contribution in raising job satisfaction in their working environment.

## FINDINGS

1. Majority of the respondent (62%) feels job security become they are satisfied with the policies of the organization.
2. Majority of the respondent (64%) of them feels performance appraisal may open type.
3. Majority of the respondent (59%) feel that they always get support from co-workers.
4. Majority of the respondent (57%) of them is highly satisfied with their peers' guidance.
5. Majority of the respondent (55%) of them feels that, always their seniors provide them with enough encouragement when they set to perform a task.
6. Majority of the respondent (53%) of them works to moderate canteen facilities.

7. Majority of the respondent (53%) of them feels company environment is moderate.

8. Majority of the respondents (48%) opined that they rarely get the opportunity to express their grievances.

## RECOMMENDATIONS

Based on this study the following recommendation to enrich the job satisfaction of the employees in working environment:

1. A well planned training Programme shall be implemented for each and every employee for improve their performance.

2. The institution may provide much more opportunity to express their grievance.

3. The institution may provide required information about the task to be performed.

4. Much more guidance is required from the seniors.

5. The institution may provide safety measures for the welfare of the employee.

6. The company must have top avoid the communication gap between the top level and lower level authority.

## CONCLUSION

Job Satisfaction is the favorableness or un-favorableness with which the employee views his work. It expresses the amount of agreement between one's expectation of the job and the rewards that the job provides. Job Satisfaction is a part of life satisfaction. The nature of one's environment of job is an important part of life as Job Satisfaction influences one's general life satisfaction. Job Satisfaction, thus, is the result of various attitudes possessed by an employee. In a narrow sense, these attitudes are related to the job under condition with such specific factors such as wages. Supervisors of employment, conditions of work, social relation on the job, prompt settlement of grievances and fair treatment by employer. To conclude, the Overall job satisfaction of employees in Seshasayee Paper and Boards Limited though is not very high but still satisfactory. But there is still considerable room for improvements.

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# APPENDIX

**Table 1: Classification of the Employees**

| Factor | Classification | No. of Employees | Percentage (%) |
|---|---|---|---|
| Age | 20 - 30 yrs | 12 | 8 |
| | 31 - 40 yrs | 38 | 25 |
| | 41 - 50 yrs | 80 | 54 |
| | Above 51 yrs | 20 | 13 |
| Marital Status | Single | 48 | 32 |
| | Married | 102 | 68 |
| Educational Qualification | Up to School Level | 50 | 34 |
| | Graduate | 60 | 40 |
| | Post Graduate | 18 | 12 |
| | Others | 22 | 14 |
| Work Experience | Less than 1 year | 12 | 8 |
| | 1 - 2 year | 26 | 17.33 |
| | 2 - 5 year | 42 | 28 |
| | 5 year and above | 70 | 46.67 |

*Source*: Primary Data

**Table 2: Opinion of the Employees on Job Satisfaction Variables**

| Factor | Opinion | No. of Employees | Percentage (%) | Chi-Square Test | P- Value | Remark |
|---|---|---|---|---|---|---|
| Working Condition | Average | 57 | 38.0 | 12.235 | 0.0235 | Significant |
| | Satisfied | 48 | 32.0 | | | |
| | Not Satisfied | 45 | 30.0 | | | |
| Nature of Job | Interesting | 63 | 42.0 | 9.465 | 3.125 | Not Significant |
| | manageable | 48 | 32.0 | | | |
| | Monotonous | 39 | 26.0 | | | |
| Interaction With The Colleagues | Most of Time | 48 | 32.0 | 3.256 | 0.0012 | Significant |
| | Some Time | 57 | 38.0 | | | |
| | Seldom | 45 | 30.0 | | | |
| Work Environment | Comfortable | 47 | 31.3 | 2.354 | 0.002 | Significant |
| | working loads excessive | 55 | 36.7 | | | |
| | Intervals are adequate | 48 | 32.0 | | | |
| Salary Package | Well paid | 80 | 53.3 | 11.235 | 0.9254 | Not Significant |
| | On Par with other institution | 36 | 24.0 | | | |
| | Need more incentives | 34 | 22.7 | | | |
| Incentives and Other Benefits | Excellent | 57 | 38.0 | 4.234 | 0.021 | Significant |
| | Moderate | 79 | 52.7 | | | |
| | Bad | 14 | 9.3 | | | |

*Table 2(Contd.)…*

*...Table 2(Contd.)*

| | | | | | | |
|---|---|---|---|---|---|---|
| Canteen Facilities | Excellent | 10 | 6.7 | 3.784 | 0.002 | Significant |
| | Moderate | 80 | 53.3 | | | |
| | Bad | 60 | 40.0 | | | |
| Safety and Welfare Measures | Very Good | 73 | 48.7 | 2.224 | 0.014 | Significant |
| | Good | 65 | 43.3 | | | |
| | Fair | 12 | 8.0 | | | |
| Guidance Provided by the Beer | Highly satisfied | 86 | 57.3 | 5.546 | 0.0025 | Significant |
| | moderate satisfied | 40 | 26.7 | | | |
| | Not Satisfied | 24 | 16.0 | | | |
| Motivation | Always | 32 | 21.3 | 3.1256 | 0.0024 | Significant |
| | Some times | 82 | 54.7 | | | |
| | Rarely | 36 | 24.0 | | | |
| Opportunities for Active Participation | Always | 62 | 41.3 | 0.214 | 0.0012 | Significant |
| | Some times | 48 | 32.0 | | | |
| | Rarely | 40 | 26.7 | | | |
| Support from Co-workers | Always | 89 | 59.3 | 11.004 | 0.0025 | Significant |
| | Some times | 30 | 20.0 | | | |
| | Rarely | 31 | 20.7 | | | |
| Grievance and Redressal | Always | 89 | 59.3 | 2.895 | 0.0045 | Significant |
| | Some times | 30 | 20.0 | | | |
| | Rarely | 31 | 20.7 | | | |
| Relationship with Superiors | Comfortable | 44 | 29.3 | 23.44 | 2.365 | Not Significant |
| | Un Comfortable | 73 | 48.7 | | | |
| | others | 33 | 22.0 | | | |

*Source*: Primary Data Significant at 5% Level

# Transfer of Technology (TOT) in the bio-pharma Industry—A Case Study on Selected Companies in Iran

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**Abstract—***This article recognizes Transfer of technology (TOT) obstacles and methods in Iran's Bio-pharma industry. The aim of this research is to investigate an appropriate pattern for technology transfer in industry. The results of the data analysis revealed that inappropriate monitoring of systems and Decision Making, inadequate support of intellectual properties rights (IPR), the lack of management stability and cultural problems based on priorities are the most effective of TOT among the factors known. The finding indicates that most companies do not follow a particular model of technology transfer. The study demonstrated that the technology transfer process was incomplete and proposes an appropriate pattern for technology transfer in the Bio-pharma industry in Iran.*

**Keywords:** *Technology, Technology Transfer, Technology Transfer Methods, and Technology Transfer Process*

## INTRODUCTION

The main objective of the study was to examine technology transfer obstacles in the Bio-pharma area of Iran and focus on recognition technology Transfer methods in the industry. The aim of this research was to investigate an appropriate pattern for technology transfer in this area. Best practice in Transfer of Technology is to identify factors that could enable firms in the Bio-pharma industry to upgrade technologies or develop new technologies with a view to enhance their productivity. The paper consists of a case study of the Bio-pharma sector in Iran that have considered conditions of the technology transfer process and its success in technology development. Therefore understanding of the technology transfer obstacles is more necessary for companies seeking to develop their technology through technology transfer.

## BACKGROUNG

Technology is a key variable that affects all organizational sections. There are different definitions of technology. Economists, sociologists, psychologists and management scholars offer a specific definition of technology. Apparently professional perspectives are offered on their definitions. In general, a common means of technology can be extracted in all definitions. Technology is to respond to social needs in the form of product and process. Anything that changes input to output is technology (Porter, 1982). Technology studies, tools and methods are used in different fields of industry (Loroubi dictionary). Technology is the use and knowledge of tools, techniques, crafts, systems or methods of organization in order to solve a problem or serve some purpose. Technology has affected society and its surroundings in a number of ways. Technology transfer is a source of innovation which can provide Bio-pharma firms with new technologies that can appropriately transform and complement current technologies to create and sustain better levels of performance (Sexton, 1999). Technology transfer is viewed as the movement of knowledge and technology via some channel from one individual or firm to another (Inkpen and Dinur, 1998).

Furthermore, we take a broad view of technology, defining it as the know-how about the transformation of operational technologies and processes; material technologies; and knowledge technologies (Wilson, 1986). Accordingly, performance improvement based on the technology absorbed into Bio-pharma firms through technology transfer does occur successfully. However, firms need to understand and manage technology transfer activity to ensure consistent success. Sung and Gibson (2000) identified the following variables as affecting the degree of success in the process and results of technology transfer: person-to-person contacts; knowing whom to contact; variety of communication channels; set up transfer office or committee; a sense of common purpose; understanding of the nature of the business; attitude and values; increase in awareness of transfer; concreteness of knowledge/technology; establishment of a collaborative research program; clear definition of transfer; provision of incentives for transfer and product champions. However, present Bio-pharma industry technology transfer endeavours are being severely hampered by a lack of proper understanding of such technology transfer issues and their interrelationships to both company capabilities and processes, and in particular, the knowledge characteristics of the technologies being transferred (Barrett and Sexton, 1999):

First, current approaches tend to view technology transfer as a mechanistic "pick and-mix" exercise–identifying new technologies, and trying to insert them in their existing form into (unsurprisingly) unreceptive Bio-pharma firms. Second, current technology transfer mechanisms are not sufficiently informed by, or engaged with company strategic directions and organizational capabilities, and processes necessary to enable them to absorb technologies and to turn them into appropriate innovations. Experience from the manufacturing sector for example, has stressed that the capacity of companies to understand and effectively use new technologies from external sources is heavily influenced by the level of prior-related knowledge and expertise (Alder and Shenhar, 1993).

Finally, current technology transfer mechanisms do not fully appreciate the ability and motivation for Bio-pharma firms to absorb and use new technologies and are significantly influenced by the knowledge characteristics of the technologies. "Hard" technologies which are characterized by explicit knowledge require very different diffusion mechanisms, organizational capabilities and processes than those required for "soft" technologies which are tacit in nature.

The implications of these barriers for technology transfer in small Bio-pharma firms crystallizes the systemic nature of technology transfer and can be fruitfully viewed, as shown in Figure 1, as a "technology transfer system" (Sexton et al., 1999): Organizational direction and capability–the motivation and ability of small Bio-pharma firms to absorb and innovate from new technologies has to come from within the firm; through envisioning technology strategies and supporting organizational capabilities.

Knowledge characteristics of technology–the extent to which new technology can be effectively absorbed by small Bio-pharma firms are substantially influenced by the characteristics of the technology being transferred. Two characteristics are especially important. The first is the extent to which the knowledge embodied in the technology is explicit or tacit. Tacit knowledge involves intangible factors embedded in personal beliefs, experiences and values. Explicit knowledge is systematic and easily communicated in the form of hard data or codified procedures. The second characteristic is complexity. Whether based on explicit or tacit knowledge, some technologies are just more complex than others. The more complex a technology is, the more difficult it is to unravel. The argument is that technology transfer will only be effective if all three elements–strategic direction and capability, inter-organizational networks and the owl edge characteristics of technology–are appropriately focused and integrated to achieve a specific aim.

In summary, the literature stresses the important role of technology transfer in successful innovation and offers prescriptive guidance on how to manage the technology transfer process. Research within the Bio-pharma industry, however, indicates significant barriers to effective technology transfer.

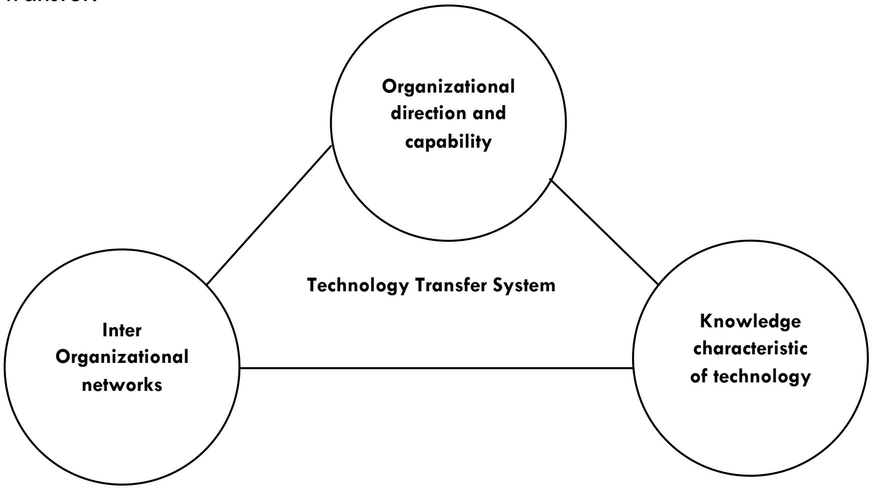


**Fig. 1: The Technology Transfer System**

Today, Transfer of technology is one way of developing technology for companies and countries, especially developing ones, but transfer of technology faces a set of obstacles, such as:

## Legal Infrastructure

Many national laws are barriers, and change is needed such as a flexible labour movement, bankruptcy laws that allow easy entry and exit of firms, investment tax credits, and more. The legal infrastructure is a major barrier to technology transfer. The World Bank's *Doing Business* Reports are most helpful.

## Financial Infrastructure

Banks have little to no knowledge of technology, technology transfer or intellectual property. They are unwilling to take risks to back a technology transfer initiative. There is no venture capital, angels or any other means of risk financing for SMEs. As a consequence, there are virtually no resources available for start-ups or other forms of transfers of technology.

## Corruption

Corruption seems to be prevalent in most developing countries. And on the ground, it is hard to start any new endeavour when the "thugs" who supposedly are representatives of the government take away the few resources through taxation and bribes.

## National Support for Research & Development

As a percentage of GDP, there is little government support for R&D, and in some countries that R&D funding is diminishing. Higher education is dealing with bigger problems, such as falling physical infrastructure, lack of money for laboratories, departing faculty, etc. Academia is in a crisis in many countries.

## University Curricula and Acceptance of Change

Faculty and curricula are slow to change, with little relevance to the real and current technology needs of society. Many faculty members are opposed to the idea of technology transfer by means of commercialization.

## Infrastructure–People

*Protocol and Programs–to Support Technology Transfer*: There are few trained or experienced technology transfer professionals or offices available to make transfer of technology even possible. Few processes or protocols exist in universities or other research institutes to manage intellectual property or technology transfer.

## Poor Relationship between Industry and Higher Education

Industry in the developing world typically does not believe that academics have solutions to their business or technical challenges. There is little to no communication between industry and academia.

## Brain-Drain

The best faculty, the brightest students, and the best technically-trained individuals frequently leave the country to take jobs abroad.

### Few Recipients of R & D Results

How can technology transfer be successful in a country when there are so very few companies who are possible candidates to receive and use the research results?

### Lack of National Entrepreneurial Mentality

Few entrepreneurs exist at a level to acquire technology from a university or other research institute. Few university faculty members think as entrepreneurs. Entrepreneurs may be discouraged from risk taking and are looked down upon culturally by some societies. Failure in an entrepreneurial effort can hurt the entrepreneur in many ways, such as loss of reputation and loss of personal income (entwined with the entrepreneurial endeavour). An attempt to start a company to license university technology is made at great personal risk (Bernard M. Hoekman, 2004). The Bio-pharma industry delivers its product to its client base by way of a stream of generally single and unique projects.

## METHODOLOGY

This research is a survey that reports the results of a detailed investigation of a technology transfer project, using a variety of sources of evidence, including archival documents, interviews and questionnaires.

## CASE STUDY BACKGROUND

The data collection procedure for this case study began with an in-depth review of research literature and the research associate's report that documented part of the projects. Multiple unstructured interviews with him also helped shape the initial perspective on this research. This initial perspective provided familiarity with Methods and processes of Technology in this research. It also provided clear Methods and processes of Technology: a case study indication that this study was about technology transfer from the international resource by Iran's Bio-pharm Companies, where the company's learning activities and prior knowledge appeared to have played important roles in the outcome of the research

## ELEMENTS OF TECHNOLOGY TRANSFER

Deducted four elements from the process of technology transfer: human resources, information, resources, and capital (see figure 2). In terms of the human resource element, the process involves the exchange of technicians. The technology provider must send technicians to instruct the technology receiver, or the receiver must send technicians abroad to learn the know-how or administration skills. In terms of the information element, the provider has to give the receiver information about the development or design of the technology, production and administration skills, manufacturing skills, and marketing skills.

**Table 2: Elements Methods and Mechanism Transfer of Technology (TOT) (Jon-Chao 1994)**

| Elements of Transfer | Methods of Transfer | Mechanism |
|---|---|---|
| Human resources | Technician exchange and Technician dispatch | Know-how trainging and Administration Training |
| Information | Patents technological books (or materials) Administrative books (or materials) | Design and development skills and production and administrative skills manufacturing technology and Marketing skills |
| Resources | Trade of research equipmet and material trade of research and equipment and material | Methods of development and experiment methods of production |
| Capital | Trade of production material joint venture and industrial co-operation | Share of ownership and complying with the contract |

In terms of the resource elements, the provider must not only sell machinery and equipment, research equipment and materials, and production materials to the receiver, but also familiarize the receiver with the methods of development, experiment, and production. As for the capital element, both sides can transfer technology either through joint ventures or industrial co-operation; of primary importance is the compliance of the contract and share of ownership by both sides (e.g. the department stores co-managed by Taiwanese and Japanese enterprises). Among the four elements, human resources is the most important because it plays a key role in how new technology is acquired and how old and new technologies are integrated during the process of technology transfer. In other words, human resources are the main interface of technology transfer. To allow the transferred technology to take root at home, technology exchange has to be transformed into technology exchange through human involvement. In addition to being achieved through the direct exchange of information between the technology provider and receiver, technology exchange is also achieved in four ways:

1. Reading professional journals or books
2. Attending academic conferences, especially International ones

3. Taking field trips

4. Using academic networks.

The skills and information acquired in indirect ways can serve as references to those acquired through direct transfer; otherwise, investment of a huge amount of capital may only serve unknowingly to acquire technology that is out-of date.

Generally speaking, technology can be gained in three ways (see Figure 3): (1) purchasing production techniques; (2) transferring production techniques; (3) Developing one's own techniques. Developing new techniques costs more money, but it makes the greatest contribution to social and economic developments in the long run. Transferring production techniques costs money at the beginning yet makes less of a contribution than developing one's own techniques; however, its contribution is bigger than purchasing new techniques. Purchasing techniques will be subjected to foreign control in some way and will do little good for industrial upgrading (Jon-Chao 1994)

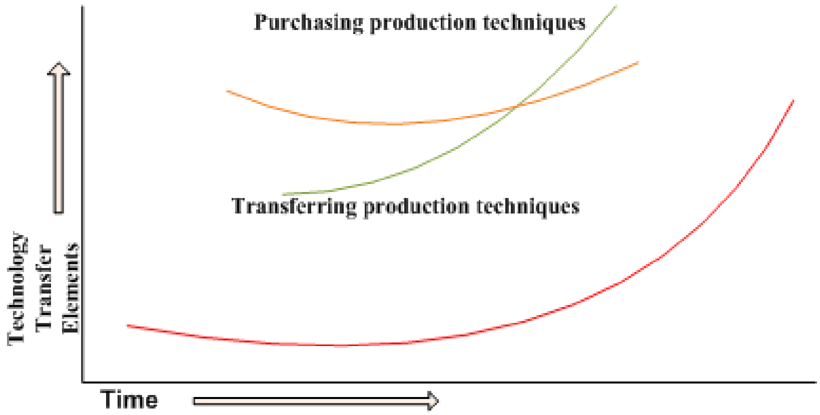


**Fig. 3: The Technology Transferring Elements Jon-Chao 1994**

## FINDINGS

As summarized in figure 4, the methods of personnel technique instruction in developed countries, reverse engineering, license agreement, joint venture, establishment of research centres in technology origin country, utilization of foreign experts force, and order of party of research to International companies had respectively the most application in the companies.

The finding suggested that most companies did not follow a specific model for technology transfer. The study indicated most companies have utilized combined methods. On the other hand, they applied some methods of technology transfer simultaneously. The results of the data analysis revealed the inappropriateness of monitoring systems and Decision Making, the inappropriateness of System of intellectual properties, lack of Manorial constancy and cultural factors had respectively higher deterrent roles in development technology Transfer in Bio-pharma companies.

**Table 4: Frequency of Methods of (TOT)**

| Methods of Transfer | Frequency | Percent |
|---|---|---|
| Joint venture | 1 | 6.66 |
| Establishment of research centers in technology origin country | 2 | 13.33 |
| Utilization of foreign experts force | 1 | 6.66 |
| License agreement | 2 | 13.33 |
| Reverse engineering | 2 | 13.33 |
| Personnel technique instruction in developed countries | 6 | 40 |
| Research order to foreign company | 1 | 6.66 |

**Table 5: Barriers Factors of Transfer of Technology (TOT)**

| Barriers Factors | Agent-value |
|---|---|
| Inappropriate Monitoring of Systems and Decision Making | 4.68 |
| Inadequate support of intellectual properties rights (IPR) | 3.94 |
| The lack of management stability | 3.32 |
| Cultural problems | 2.9 |

**Table 6: Grading of Elements of Technology Transfer Process (TOTP)**

| Phases of TOTP | Agent-value |
|---|---|
| Acquisition | 5.98 |
| Acquisition | 4.68 |
| Acquisition | 3.94 |
| Acquisition | 3.32 |
| Development | 2.9 |
| Diffusion | 2.12 |

The study revealed that the technology transfer process was incomplete. This affair can have a deterrent role in technology development in the industry.

As summarized in figure 7, factors of Acquisition, Adaptation, Absorption, Application, Development, and Diffusion respectively had most impact in Technology transfer Process and others elements (TOTO) in the Bio-Pharma industry. The results of data analysis indicated the need for improving Transfer of Technology (TOT) in Bio-pharma industry.

The model above is especially designed for SME and NBF that operate in field Bio-pharma. The companies do not have sufficient budget, therefore they should act in any way to quickly achieve required financial resources until they can compensate their investment as well as gaining appropriate benefit.z+

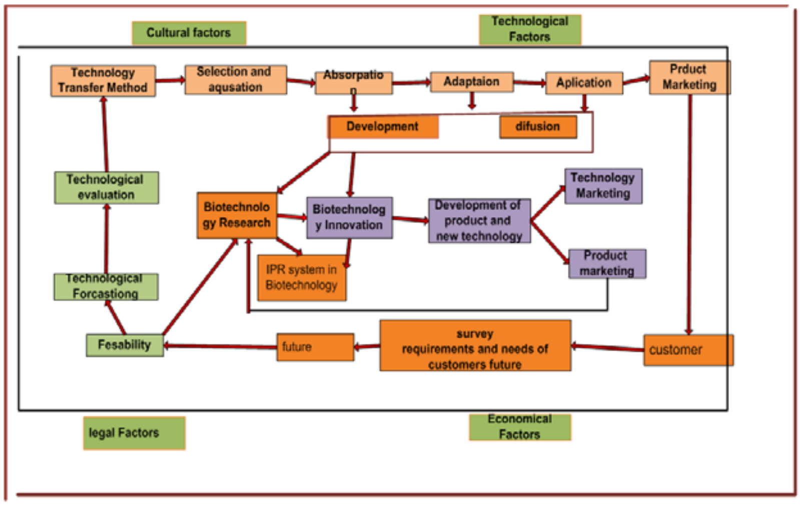


**Fig. 2: Appropriate Model for Bio-parma**

This achieved profit can meet expenditure of innovation and development of new products. This suggested pattern is created from two involutes loop. The out loop indicates that companies can achieve technology with regard to own abilities and market condition. This stage is contained: forecasting technology, evaluation technology, technology transfer methods, and six phase technology transfer that finally leads to commercialization and customers. The successful access to commercialization stages of development and diffusion is more important among six phase technology transfer process. The quick coming of product to market stage of acquisition, absorption, adaptation and application can be performed parallel and concurrent to activities for the promotion and development of technologies. Thus, the outer ring of the commercial product and reaches the customer as well as Accumulation of technology will be created at Corporate and community level.

At the Internal loop of the model, the company examines that it can develop its ideas with regard to capacity that is at the R&D Unit. If the answer is positive, the ideas would be forwarded to research units for carrying out and completing and then covering mentioned stages in the model until it is converted to the required product for customers. Process of new product development will create competitive advantage and at this stage ideas are converted to products and process of knowledge is converting to wealth. This pattern is not required for companies to carry out all stages of converting ideas to products in their inter organization but they can do outsourcing and give themselves more potential by applying innovation processes.

Applying this model of R&D and innovation is necessary for organizational survival in the biotech area. The suggested model is based on market demand. In fact innovation is the outcome of demand and market need and market demand which indirectly causes new need and consequently developing company technology. Finally at this suggested pattern, is product and technology marketing in which experts survey product situation at market to see if they face unsuitable market inform which creates a feedback at the company. Some external factors are to impact on transfer of technology process that the factors are elements of economical, cultural, political, and logical that is indicated at the pattern.

## CONCLUSION

Technology development literature, technology transfer is not the only transfer technique. Technology transfer from one place to another place is pensionable by applying production methods, production techniques and management; on the other hand all the technology elements. Of course environment is not the main condition for successful technology transfer. Rather, selection of appropriate technological strategy, transfer methods and full implementation of technology transfer process are the main conditions. Findings of this study specifically emphasized methods and processes of technology transfer. The Data analysis revealed that most methods of technology transfer of personnel technique instruction in developed countries, reverse engineering, license agreement, joint venture, establishment of research centres in technology origin country, utilization of foreign experts force, and order of preliminary research from International in company had respectively the most application in the companies. In general, Bio-pharma industry has utilized a combination of technology transfer methods. Moreover Findings indicated that most Bio-pharma companies did not follow a specific model. Only seven companies followed a specific model. Results of this study revealed that inappropriateness of monitoring systems and Decision Making, inappro-priateness of System of intellectual properties, lack of Manorial constancy and cultural factors respectively are the biggest obstacles in TOT that recognized among 25 factors using factor analysis techniques. Results of data analysis revealed that the technology transfer process was incomplete and this affair meant that transferred technology could not fully cover technology transfer process (TOTP) and consequently technology recipients could not achieve prospected objectives such as prospected profits in terms of quality and quantity. Besides, research evidence indicated that sometimes technology transfer for technology recipients did not have any productivity but yields a set of problems such as inability to continue profit, different problems in the production process, rapid technology deletion etc.

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# Consumer Decision Making Process—A Study on the Rural Woman Consumer in Tamilnadu—An Empirical Study

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**Abstract**—*Nowadays, the marketers of any product think global level and go to the rural consumers to sell their product because our country has huge population (consumers) in rural areas. The rural market in India brings in bigger revenues in the country, as the rural regions comprise of the maximum consumers in this country. The rural market in Indian economy generates almost more than half of the country's income. The more prominent role of women in decision making is due to increasing literacy, the ability to be assertive, the possession of independent incomes and more significant role in the family. Rural women play a significant role in the domestic and socio economic life of the society. In India, over the years, both female and male roles have been changing. Many women are placing an increasing value on independence and the freedom to do what they want. Consumer behaviour is dynamic because the thinking, feeling and actions of individual consumers and targeted consumer groups are constantly changing. The various aspect of consumer behaviour and the influencing facts are not the same for all consumers. Each consumer segment has its own priorities, attitudes and preferences; therefore it is necessary to study various segments of the market. Work at one time or in one market may fail miserably at other times or in other markets. Consumer actions are sometimes difficult to predict and sometimes even hard to explain. Hence, it is interesting to study the process they go through when they make a purchase decision. Considering the studies regarding the role of women in rural at decision making and children in family purchase decision making, the study about purchase decision making among rural married women is less explored and hence the article, which is designed for the subdivision of women with purchasing power, namely married women who live in rural areas of Tamilnadu was undertaken.*

**Keywords:** *Consumer decision making process, Rural Market, Purchasing behaviour of women consumer*

## INTRODUCTION

Rural women play a significant role in the domestic and socio economic life of the society. In India, over the years, both female and male roles have been changing. Many women are placing an increasing value on independence and the freedom to do what they want. Being aware of the dual responsibility at home and office, house wives are pressurized for time. As they enjoy economic freedom, it may appear that they make independent decisions. More women are also rejecting traditional roles related to submissiveness and home making. The rise in the importance of Information Technology has given rise to variety of new profession. Breakup of joint families rise in the number of nuclear families and greater ruralization has increased the dependence on household appliances and labour-saving gadgets. In this scenario, women are becoming more visible in the markets and are emerging as the new decision makers at home.

## CONSUMER BEHAVIOUR

Consumer behaviour is a sub division of human behaviour and is characterized by the same inconsistency and unpredictability. In many ways, it is a subtle phenomenon. The reason for the behaviour is not always clear. Consumer behaviour is dynamic because the thinking, feeling and actions of individual consumers and targeted consumer groups are constantly changing. The various aspect of consumer behaviour and the influencing facts are not the same for all consumers. Each consumer segment has its own priorities, attitudes and preferences; therefore it is necessary to study various segments of the market. Work at one time or in one market may fail miserably at other times or in other markets. Consumer actions are sometimes difficult to predict and sometimes even hard to explain. Once the consumer is aroused to action the next stage is information search. This normally begins with an internal search, namely, a review of memory for stored information and experiences regarding the problem. This information is in the form of beliefs and attitudes that have influenced the customers' preferences towards brands. If an internal search does not provide sufficient information about the product and how to evaluate them, the consumer continues with a more involved external search for information, through advertisements, printed product reviews and comments from friends.

## PURCHASE DECISION

A consumer may state her needs and wants in a manner which demands a particular response, and yet may act in a contrary manner. She may not be aware of her deeper motivations and may change her mind at any stage. The decision making process may be said to begin when the consumer engages in problem recognition. This occurs when the consumer is activated by an awareness of sufficient differences between the actual state of affairs and the concept of the ideal situation. In any case action occurs only when the consumer perceives a significant large discrepancy between the actual and ideal states.

## PRODUCT PURCHASE DECISION-MAKING PROCESS AND BUYING MOTIVES FOR CONSUMER DURABLES

Consumer behaviour in general is the process whereby individuals decide what, when, where, how and from whom to purchase goods and services. It is influenced by physical, psychological and social factors and includes all types of the behaviour that consumers display in buying, using, evaluating and disposing of products. And so, it all reflects the totality of consumers' actions with respect to the acquisition, consumption and disposition of goods and services, including the decision-making process that precedes buying process and post buying orientation.

## DIMENSIONS OF PURCHASE DECISION

It is identified that the following dimensions in the decision to buy a product such as Basic purchase decision, Brand purchase decision, Channel purchase decision and Payment purchase decision. In this process the consumer goes through a pre selection process when she analyses and decides what to buy, when to buy, where to buy and how to buy. This process is not an isolated one and is part of the total behavior of the buyer. Various psycho sociological factors influence the consumer in identifying the product to suit her needs. The domination of psychological factor may create an uncertainty for the manufacturer in predicting the market for his products.

## PURCHASE DECISION PROCESS

The product purchase decision can be studied as a process. A person may have many needs at any given time. A need becomes a motive when awareness of it is sufficiently aroused. A motive is a need that drives a person to act. The consumer driven by strong motive will be inclined to search for more information. Gathering information through advertisements neighbors and other Medias, the consumer learns about products of different brands and their features. Next the consumer identifies the alternatives capable of satisfying the need. The criteria used in the evaluation may be the consumers' own past experience, feelings towards various brands the opinions of family members and friends, attributes of the products as well as benefits they received from using the product. Consumers needs and decision making process also change according to their age, income, educational qualifications and size of the family. These factors act as accessories in making the ultimate purchase decision.

## RURAL MARKETING IN INDIA ECONOMY

The concept of Rural Marketing in India Economy has always played an influential role in the lives of people. In India, leaving out a few metropolitan cities, all the districts and industrial townships are connected with rural markets. The rural market in India is not a separate entity in itself and it is highly influenced by the sociological and behavioural factors operating in the country. The rural population in India accounts for around 627 million, which is exactly 74.3 percent of the total population.

The rural market in India brings in bigger revenues in the country, as the rural regions comprise of the maximum consumers in this country. The rural market in Indian economy generates almost more than half of the country's income. Rural marketing in Indian economy can be classified under two broad categories. These are:

- The market for consumer goods that comprise of both durable and non-durable goods
- The market for agricultural inputs that include fertilizers, pesticides, seeds, and so on

The concept of rural marketing in India is often been found to form ambiguity in the minds of people who think rural marketing is all about agricultural marketing. However, rural marketing determines the carrying out of business activities bringing in the flow of goods from urban sectors to the rural regions of the country as well as the marketing of various products manufactured by the non-agricultural workers from rural to urban areas. To be precise, Rural Marketing in India Economy covers two broad sections, namely:

- Selling of agricultural items in the urban areas
- Selling of manufactured products in the rural regions

## FEATURES OF RURAL MARKETING

Some of the important features of Rural Marketing in India Economy are being listed below:

- With the initiation of various rural development programmes there have been an upsurge of employment opportunities for the rural poor. One of the biggest cause behind the steady growth of rural market is that it is not exploited and also yet to be explored.

- The rural market in India is vast and scattered, it offers a plethora of opportunities in comparison to the urban sector. It covers the maximum population (maximum number of consumers) and regions.
- The social status of the rural regions is precarious as the income level and literacy is extremely low along with the range of traditional values and superstitious beliefs that have always been a major impediment in the progression of this sector.
- The steps taken by the Government of India to initiate proper irrigation, infrastructural developments, prevention of flood, grants for fertilizers, and various schemes to cut down the poverty line have improved the condition of the rural masses.

## CONSUMER DURABLES

Consumer durables involve any type of products purchased by consumers that are manufactured for long-term use. As opposed to many goods that are intended for consumption in the short term, consumer durables are intended to endure regular usage for several years before replacement of the consumer product are required. Just about every household will contain at least a few items that may be properly considered to be of a consumer durable nature.

Common examples of customer durables in the possession of most households are home appliances. These items may include ovens, refrigerators, toasters, and gas or electric water heaters. Consumer durables of this type are intended for use on a continuing basis. Few consumer durables are

- Air conditioners, Washing Machines, Vacuum Cleaners, Refrigerators
- Kitchen Equipments, Liquefied Petroleum Gas Cylinders
- Bicycles, Sewing machines, Watches, Clocks
- Gems and jewelry

## INDIAN CONSUMER DURABLES MARKET

Indian consumer durables market used to be dominated by a few domestic players like Godrej, Allwyn, Kelvinator, and Voltas. But post-liberalization many foreign companies have entered into India, dethroning the Indian players and dominating the market. The major categories in the market are

CTVs, refrigerators, air-conditioners and washing machines. India being the second fastest growing economy with a huge consumer class has resulted in consumer durables as one of the fastest growing industries in India. LG and Samsung, the two Korean companies have been maintaining the lead in the industry with LG being the leader in almost all the categories.

The rural market is growing faster than the urban markets, although the penetration level in rural area is much lower. The CTV segment is expected to the largest contributing segment to the overall growth of the industry. The rising income levels, double-income families and increasing consumer awareness are the main growth drivers of this industry.

## THE PRESENT STUDY

### Statement of Problem

The purchasing decision was taken by the consumers while purchasing durable or non durable goods based on the advertisements, reference groups, and friends group. The consumers may be men or women; they may live in urban, semi urban or rural areas. The purchase decision in the family is made by the husband or wife, they may be working or non working, and they may be educated or illiterate. Most of the times the households or durable goods purchase decisions are taken by the home makers (Wives), especially in rural areas women consumers seek ideas and suggestions from neighbours, relatives, colleagues and friends in and around where they live. They also collect information about the products like cost, quality, durability, ease of functioning, etc., before purchasing them. This information is called as reasons for purchasing durable goods and taking decisions to purchase them. When it comes to making the final decision in purchasing the product, who takes decision? What are the most influencing factors (reasons) to take purchase decision in the women consumer point of view? Why the women consumers seek information rather than attractive advertisement? Whom they trust upon in seeking the information? What are the features they look into? When they buy a consumer durable? The present study addresses the above questions with special reference to women consumers from rural areas.

## OBJECTIVES OF STUDY

- To study the buying behavior of Women consumers.
- To study about the women consumers' opinion towards durable goods.
- To assess the reasons for purchasing durable goods.
- To identify the features of durable goods in women consumer point of view.
- To find out the final purchasing decision makers in the family.

## RESEARCH METHODOLOGY

The discussions that follow will explore the aspects related to the purchase decisions of rural women consumers. How effectively and efficiently these decisions have been taken by the rural customers for purchasing durable households.

## RESEARCH DESIGN

It is descriptive research study, since the research tries to analyze the views of the rural women's state of mind while taking purchase decision of household durable goods.

## ASSUMPTIONS, CONSTRAINTS AND LIMITATIONS

- The consumers will disclose all the information honestly and correctly without any bias.
- The study is limited only to the sample-related consumer durables purchases and decision making.

## METHODOLOGY

### Sampling Procedure

This study was carried out in south west part of Tamilnadu. These regions account for the majority of the rural women consumers in Tamilnadu. This present study was undertaken in rural areas like villages. Totally 120 rural women constitutes the sample study. The target respondents for this study are the married and unmarried women under various age groups, working women in private sector, public sector, Entrepreneur and non working house wives with various education qualifications.

### Sampling Method and Technique

The samples were selected through Probabilistic sampling method. The samples were taken through Stratified Random Sampling technique. The women respondents were selected from four stratas making the sample size to 120.

### Data Collection Method

There are two types of data used in this study. These are primary data and secondary data. Primary data were collected through questionnaire and secondary data were collected through websites and magazines and journals.

### Tools for Data Collection

Questionnaire method was adopted to collect primary data for this empirical research.

### Data Collection Method

The method of data collection was Interview through structured questionnaire.

## HYPOTHESIS

**$H_0$:** There is no significant difference between the top three reasons for buying various consumer durables and the buyer's marital status, house electricity bill, educational qualification, and family income.

**$H_1$:** There is significant difference between the top three reasons for buying various consumer durables and the buyer's marital status.

**$H_2$:** There is significant difference between the top three reasons for buying various consumer durables and the buyer's house electricity bill.

**$H_3$:** There is significant difference between the top three reasons for buying various consumer durables and the buyer's educational qualification.

**$H_4$:** There is significant difference between the top three reasons for buying various consumer durables and the buyer's family income.

## DATA ANALYSIS AND INTERPRETATION

1. Simple Percentage Analysis-It is used to explain the frequency of the responses which were collected by the researcher.
2. Factor Analysis-It is used to reduce the number of factors through grouping the variables which were influencing the purchase decisions.
3. ANOVA-This analysis is used for testing the significant difference between two variables which were influencing the purchase decisions.
4. Weighted Frequency–It is used to find the top ranking variable/ factor which influenced the purchase decisions of rural women.

All the collected information (data) has been presented through frequency analysis tables, weighted frequency analysis, Analysis Of Variance, Factor Analysis. In Weighted frequency analysis the important variables which act as reason for buying are analyzed and interpreted and with ANOVA the homogeneous behavior of each variable with respect to educational qualification, Age, Marital Status, Income of Self, Income of Family, Electricity Bill and type of work are analyzed and interpreted and explained.

## RESULTS AND DISCUSSION

### Weighted Frequency Analysis of Various Factors which Acts as Reasons for Buying Various Consumer Durables

The women consumer decides on to buy mobile phones in order to make the work easier, save time and stay connected with the people. The purchase of Home theatres is to reduce stress and entertainment. Advertisement plays a significant role in persuading women consumer in purchase of home theatres. Women consumers feel the purchase of two wheelers would make their work easier, helps them in saving their time and make their travel convenient. Majority of women consumers being homemakers decides the purchase of kitchen appliances to make their work easier and quicker, to prepare variety of food and reduce their electric consumption. The choice of purchasing refrigerators by women consumers is because it makes their work easier, saves time and to preserve food in their point of view. The reasons for the purchase of washing machines by the women consumers is that it makes their work easier, saves time and as replacement for hand washing as it is difficult.

Consumers prefer to buy the durable goods for two general reasons

1. Saving time
2. Making the work easier

- There is significant difference between the top three reasons for buying consumer durable and consumer's personal variable such as marital status, Electricity bill, Educational Qualification, Family income.
- There is no significant difference between the multiple reasons for buying consumer durable and consumer's personal variable such as marital status, Electricity bill, Educational Qualification, Family income.
- From the weighted average analysis it was found that, the purchase decision rests with both the husband and the wife, in most of the cases it was a joint decision.
- The reasons for collecting the information about the durables by consumers are given above. The weighted frequency analysis is used to analyse the various reasons for collecting information before buying various consumer durables shows that the major three reasons for consumers to collect information about the product is to save money and get best quality for the amount they spent on the product. The most influencing factors are money and quality in the women consumer mind set.
- From the Weighted frequency analysis it is found that the consumers prefer to buy the durable goods for two general reasons i.e. saving time and making the work easier.
- From Analysis of Variance it is observed that there is significant difference between the top three reasons for buying consumer durable and consumer's personal variable such as marital status, Electricity bill, Educational Qualification, Family income.
- From the Weighted Ranking method it is found that the consumers collect information about the consumer durable as they are making high investment, to make comparison between two brands and to find the best brand.

- The top four features sought by women consumers while making a purchase of consumer durable are: Price, Performance, Durability and Brand
- The simple percentage analysis shows that Television media, Family Discussion, and Opinion of Friends are the major sources for collecting information about the consumer durables by the women consumers.
- From the Factor analysis it is identified from three groups durability, Maintenance cost and appearance of the product are the most influencing factor for making purchase decisions.
- From the Weighted Average method it is found that the final decision maker for buying the product is family as a whole.

## SUGGESTIONS TO THE MARKETERS

1. The durable goods or products should be made eye-catching to the consumers while they come to buy them from stores or outlets
2. As the product buying decision is made by both (husband and wife) the awareness of the product should be made by the marketer to them.
3. The marketer should improve and give their advertisements through Radio (Broadcasting media), Signboards and sending sales person to rural areas.

## CONCLUSION

This research study concludes that the women consumers collect first hand information about durable goods from friend's opinion, neighbours and print media advertisement before going to showroom or purchase. They prefer durable goods for making their work easier, saving their time, Durability of product, less maintenance, Appearance of product, Price of product, pride in owning the product. Family income, Educational background, Electricity consumption, Marital status are the deciding variables for purchasing durable goods in the minds of women consumers. Whatever it may be women belongs to The family setup in our Indian culture, so the final decision for purchasing the durable is taken by both husband and wife.

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## APPENDIX

### Consumer Expenditure Pattern in Rural Areas

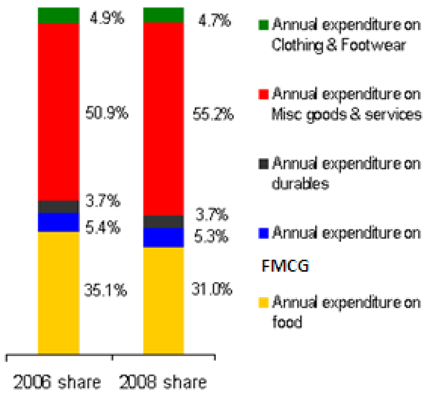



**Chart 1**

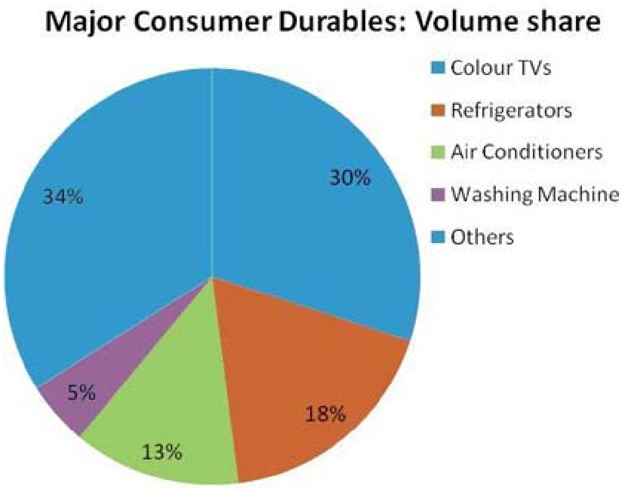



**Chart 2**

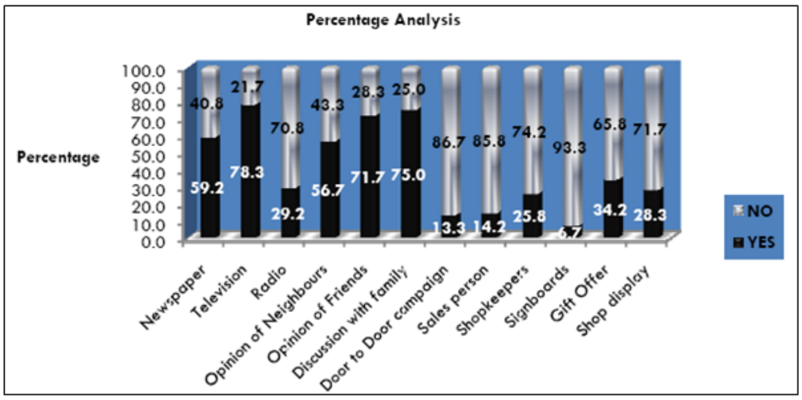



**Chart 3**

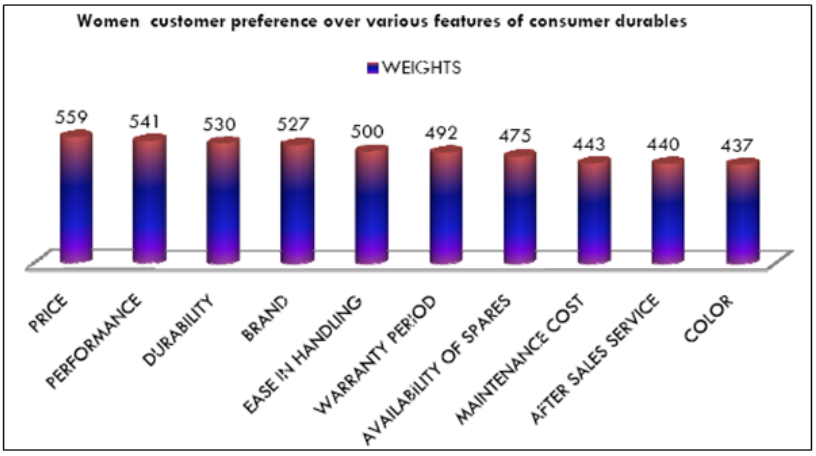



**Chart 4**

**Table 1**

| | Weights | | | | | |
|---|---|---|---|---|---|---|
| **Reasons** | **MR** | **HTR** | **TWR** | **KAR** | **RR** | **WR** |
| 1 | 250 | 413 | 199 | 199 | 205 | 151 |
| 2 | 277 | 443 | 209 | 244 | 233 | 178 |
| 3 | 424 | 448 | 380 | 389 | 358 | 356 |
| 4 | 387 | 324 | 369 | 355 | 375 | 353 |
| 5 | 348 | 327 | 329 | 346 | 331 | 342 |
| 6 | 407 | 399 | 394 | 401 | 392 | 378 |
| 7 | 329 | 214 | 395 | 256 | 168 | 216 |
| 8 | 158 | 225 | 179 | 202 | | |
| 9 | | | | 175 | | |
| 10 | | | | 184 | | |

MR : Reasons for the purchase of Mobiles
HTR : Reasons for the purchase of Home Theatre
TWR : Reasons for the purchase of Two Wheeler
KAR : Reasons for the purchase of Kitchen Appliances
RR : Reasons for the purchase of Refrigerator
WR : Reasons for the purchase of Washing Machine

**Table 2**

| **Product** | **Reasons** |
|---|---|
| Mobile | MR1.Make the work easier |
| | MR2.Save time |
| | MR8.Connected with people |
| Home Theatre | HTR4.Attractive advertisement |
| | HTR7.Entertainment |
| | HTR8.To reduce stress |
| Two Wheeler | TWR1.Make the work easier |
| | TWR2.Save time |
| | TWR8.Make travel convenient |
| Kitchen Applainces | KAR1.Make the work easier and quicker |
| | KAR9.To reduce electricity consumption |
| | KAR10.To prepare variety of foods |
| Refrigerators | RR1.Make the work easier |
| | RR2.Save time |
| | RR7.To preserve food |
| Washing Machine | WR1.Make the work easier |
| | WR2.Save time |
| | WR7.Hand washing is difficult |

**Table 3**

| Variables | Marital | Electricity Bill | Educational Qualification | Family Income | $H_0$ Accepted Rejected |
|---|---|---|---|---|---|
| MR1 | 0.46 | 0.46 | 0.21 | 0.78 | Accepted |
| MR2 | 0.55 | 0.27 | 0.59 | 0.61 | Accepted |
| MR8 | 0.81 | 0.01 | 0.70 | 0.00 | Rejected |
| HTR4 | 0.92 | 0.41 | 0.72 | 0.22 | Accepted |
| HTR7 | 0.99 | 0.22 | 0.67 | 0.72 | Accepted |
| HTR8 | 0.52 | 0.14 | 0.08 | 0.80 | Accepted |
| TWR1 | 0.70 | 0.57 | 0.66 | 0.05 | Accepted |
| TWR2 | 0.69 | 0.55 | 0.32 | 0.00 | Rejected |
| TWR8 | 0.95 | 0.01 | 0.93 | 0.24 | Rejected |
| KAR1 | 0.04 | 0.40 | 0.06 | 0.08 | Rejected |
| KAR9 | 0.33 | 0.69 | 0.96 | 0.03 | Rejected |
| KAR10 | 0.99 | 0.02 | 0.61 | 0.01 | Rejected |
| RR1 | 0.88 | 0.72 | 0.04 | 0.00 | Rejected |
| RR2 | 0.66 | 0.60 | 0.01 | 0.00 | Rejected |
| RR7 | 0.13 | 0.33 | 0.12 | 0.73 | Accepted |
| WR1 | 0.83 | 0.99 | 0.20 | 0.22 | Accepted |
| WR2 | 0.30 | 0.64 | 0.73 | 0.01 | Rejected |
| WR7 | 0.05 | 0.12 | 0.26 | 0.81 | Rejected |

**Table 4: Weighted Frequency Analysis of Various Reasons to Collect Information before Buying Various Consumer Durables**

| Reasons | Weights |
|---|---|
| I am making high investment | 146 |
| I would like to compare prices of different brands | 184 |
| I would like to know the best brand | 189 |
| I would like to know the availability of brand | 207 |
| I would like to compare different brands on their features | 242 |
| I am feared I would make a wrong choice | 245 |
| I buy the product very rarely | 284 |

**Table 5: Simple Percentage Analysis of the Medium from which the Women Consumer Collects Information about the Consumer Durables**

| Source | Frequency | | | Percentage | | |
|---|---|---|---|---|---|---|
| | Yes | No | Total | Yes | No | Total |
| Newspaper | 71 | 49 | 120 | 59.2 | 40.8 | 100 |
| Television | 94 | 26 | 120 | 78.3 | 21.7 | 100 |
| Radio | 35 | 85 | 120 | 29.2 | 70.8 | 100 |
| Opinion of Neighbors | 68 | 52 | 120 | 56.7 | 43.3 | 100 |
| Opinion of Friends | 86 | 34 | 120 | 71.7 | 28.3 | 100 |
| Discussion with family | 90 | 30 | 120 | 75.0 | 25.0 | 100 |
| Door to Door campaign | 16 | 104 | 120 | 13.3 | 86.7 | 100 |
| Sales person | 17 | 103 | 120 | 14.2 | 85.8 | 100 |
| Shopkeepers | 31 | 89 | 120 | 25.8 | 74.2 | 100 |
| Signboards | 8 | 112 | 120 | 6.7 | 93.3 | 100 |
| Gift Offer | 41 | 79 | 120 | 34.2 | 65.8 | 100 |
| Shop display | 34 | 86 | 120 | 28.3 | 71.7 | 100 |

**Table 6: Weighted Frequency Analysis for the Most Sought Features in the Consumer Durables while the Product Purchase**

| **Features** | **Price** | **Performance** | **Durability** | **Brand** | **Ease in Handling** |
|---|---|---|---|---|---|
| Weights | 559 | 541 | 530 | 527 | 500 |
| Features | Warranty period | Availability of spares | Maintenance cost | After sales service | Color |
| Weights | 492 | 475 | 443 | 440 | 437 |

## Factor Analysis of Various Factors the Consumers Seek in Consumer Durables before Buying the Product

**Table 7: KMO and Bartlett's Test**

| | | |
|---|---|---|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .674 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 254.910 |
| | Df | 45 |
| | Sig. | .000 |

**Table 8: Rotated Component Matrix**

| **Factors** | **Component** | | |
|---|---|---|---|
| | **1** | **2** | **3** |
| F1 | -0.262 | 0.561 | -0.220 |
| F2 | 0.654 | 0.148 | 0.102 |
| F3 | 0.169 | -0.102 | 0.821 |
| F4 | 0.753 | -0.040 | -0.359 |
| F5 | 0.763 | 0.046 | 0.297 |
| F6 | 0.642 | 0.039 | 0.138 |
| F7 | 0.575 | 0.084 | 0.238 |
| F8 | 0.131 | 0.647 | 0.476 |
| F9 | 0.258 | 0.759 | -0.005 |
| F10 | 0.498 | 0.494 | -0.087 |

**Table 9: Component Transformation Matrix**

| **Component** | **1** | **2** | **3** |
|---|---|---|---|
| 1 | .903 | .348 | .252 |
| 2 | -.305 | .932 | -.194 |
| 3 | -.302 | .099 | .948 |

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

**Table 10: Performance Features of the Product**

| Group1 | |
|---|---|
| **Sl. No** | **Factors** |
| 1 | Durability |
| 2 | Performance |
| 3 | Brand |
| 4 | Warranty Period |
| 5 | Easy to Handle |

**Table 11: Price and Service Features**

| Group 2 | |
|---|---|
| **Sl. No** | **Factors** |
| 1 | Maintenance Cost |
| 2 | After Sales Service |
| 3 | Price |
| 4 | Availability of Spares |

**Table 12: Product Appearance**

| Group 3 | |
|---|---|
| **Sl. No** | **Factors** |
| 1 | Appearance |

**Table 13: Weighted Frequency Analysis of Various Person in the House Making Final Decision in Buying Various Consumer Durables**

| Weights | |
|---|---|
| Family as a whole | 165 |
| Self with Husband | 178 |
| Self | 196 |
| Children | 292 |
| In-Laws | 366 |

# Case Study: Non-Stop Drive to Airport

**S. Jaisankar**
*Asst. Professor, Sri Krishna College of Engineering and Technology, India*

## CITY OF ENTREPRENEURS

Coimbatore is a major industrial city in India and the second largest city in the state of Tamil Nadu. There are more than 30,000 small, medium and large industries, textile mills and has a population of more than 15 lakhs. The residents of this city are known for its entrepreneurship and it is also known as the Manchester of South India. Coimbatore is situated in the extreme west of Tamil Nadu state and is surrounded by mountains in the west with a wild reserve. The entire western and northern part of the district borders the Western Ghats with the Nilgiri biosphere as well as the Anaimalai and Munnar ranges. (*Courtesy: Wikipedia*)

## DEMANDING TRAFFIC

Growing vehicular population, shrinking road space and the resultant traffic congestion are a common sight in any developing city and Coimbatore is no exception. The problem in Coimbatore is acute because of the city's horizontal and vertical growth. Avinashi Road is one of the busiest roads in Coimbatore stretching to a span of 16 kilometers from Avinashi Flyover to Coimbatore Airport. This 6-track NH 47 is a super-highway trunk road connecting other nearby cities and occupies a central place in the city (Refer Fig.1). The entire road-side is lined with educational institutions, textile mills, industries, banks and hospitals, IT Park, research institutes, malls, hypermarkets and what not? With these sky scrapers packed on both the sides, there is no doubt that the traffic intensity will be at its peak every day. Due to the increase in traffic year-by-year, passing through this road has become a major problem for the residents of this city and the passengers from other cities coming to Coimbatore.

## COIMBATORE AIRPORT

Coimbatore airport has seen a dramatic increase (62 per cent) in air-passenger traffic during the year 2005-06, and by about 12% during the last couple of years and as a result the revenue of the air port has gone up by 10% (Table 1). Currently, more than 40 arrivals and departures are being made at this airport. Various international airlines are keen in starting operations at Coimbatore. Moreover, the domestic airlines that are already operating at Coimbatore have come up with plans for increasing their number of flights to Coimbatore. According to the estimation done by the Centre for Asia Pacific Aviation (CAPA), there is a possibility of 30 small cities including Ahmedabad, Nagpur, Jaipur, Srinagar, Cochin and Coimbatore, to see a huge growth in air travel in the near future. The vibrancy in Coimbatore's civil aviation arena is reflective of the city's booming economy, thanks to the recovery of the regions textile industry and the engineering manufacturing sector that has given momentum to the overall industrial recovery of Coimbatore. Apart from the business travelers to Coimbatore, those visiting the neighboring active export zones such as Tirupur and Karur also use Coimbatore airport. Air passengers from nearby cities such as Pollachi, Palghat, Mettupalayam, and Salem also board at the Coimbatore airport.

## SYNCHRONIZED SIGNALS

The Avinashi road traffic is controlled with 11 signals installed at every crossed-road. A motorist has to cross all these signals to reach the airport. Residents of Coimbatore and air passengers from other cities passing via Coimbatore find it difficult to commute through this road as it takes more time to reach the airport. Sometimes it builds stress and makes the passengers tense till they reach the airport.

The Department of Police (Crime and Traffic) took over this problem and prepared a plan to introduce the "Green Corridor" and streamline the traffic flow in the city. The Department decided to synchronize all the 11 traffic signals from Avinashi flyover from JM Bakery to KMCH Hospital junction in Avinashi Road at a stretch of 9.1 km. The Green corridor implementation will enable the vehicles to get green signals at all traffic signals and continuous drive to the airport provided the vehicles move at a stipulated speed of 40 to 45 km per hour without interruption. It is estimated that in just 17 minutes we can reach the Airport from Avinashi flyover. Earlier, it used to take 40 minutes as one has to stop at every traffic signal.

Now, the work is in progress regarding the installation of LED speed indicators. City Police Commissioner Amaresh Pujari proposed the project and it is being executed under the supervision of T. Senthilkumar, Deputy Commissioner of Police (Crime and Traffic), M. Kaja Mohideen is supervising the trial run. The police are planning to take up synchronization work on Tiruchi Road and later Mettuppalayam Road. (*Source: The Hindu, Coimbatore dated: 21.09.11*).

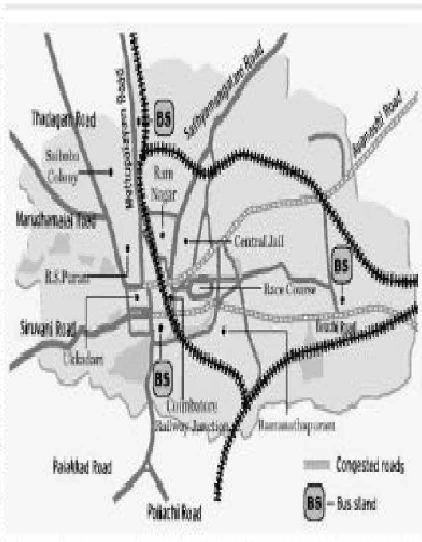
To confirm the effectiveness of the synchronization of signals, 20 vehicles were selected at random and the time taken (in minutes) to reach the airport from flyover was recorded and given in (Table 2).

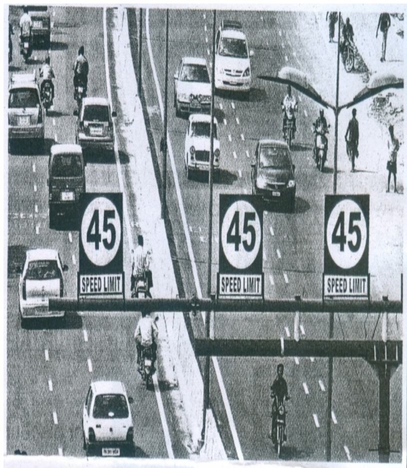
***Questions***

1. *How would you help the department in ensuring that the vehicles will reach the airport in 17 minutes and prove the green corridor successful?*

2. *Do you recommend the synchronization of traffic signals on Tiruchi Road and Mettupalayam Road?*

3. *What are the direct and indirect benefits that can be obtained through Green corridor?*




**TO REDUCE POLLUTION:** *Boards displaying the speed limit that vehicle users should maintain while moving on Avanashi Road after the implementation of the 'Green Corridor' project.* - PHOTO S.SIVA SARAVANAN

**Fig. 1: Map Showing Avinashi Road Green Corridor**

*Source*: *The Hindu*, dt:13.1.2012

**Fig. 2: Avanashi Road Signal 3**

**Table 1: Showing Growth Percentage in Air Passenger**

| Place | Passengers in 2006(Lakhs) | Passengers in 2006(Lakhs) | Growth (%) | Flights Per day |
|---|---|---|---|---|
| Raipur | 2 | 1.1 | 82 | 12 |
| Pune | 13.9 | 7.7 | 80 | 33 |
| Coimbatore | 7.8 | 4.8 | 62 | 29 |
| Ahmedabad | 19.4 | 12.1 | 60 | 50 |
| Vizag | 3.2 | 2.2 | 44 | 15 |
| Jammu | 4 | 2.9 | 40 | 15 |
| Guwahati | 9.6 | 6.8 | 40 | 45 |
| Patna | 2.8 | 2.1 | 33 | 10 |
| Jaipur | 4.9 | 3.7 | 32 | 25 |

*Source:* coimbatorelive.com

**Table 2: Time Taken by Vehicles from Avinashi Flyover to Coimbatore Airport Travel Time**

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Vehicle | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Time Taken(mins) | 18 | 22 | 15 | 16 | 20 | 16 | 20 | 21 | 14 | 24 |
| Vehicle | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| Time Taken (mins) | 20 | 19 | 16 | 17 | 16 | 25 | 17 | 17 | 18 | 15 |

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# Book Review: *The Evolution of a Corporate Brand* by Morgan Witzal

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## ABOUT THE AUTHOR

Morgen Witzel is an honorary senior fellow at the University of Exeter Business School and a senior consultant with the Winthrop Group of business historians. He is the author of fifteen books on business and management, including ***Management History*** and the best-selling ***Doing Business in China***, as well as ***Be You Own Management Guru***, published in 2010 by Penguin Portfolio. His articles and reviews have appeared in the financial times, the Smart Manager, Financial world and many other journals and magazines around the world. More details can be found at his website *www.morgenwitzel.com*.

Morgen Witzel begins by narrating that the Tata brand cannot be called 'great' as the word is loaded with connotations of power and conquest. Tata group shies away from overt use of power. He strongly quotes that "**The Tata group talks not of mere conquering markets but also serving the people. Service to the community has always been one of Tata's core values".** Tata is connected to the people of India, either in terms of social commitment or simply in terms of providing products and services that are good for the people addressing their needs.

Morgen Witzel aptly points out in the book that the Tata case shows that, so far as corporate brands are concerned , it is even more important to have strong beliefs and live by them **'walk the talk'.** A sense of fairness and key responsibility is a key attribute of the brand committing itself to 'nation building'. What makes Tata brand different is that its societal work is a key part of its total mission. Tata organizations will identify the societal needs of the region in which the company operates and how can it create value for the society, employees and customers apart from mere focus on economic value creation for its shareholders. TRUST is the DNA of all those who work or are associated with the Tata. It is a behavioral trait; it is a differentiator; it is standard for all corporations of the future. People trust Tata, because it has become a virtuous circle.

## BRAND ATTRIBUTES OF TATA

1. Service to the community
2. Trust and integrity
3. Fairness and responsibility
4. Innovation and entrepreneurship
5. Global aspiration
6. Quality and value for money
7. Perception for 'goodness'

There are 7 perceptions about the Tata brand which are images created by the various stakeholders. In India, these are the concepts people associate with the Tata brand. They represent what **'Tata-ness'** means as under:

1. Tata is connected to the people
2. Tata is honest
3. Tata believes in fairness
4. Tata is exciting
5. India is proud of Tata
6. Tata can be relied upon
7. Tata is a good organization

One thing that the Tata group has done very well, over the past decade, is maintenance of the alignment between its values, its actions and stakeholders' perceptions.

## TATA NANO

Tata Motors has promised to design and make a compact car that would go on sale for one lakh rupees, or roughly $2,500.All the rivals were skeptic that the product would be junk. Having made this promise Tata Motors lived up to it and bought ought a genuine compact car which all Indians would be proud of. The end result was a 'car for the masses', well-designed and well-made vehicle intended to make motoring affordable and accessible to ordinary people in the same way that , a hundred years ago, the ford Model-T did in the United States . In the months before the launch, public fascination with the Nano spread beyond India and around the world. The Tata group, previously known to most foreigners only for things such as steel was the same company making the 'small car'. The Nano car increased the visibility of the group beyond all expectations. Several other car makers, Indian and foreign, have announced that they intend to bring out ultra-cheap compact cars of their own. The fact will always remain, that the Tata did it first. Tata had proved it could do what everyone else believed to be impossible.

## TATA TEA

The marketing strap line of Tata Tea, the dominant player in the branded tea market in India, is **'Jaago Re' or 'Wake up'** linked the tea brand to its need. Soon the group realizes that this tagline can be used for purposes other than selling tea, and turned their attention to social causes. The Tea advertisement forced people to get out of their houses and vote .The advertisement in the next year send in a powerful message to stop the endemic issue of corruption in India creating social awakening. This was a very impactful ad that had a hard-hitting campaign against corruption and trying to clean up society .It was a sort of ad that was expected from a political party or NGO .But ironically …from a tea company???This is how Tata's are always differentiated and stand out from other products in the same arena.

## TAJ HOTELS

The Taj has exploited the twin concepts of heritage and Asian modernity with considerable success. The Taj more than a hotel is an icon of India and the heart throb of Mumbai. It has become the symbol of Mumbai's civic pride. **The terrorist attack on the Taj was an assault on the spirit of India.**

Tata group fought back against all odds .They released an ad paying homage to the people with them in the darkest hour-guests at the hotel, the staff of Taj, security forces, people who displayed extraordinary courage, selflessly helping others and for those who sacrificed their lives. The Tata promised that they would never give in. They would resurrect the Taj back in all it brilliance and the phoenix would rise from the ashes. The Taj would reopen and will stand tall for years to come.

The Taj is now busy and bustling with only an additional change that is increased security at the entrance. It has restored its full glory with zeal. Mumbai's heart was beating once more.

Within India, Tata has very deep and complex relationships with its customers, with its employees, and with the Indian society as a whole. Its traditions, heritage and values, coupled with more contemporary stories like those recounted to give Tata a powerful image. Brand tracking surveys show Tata's brand to be more visible and having positive connotations than those of any other Indian company or industrial group. ***The Tata corporate brand provides reassurance and a guarantee of quality as an air cover even though the individual brands fight their own battles.***

When people think of brand qualities such as value for money, reliability and so on, they are thinking with their minds .But when they think about what the Tata does for India, they are thinking with their hearts. The Tata corporate brand begins with the Tata's values. They live by their values reflecting them in their daily operations .Tata executives, managers, employees, customers, advertising and brand experts and ordinary people in India believe in the three prominent values of the group.

1. TRUST-People trust Tata, because they feel they can trust Tata. This becomes another virtuous circle: the more trust the group generates, the easier it becomes to generate further trust.
2. RELIABILTY–Tata's commitment to quality products and services is well known, and people's personal experience tends to confirm this. Tata group addresses all customers' grievances and also represents good value for money.
3. COMMITMENT TO THE COMMUNITY–Tata group believes that what came from people has to go back to the people many times over. In a free enterprise, the community is not just another stakeholder in the business, but in fact the very reason for its existence.

These values exert influence in three ways. They influence strategy, actions and behaviours and stakeholder perceptions. The values help to guide and shape the relationships that the group companies build with their stakeholders. ***Service to the community has always been one of Tata's core values. Tata's commitments to serving the poor and disadvantaged in India is taken very seriously creating a sense of emotional warmth, connection and positive identification embedding the stability for Tata itself. There is a constant theme here: Tata is connected to the people of India, either in terms of social commitment or simply in terms of providing products and services that people need and are good for the people. Tata's reputation for commitment and service to the community is based on a long tradition of action.***

Morgen Witzel concludes that brands that are not trusted are not given second chances. One stumble, one misstep, and the customer or employee or investor is off to find another partner. A corporate brand is not what you say it is. It is what you are .If you want your brand to have the values of virtue and trustworthiness, then it has to demonstrated in actions. If you want to signify quality and value for money, then make and sell quality products that give value for money. Be what you want your brand to be. This is the final and enduring lesson that every business can imitate from the Tata experience.

# Author Index


Anitha, J., 20
Clara, Alvina, 78
Jaisankar, S., 73
Khamse, A., 43
Kulkarni, Ramesh, 78
Madani, H., 43
Mahboudi, M., 43
Murugan, T., 32
Murugesan, G., 32
Nimalathasan, Balasundram, 5
Perumal, Shridula S., 20
Radfar, R., 43
Radmanesh, R., 43
Sharbiyani, M., 43
Sundararajan, S., 55
Taher, Abu, 5

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- Notes or Endnotes should be used only if absolutely necessary and must be identified in the text by consecutive numbers, enclosed in square brackets and listed at the end of the article.
- All figures (charts, diagrams, line drawings and web pages/screenshots) and plates (photographic images) should be submitted in electronic form and included as part of the annexure. All figures should be of high quality and legible. Graphics may be supplied in colour to facilitate their appearance on the online database.
- Tables should be typed and included as part of the annexure. They should not be submitted as graphic elements. Supply succinct and clear captions for all tables, figures and plates. Ensure that any superscripts or asterisks are shown next to the relevant items and have corresponding explanations displayed as footnotes to the table, figure or plate.

- References to other publications must be in Harvard style and carefully checked for completeness, accuracy and consistency.
- Authors are requested to get their papers corrected by an English language teacher before sending their paper to us.

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