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DMIMS

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THE CRUCIAL ROLE OF MIDDLE-LEVEL MANAGERS IN ORGANIZATIONAL STRATEGY - A REVIEW OF LITERATURE

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1. Introduction – What Management Researchers have to say

Middle-level managers, hereafter referred to as middle managers (MMs) play a crucial role in organisation's strategy development as well as deployment. Work by leading researchers has been quoted in this paper which is based on the lead author's review of literature for Ph.D. thesis¹.

Middle management relevance to strategy was recognised in management literature around the 1970s. Mintzberg (1978) trashed early literature on strategy which believed it to be a 'top-down analytical process that separated

decision-making from action', with middle management role in strategy considered limited to only providing inputs and implementation, till then. The success or failure of an organisation's strategic plans depends on MMs' association with

strategy because an effective strategy is part of an organisation's day-to-day operations; 'it surrounds, permeates and guides them' (Brache (2004). MMs' exclusion from strategy-related conversations leads to alienation, lack of motivation to implement strategies, and intra-organizational conflict (Westley, 1990).

Bower (1970), Kanter (1982), Schilit and Locke (1982) and Schilit (1987) advocate an expanded role for MMs in strategy development (Wooldridge et al., 2008). In Burgelman's (1983) *Evolutionary Model*, the top is seen ratifying the middle's strategic initiatives.

Middle management could influence strategy either by improving the quality of decisions, or by increasing the efficiency of implementation (Wooldridge and Floyd, 1990). Raes et al. (2011) have underlined the importance of interaction between the top management team (TMT) and middle managers (MMs) for effective strategy formulation and

implementation². Hart (1992) concluded that strategy-making ‘can no longer be limited conceptually to the chief executive or the TMT; but as an organisation-wide phenomenon, with top managers and organisational members playing complementary roles (refer Annexure-I).

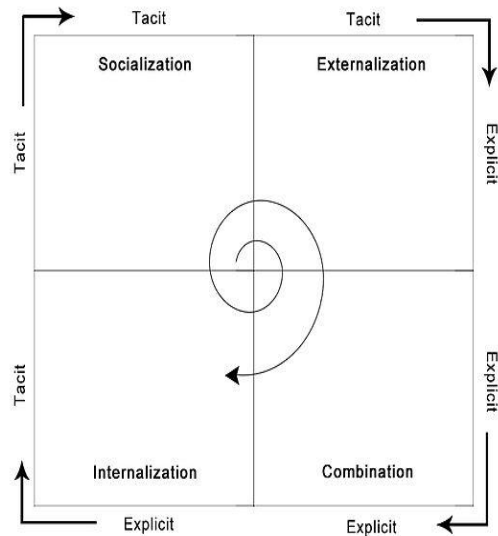
MMs are often the ones that think and act strategically, opines Wright (2013), listing four *myths* associated with MMs and strategy and debunks them. These myths ‘wrongly’ assume that MMs –

- i. focus on operations while senior managers concentrate on strategy,
- ii. enjoy uncomplicated relationships with senior managers and staff,
- iii. have little contact with external management consultants, and
- iv. only implement strategy, they don’t want to do anything else.

MMs are horizontal integrators, helping to ensure the distribution of knowledge-based resources throughout the organization (Bartlett and Ghoshal, 1993). In Nonaka (1994)’s spiral, MMs interact in both horizontal and vertical directions to combine and recombine tacit and explicit forms of knowledge (see Figure 1 – next page). Management literature on MMs’ role in strategy

recognises them as being at the centre of two processes that have become the basis of strategy formation, i.e., *knowledge creation* and *development of core competence* (Wooldrige et al., 2008).

Figure 1. Nonaka’s SECI Model (1994)



The Organisational Structure and Middle Management Roles

Floyd and Lane (2000) have identified and distinguished ten strategic roles for managers and categorised them as follows:

- top management: decision-making roles of *ratifying*, *directing*, and *recognizing*;
- middle management: communicate between the operating and top levels of

management through *championing*, *facilitating*, *synthesizing*, and *implementing*; and

- operating managers: react to information by *experimenting*, *conforming* or *responding*.

Managers' network position within and outside the organisation influences role enactment and participation in the strategy process (Floyd and Wooldridge, 1997; Pappas and Wooldridge, 2007). Role conflict, caused by different interpretations of environmental cues and inconsistent expectations among managers at different hierarchical levels, leads to differences in the strategic roles which MMs perform. In addition, managers' network relationships, both within and outside the organization, are related to how MMs contribute to strategy-making.

Organizational structure, specifically the number of hierarchical layers of management, influences managers' perceptions of their strategic roles (Carney, 2004). While flat organisational structures enhance communication flow and enable involvement in strategy development, they could be detrimental to the middle management. General Electric's Jack Welch believed that seamless communication was key to empowering employees (Dulberg et al., 1999). He eliminated all middle

management that obfuscated direct communication. The British civil administration in India, in which each district officer reported to the provincial secretary, who in turn had at least 100 people directly reporting to him – is an example of one highly successful hierarchy without a middle management (Drucker, 1988). However, organisations shouldn't downsize middle management as flow of information required during different stages of the strategy-making process may suffer significant disruptions (Mangaliso, 1995).

Floyd and Wooldridge (1992, 1994) have categorised the strategic roles of MMs as follows:

- the traditional role, as **implementors**, of existing strategy, attempting to integrate subordinates' activities around this strategy,
- as **synthesizers**, interpreting information and channeling it upward to top management,
- **championing** also involves upward influence, but in this role, middle management's divergent thinking has the potential to reshape upper management's concept of strategy,
- and, finally, as **facilitators**, encouraging organizational actors below and around them to engage in idea generation and other experimental efforts.

2. Key Middle Manager Roles

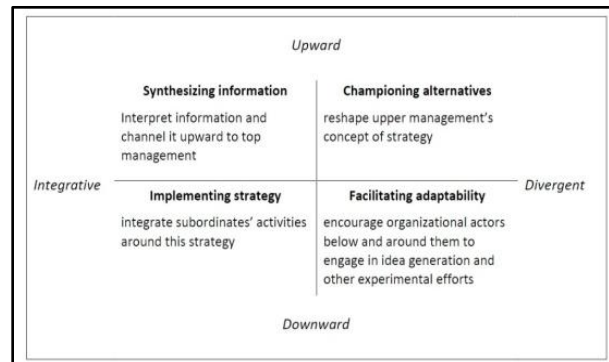
Middle management is one of the actors in strategy implementation, and in organizational change in general. In literature their role has been widely discussed, both highlighted and questioned (Ikävalko and Aaltonen, 2001). In lean management Womack (1990) questioned the function of middle management; others argue for their importance (Nonaka and Takeuchi 1995; Fenton-O’Creevy, 2001). Pro-middle manager researchers believe that ‘MMs have a key role in organisations, as they have both the ability to combine strategic (context-free) and hands-on (context-specific) information’ (Nonaka, 1988). However, MMs who believe that their self-interest is being compromised can not only redirect a strategy, delay and reduce the quality of its implementation, but can also even totally sabotage it (Guth and Macmillan, 1986).³

Ikävalko and Aaltonen (2001) found that in implementing strategic change, various models of strategic roles for different managerial levels have been developed by prominent researchers (Floyd and Wooldridge, 1992; Nonaka, 1988; Floyd and Lane, 2000). These models describe the behaviours that are expected from MMs. Floyd and Wooldridge’s (1994) model combines upward and

downward influence with integrative and divergent thinking (see Figure 2), alongwith their main strategic roles.

Management control systems shape MMs’ perceptions of their strategic roles (Marginson, 2002). Inconsistent expectations and cues from key stakeholders, including top managers, create role conflict and ambiguity among MMs, making them reluctant to enact appropriate roles (Currie and Procter, 2005). Role expectations can both enable and constrain middle management behaviour, and consistent, reciprocal expectations between top and middle-level managers are needed to avoid role conflict and enable MMs’ strategic behaviours (Mantere, 2008).

Figure 2. The Four Strategic Roles of Middle Managers



The key MM roles can be classified as follows based on the review of literature:

3. emotional balancing
4. issue-selling
5. brokerage
 - 5.1 boundary-spanning
 - 5.2 corporate entrepreneurship

3.1 The emotional balancing role

MMs play an emotional balancing role during radical change (Huy, 2001, 2002), helping people make sense of, and cope with, change (Huy, 2002). By attending to subordinates' negative emotions regarding downsizing, for example, MMs cause a shift in subordinates' emotional responses, preventing potentially explosive reactions, and facilitating smoother implementation of an otherwise distasteful strategy. The lead author, as a facilitator, to an OD-intervention titled CROP (Creating Responsive Organisation through People) in 2002, had first-hand experience of handling negative emotions of employees when his organisation – Bhilai Steel Plant (BSP), Steel Authority of India Limited (SAIL) was passing through a recessionary phase (Refer Annexure-II). CROP led to immediate gains in terms of improved performance at the shopfloor after the workshop as well as the bottomline; 'between the first half of 2001-02 and the corresponding period in 2002-03, BSP managed to show 81 per cent

improvement in profits' (Ravi, 2003).

3.2 The issue-selling role

Through issue-selling, an important mechanism for creating change initiatives in organizations, MMs help shape the strategic agenda by influencing which issues come to the attention of top management (Dutton et al., 1993, 1997). Top management's willingness to listen and a supportive culture are favourable, while fear of negative consequences, downsizing conditions and uncertainty are unfavourable for issue-selling.

3.3 Brokerage Roles

MMs who recognize how, why, and when to apply their different brokerage roles in their organisations, are more likely to use the advantage of network structure to achieve strategic goals in a more effective and efficient manner (Shi et al., 2009). The *structural positions* of MMs in organisations may also help them to be effective in these roles. Their network positions and relationships with others influence their actions and, consequently, their strategic goals. MMs sit between vertically related groups (Pugh et al., 1968),

performing a mediator role between operating-level and top-level managers. As “linking pins” they connect the overall strategic goals articulated by top managers with the day-to-day reality of lower level managers (Likert, 1961); “knitting together” organizational activities and coordinating between top and bottom levels (Hage, 1974).

MMs mediate, negotiate, and interpret connections between the organization’s institutional (strategic) and technical (operational) environments (Shi et al., 2009; Floyd and Wooldridge, 1992; Parsons, 1960). MMs are likely to occupy the structural positions necessary to become brokers within the organization, which then offers the potential for social influence through information and control advantages (Burt, 1992). If properly leveraged, a brokerage role can become an important weapon to influence the effectiveness of the strategy formulation and implementation process.

Strategy researchers have examined the impact of MMs’ brokerage roles on their personal outcomes (Shi et al., 2009). Rodan and Galunic (2004) explored the individual managerial and innovation performance of MMs’ brokerage roles with special emphasis on managerial innovation, defined as managers’ ability to pursue entrepreneurial opportunities. They found that MMs’ brokerage roles can help to disguise entrepreneurial activity and enable them to pursue initially hard-to-justify projects, in line with Burt’s (1992) view.

MMs’ brokerage roles are positively related to their involvement in achieving divergent strategic goals (Pappas and Wooldridge, 2007), with brokerage roles which are boundary-spanning ones that bridge internal organizational members and external stakeholders. MMs’ brokerage roles will influence a company’s strategy through their increased exposure to the latest market and technical developments.

3.4 Boundary-Spanning Role

Decentralized decision-making leads to increase in the number of MMs in boundary-spanning roles. Boundary spanners in decentralized organisations are more likely to perceive changes in the external environment, and are naturally suited to better engagement when selling issues to the top as well as the frontline management. MMs often work within an action net of complex relationships; some stable, some transient, some clear, some very unclear (Wright, 2013). There are organisations where MMs are just as likely to speak with customers, suppliers, stakeholders, trade associations and professional networks, as they are with their immediate colleagues. Through these contacts, MMs develop their knowledge that is then exercised when undertaking strategy work.

3.5 The Corporate Entrepreneurship Role

MMs’ strategic roles have also been described as a part of the process of corporate entrepreneurship. Floyd and Wooldridge (1999) described three

roles managers perform to create and integrate knowledge in the corporate entrepreneurship process, viz., identifying opportunities, developing initiatives, and renewing organizational capabilities. The extent to which MMs feel enabled to take on corporate entrepreneurship roles include factors like appropriate rewards, top management support, available resources, supportive administrative structure, and tolerance for risk taking (Hornsby et al., 2002).

Bartlett and Ghoshal (1993) utilised Hart's (1992) theory and found that frontline managers who were 'once simply implementers became identified as the primary source of entrepreneurial initiatives.' MMs, once viewed as narrowly focused on control, came to be recognized as a resource for frontline managers, coaching and supporting their entrepreneurial activities. Top managers, having delegated both operational decision making and strategic initiative, were now seen as focused more on managing the entrepreneurial process, for example, developing broad objectives and setting performance standards.

Puri and Sinha (2005)⁴ describe the middle-level as the pivot around which to create an entrepreneurial culture in a large organization, with specific examples and successful initiatives from SAIL (refer Annexure-III). MMs are most comfortable with change, fully aware of the organisational dynamics and politics, and persuasive, persistent and tactful – characteristics that make

them ideal champions of entrepreneurship (Kanter, 1982).

4 Organizational Understanding and Middle Management Involvement in Strategy

MMs due to their functional and/or sub-unit orientation may be plagued with tunnel-vision leading to pursuit of goals that are suboptimal from the perspective of the organization's overall strategy (Kiesler and Sproull, 1982; Markoczy, 2001; Walsh, 1988; Wooldridge et al., 2008).

However with a shared understanding about goals and other strategic priorities, MMs are more likely to integrate with the efforts of top managers and others in the organization to develop strategy (Wooldridge and Floyd, 1989). Unless MMs understand and are committed to top management's strategic goals, they are unlikely to support strategy implementation, and 'no amount of top management agreement will lead to effective strategic change' (Dess, 1987; Floyd and Wooldridge, 1992). MMs are in a better position than top managers to form shared understandings about an organization's core capabilities, and hence, as a group, they are likely to serve as important catalysts for exploiting existing firm capabilities and for exploring the development of new ones (King and Zeithaml, 2001).

MMs' agreement with top management's strategic priorities increased through involvement in the strategic planning process and affected organizational performance (Wooldridge and Floyd, 1990). MMs' exclusion from strategy-related

conversations led to alienation, lack of motivation to implement strategies, and intra-organizational conflict (Westley, 1990). In contrast, two-way conversations between top and middle-level managers enhanced organizational responsiveness and innovation in strategy.

Managers' involvement in various facets of the strategy process enhances their knowledge, understanding, and support of strategy. Decentralized, participative processes increase the strategic usefulness of information at middle management levels, particularly in high-uncertainty environments (Mangaliso, 1995). Involving MMs in the strategic planning process and communicating agreed-upon priorities result in more integrated strategic thinking throughout the organization and significantly decrease MMs' pursuit of position-related sub-unit goals over organizational goals (Ketokivi and Castañer, 2004).

Structural change imposed by top management initially created tension and conflicting interpretations of change among groups of MMs (Balogun and Johnson, 2004). 'In the face of these different clusters of sense-making, broader shared understandings evolved from MMs who emphasized a common purpose, through lateral interactions wherein they negotiated a new set of shared understandings'. As top management was not part of this process, lateral social interactions among mid-level peers played a more prominent role than top-down communication in shaping how the organization interprets and responds to change.

5 Middle Management Activity and Organizational Outcomes

The relationships between middle management involvement in specific elements of strategic planning (e.g., goal formation, alternative consideration, etc.) and financial performance in 25 organizations were examined (Wooldridge and Floyd, 1990). MMs' involvement, but not (necessarily) their agreement with the CEO's priorities, was associated with financial performance. Unit-level performance improved when MMs enacted behaviours consistent with top management strategy (Mair, 2005).

Burgelman (1994) criticised the manner in which MMs, at times, lead the process of strategic change. He examined the influence of Intel's MMs on the company's emergent exit from memory markets. In the process of exiting, Intel redefined its competitive position emergently and evolved a re-definition of its core competencies. The decision by IBM's middle-level managers in the late 1970s to stop making chips handed Intel the opportunity to emerge as the *numero uno* chip maker (Sinha, 2000). MMs in an Irish telecommunications firm, although failing to accomplish clearly set corporate-level goals, orchestrated an emergent strategy that became the basis for the corporation's new strategic vision (Boyett and Currie, 2004).

5.1 The Villians of the Piece

Middle management hinders strategy implementation through foot-

dragging and sabotage (Guth and MacMillan, 1986). MM perceptions of the strategy process were coloured by individual and unit self-interest (refer Section 4). MMs' individual and group-level self-interests led to destructive interventions, resulting in the failed implementation of a top-management orchestrated merger (Meyer, 2006). A large number of middle-level employees are simply warming their chairs without contributing (Gioia-Herman, 2009).

A middle management team in charge of implementing a top-down strategic initiative was found to re-frame responsibility for the initiative in line with the team's goals, indicating middle management opportunism and linguistic influencing in the absence of a clear top management mandate (Sillince and Mueller, 2007). Kuratko and Goldsby (2004) described MMs as 'rogues', and provided anecdotal evidence that raises potential ethical concerns about the influence of MMs on realized strategy.

As firms have restructured in the United States, MMs feel insecure about their jobs, are resigned to low upward mobility, and resent the perceived disproportionate benefits that top executives receive (Osterman, 2008). MMs are neither truly committed to their employers nor fully engaged in executing the firm's strategy (Huy, 2010).

5.2 Engaging the Middle through Training and Development

Training, developing and retaining MMs is crucial for companies' survival because significant turnover

in middle management ranks impairs their ability to effectively execute strategy (Wharton, 2008). MMs also can be a challenging group of employees to develop and retain. Globally 20% of the MMs, reported dissatisfaction with their current organization and that they were looking for another job, primarily for lack of growth prospects (Accenture, 2007).

MMs' sense of purpose about their jobs can be increased by building a legitimate community of professional managers akin to professions like doctors and lawyers, or engaging them in MDPs that offer them exposure to broader strategic issues and opportunities to interact with top executives (Osterman, 2008).

While not all people can be given a promotion on merit alone, MMs' hunger for renewal can be catalysed through new training, fresh assignments and / or new career-paths within the company, mentoring opportunities, and sabbaticals to break the routine and rejuvenate them (Morison et al., 2006). SAP Labs and Infosys are allowing employees to engage in social projects out-side of work which helps in organisational brand-building, gives employees a sense of purpose and achievement apart from pursuing higher education and for personal reasons and a broadened perspective of social issues and causes, and their renewed understanding of macro issues making them more productive and innovative (Chaturvedi, 2013).

6 Strategic Role Conflict

Shared understanding of a strategy did not necessarily mean acceptance, and that without the latter, strategic consensus among MMs was unlikely to lead to realization of intended strategy (Dess, 1987). There are chances of role conflict arising in the absence of a shared mental model. Due to such differences in perception managers are likely to feel strategic role conflict; that is, uncertainty and tension about which role to enact. The MMs may feel alienated and question what role they have in organisational strategy in the first place. However, what seems like middle management resistance may actually represent their honest appraisals of what is feasible or in the best interest of the organization (Guth and MacMillan, 1986).

Strategic role conflict can be at least partly avoided if middle and top-level managers share a mental model of the strategic situation, e.g., strength, weaknesses, etc. and the organization's strategic posture, e.g., goals, competitive strategy, etc. (Wooldridge et al., 2008). When managers share similar mental models of task processes and outcomes, they are more likely to understand one another's perspectives, to communicate more easily, to coordinate more effectively, and to improve overall team performance.

7 The Interface of the Top and the Middle

The interaction of the TMT and MMs is central to effective strategy formulation and implementation, but researchers have remained notably silent on the actual nature and

importance of this interaction (Raes et al., 2011). MMs' position as organizational "linking pins" (Likert, 1961) gives them the power to - *initiate new strategic initiatives, support and accelerate strategy implementation, and reduce the quality of implementation, delay it, or even sabotage it completely.*

Researchers have given notably less attention to strategy implementation than to strategy formulation (Raes et al., 2011). The two aspects of strategy are closely interrelated (Jarzabkowski, 2008; Mintzberg and Waters, 1985) and about half of the strategic decisions in organizations fail for reasons relating to strategy implementation rather than formulation (Hickson, Miller, and Wilson, 2003; Nutt, 1999). Little consideration has been given to the specific functions of the TMT-MM interface in terms of achieving alignment between strategy formulation and implementation. Though researchers have specified the strategic roles of TMTs and MMs separately (Floyd and Lane, 2000; Floyd and Wooldridge, 1992; Mantere, 2008), they have not singled out the specific functions that are fulfilled by the TMT-MM interactions.

Raes et al. (2011) have proposed a model (refer Figure 3 – next page) that conceptualizes the interface between the adjacent organizational echelons of top and middle management, draws attention to the unique functions of the TMT-MM interaction in terms of aligning strategy formulation and implementation, and explains why some TMTs are more effective than

others at managing this interface. The TMT-MM interface can be conceptualized as a place where the two levels intersect, characterized by an alternation of episodes of contact, during which interaction or “interface processes” take place, and periods of no contact, during which they act on their own on the basis of assumptions, expectations, and roles.

An important aspect of the TMT-MM task is to collectively make sense of complex information, which requires a higher level of interdependence. In comparison, the tasks of supervisors and workers at lower organizational levels are generally clearer, more unitary, and allow for better insights into cause-and-effect relationships (Edmondson et al., 2003). Further, MMs fulfil a double role in their interaction with the top management:

being the ‘accomplice’ of the TMT and being representative of organizational units, both (Sims, 2003). This dual role leads to a potential conflict of interest, both inside the MMs and between the TMT and MMs, which is typically not present in other leader-follower relationships (Floyd and Lane, 2000; Ketokivi and Castaner, 2004). And finally, the TMT and MMs have fewer opportunities to interact because of the time constraints and differences in schedule that are inherent in these managers’ day-to-day functions (Dutton and Ashford, 1993). Needless to say, both the levels of management need to be aware of this ‘constraint’ owing to their roles, so as to maximise their symbiotic function(s) by optimally exploiting the *windows of opportunity*.

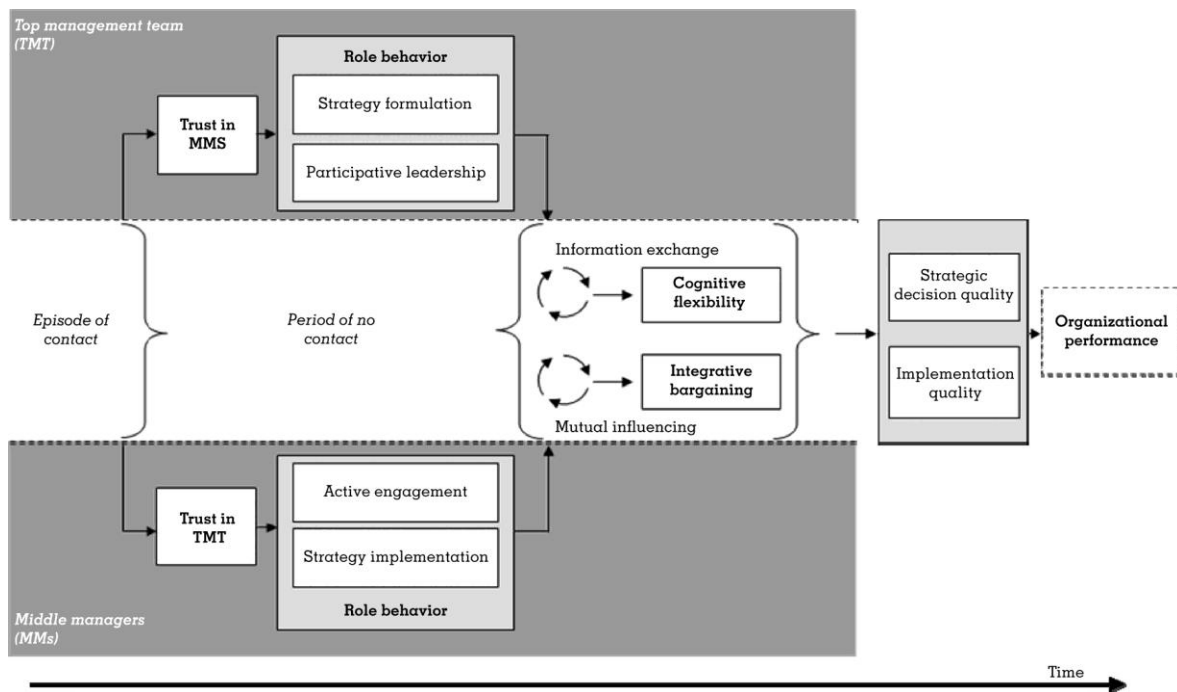


Figure 3. The Interface Model of Top Management Team and Middle Managers

7.1 What Middle Managers think on their Role in Strategy

Of the main roles listed by Floyd and Wooldridge (1994), the MMs

interviewed by Ikävalko and Aaltonen (2001) considered the role of *implementing deliberate strategy* as their main role. They were involved in giving a tangible form to the strategy for the benefit of the operating personnel. In addition, the MMs also included *communicating* the organization's goals, *planning* the required actions, as well as *scheduling* and *control* as important roles, all with downward influence. The major challenges in this role were related to communication and motivation – managing the two-way communication, becoming self-motivated and then motivating the subordinates, and communicating the strategy so that the subordinates also find it important.

The second common role in the MMs' opinion was to *facilitate adaptability*. The MM in this role acted as facilitator of change, removed obstacles like contradictory goals, and ensured the availability of required resources. The behaviours like reflecting, discussing and empowering personnel were included. In the role of *facilitators* were mostly leaders of self-directed teams.

The roles with upward influence were less common. In the role of *synthesizing* the MM evaluated effectiveness of the actions that had been implemented, and communicated the feedback upwards. The role of *championing* was typically bringing innovations upwards in the organization. The managers who adopted this role participated in the vision creation, and put forward their unit/ group's view in the strategy work. In this role, the

challenging part was the effectiveness of this participation: to some extent, the respondents had doubts whether their ideas had any effect at all.

7.2 Middle Managers' Views on Strategy Implementation

Ikävalko and Aaltonen (2001) have studied how middle management viewed strategy implementation, and defined the concepts of strategy and strategy implementation, how they saw their role in strategy implementation, and what in their view were the greatest problems of strategy implementation.

84 MMs from 12 organisations were asked to define the concept of strategy. Their five most common definitions of strategy were:

- i. Policy, line of action, or operational principle - 46 %
- ii. Goal, objective, vision, or direction - 39 %
- iii. Means to achieve goal, objective, or vision - 30 %
- iv. Plan, planning - 24 %
- v. Is connected to vision, goal or objective - 20 %

The study found that the top managers mentioned most often *goal, objective, vision, or direction* and the *means* for reaching them, followed by the *consistent way of action (policy, line of action, or operational principle)*, which, incidentally was the most popular MM definition of strategy. The top managers were slightly more concerned on the organisation's *external* issues, while MMs focused a little more on *internal* issues. Some MMs said that implementation is just "doing things" or "turning strategy into action".

In their definitions of implementation, the majority of MMs mentioned some kind of managerial issues. Also the top managers had most often the *management* view on strategy implementation. A little less than 50% of both top and middle-level managers also mentioned *communicational* issues. The greatest difference in the frequencies of top and MMs' definitions was in *planning*. Top managers talked more often about planning and generation of different plans (58%) in their association with strategy implementation than MMs (42%).

7.3 Problems in Strategy Implementation

The biggest problem of strategy implementation is to *get the strategies become a part of everyday life*, according to both the top and middle management (Ikävalko and Aaltonen, 2001). The everyday life with its routines and busyness prevents strategic thinking and acting in the organisations. More than the top managers, the MMs saw as more problematic the lack of resources in strategy implementation, as well as in distinct role definitions. Also, in their view the inconsistency of different strategies was more often seen as most problematic, which can happen if different strategies are not aligned with the vision and mission of an organisation.

The biggest trap is the assumption that the top management has established a clear strategy for the organisation and that MMs know the organisational strategy (Brache, 2004). The MMs believed that the

biggest problem was the assumption by top as well as middle that everybody already knows the strategy, received strategy information is not correctly understood, or, information flow is discontinued at some level of the organisation. Such assumptions would render as futile any expectation that MMs would effectively implement the strategy.

Commitment for strategy was not seen as problematic as communication. Nevertheless, both top and middle management felt that the lower the actor is in the organisation hierarchy, the less she commits herself to the strategy. The MMs felt that it was difficult to evaluate how they commit themselves for the strategy. The top managers saw the problem of MMs' commitment more significant than the MMs themselves, with half of them denying the existence of the problem. Further, the problems of acceptance and adoption of strategy were considered a greater hindrance to strategy implementation than lack of commitment, more so by MMs than the top managers.

The conflict of the reward system with the strategy was considered one of the biggest single problems of strategy implementation, both by the top as well as the middle management. Many MMs were unaware of the reward system in their organisation. MMs should be rewarded for strategic thinking even at the cost of sacrificing short-term operational goals (Brache, 2004). There was too much emphasis on quantitative over qualitative

evaluation in BSP's reward and recognition system, primarily because qualitative measures are intangible (Puri and Sinha, 2005). Qualitative measures could include a series of subjective assessments of, say, the relative newness, uniqueness, or potential value of an idea. A well-defined, well-supported and broadly communicated innovation mechanism with clearly defined analytical and pre-determined parameters – both qualitative as well as quantitative – can enable organisations to reward employees meaningfully.

MMs' role in strategy implementation must be consistent with the changing conditions of the organisation (Ikävalko and Aaltonen, 2001). For example, management philosophies like autonomous work groups are changing the role of middle management. The MMs in those organisations with autonomous teams tended to see their role more as facilitators. Klagge (1997) too had tried to find out whether MMs can supplement the work of teams.

As to the problems of strategy implementation, the findings of the Ikävalko and Aaltonen (2001) study are closely aligned with the results of prior research. Lack of communication, lack of commitment, and lack of connection between strategy and reward systems were found as prominent problems. Lack of commitment could be attributed to non-participation in creating strategy, lack of clear understanding of the strategy, and the perception that strategic direction contradicts managers' own vision of reality (Brache, 2004). MMs' commitment to

organisational strategy can be re-inforced by sharing with them the 'underpinnings' and rationale behind the strategy and involving them in planning implementation tactics.

The MMs saw the problems of strategy implementation from a more concrete level of organisational activities than the top managers. MMs face the problems of resources as well as the problem of really understanding strategies and adapting them to daily actions.

There was a belief that owing to their operational role, MMs need not know the strategy (Brache, 2004). MMs *need to know* both the strategic context as well as the strategy if they have to be optimally effective and perform meaningfully for the future of the organisation. They should be held accountable for their strategic contribution with their performance linked to strategic standards. To link individual and team performance to organisational strategy, SAIL has implemented Balanced Scorecard (BSC) for evaluating performance of MMs (of the rank of Deputy General Managers) since 2012. The TMT of SAIL (General Managers and Executive Directors) had already been brought under the ambit of BSC in 2010-11.

8 Conclusion

MMs play an extremely crucial role in organisational strategy. Organisations need to create systems to enable MMs to play their strategic role, optimally, with the top playing a critical role in this enabling act. The top and middle management need to

complement each other in strategy-making. Involving MMs in organisational strategy-making enhances the quality of decisions and increases the efficiency of implementation.

MMs play four strategic roles in an organisation – as implementors, synthesizers, champions, and facilitators, and are also agents of transformational and transactional change. By virtue of their level / position in the organisation, substantial experience and their interaction with stakeholders, they exert considerable influence in strategy development as well as deployment. The MMs enact key roles which can be categorised as: emotional balancing, issue-selling, brokerage, boundary-spanning, and entrepreneurial.

MMs can be wedded to an organisations's strategy through a shared understanding of the same with the top managers, so that they do not stray away from the strategic goals or focus merely on (sub-optimal) functional or unit-level goals / targets alone. The successful attainment of organisational goals positively impact unit-level goals as well.

Any efforts to downsize or do away with middle management can be detrimental to an organisation's long-term prospects. When faced with an imminent, even if perceived threat to their own position, say during organisational re-structuring or any other change initiative, MMs could even sabotage the strategy.

They have also been found guilty of foot-dragging and warm-chair attrition. Organisations should be wary of strategic role conflict experienced by MMs due to inconsistent expectations from key stakeholders, particularly top management. Top and middle-level managers need to attain strategic synergy in order to avoid such role conflict.

MMs have to be developed and trained, given fresh assignments, mentoring opportunities, sabbaticals to re-charge and renew, and new career-paths in the organisation to catalyse them to play a meaningful role, besides exposing them to broader strategic issues and opportunities to work in tandem with the top management.

There has to be a smooth interface between the top and the middle for effective strategy formulation and implementation - collectively process complex information, and exploit the minimal available 'windows of opportunity' due to their different schedules and time constraints.

The paper is a review of literature (as part of the lead author's Ph.D. thesis) by prominent researchers who are equivocal in their belief that MMs have a very crucial role in strategy. The key premise with all the work that has been quoted in this paper is that strategy is an organisation-wide activity and middle managers are the linking pins for its effective deployment as well as development.

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REVIEW ON ORGANIZATIONAL SAFETY CULTURE AND INDIVIDUAL SAFETY BEHAVIOR AND ITS IMPACT ON EMPLOYEE SATISFACTION

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INTRODUCTION

The study of organizational safety culture has emerged as an extremely popular topic since it has an implication in relation with the individual safety behaviour and hence for its impact on the employee well being and satisfaction. The prevention of work-related injury and illness is of crucial importance to employees, industry and subsequently to the wider society. Corporate safety culture, which describes shared values within an organisation which influence its members' attitudes, values and beliefs in relation to safety, is now generally accepted as having a strong influence over workplace accidents and injuries. The aim of this review is to assess and compare the relative contributions

of corporate safety culture and individual safety behaviour and its impact on the employee satisfaction within an organisation. In today's competitive world of business, it is imperative to have developed a robust organisational safety culture which shall consistently and independently associated with corporate safety performance. However, these associations may not consistent in direction, suggesting a complex relationship,

but perhaps reflecting links with risk levels and industry sectors. Therefore, the aim of the research is to consider an association between employee perceptions of and attitudes towards safety and individual safety performance, health and wellbeing. Earlier

research suggests that, organisational safety culture in relation with the individual safety behaviour has an impact on the employee satisfaction.

LITERATURE REVIEW

1.1. Organisational Safety Culture

The study is based on several concepts, including organizational safety culture and climate, and safety behavior. Safety culture has many definitions within a considerable body of literature; however, researchers have yet to reach a consensus as to the definition of the term (Shappell & Wiegmann, 2000; Helmreich & Merritt, 2001; Zhang, Wiegmann, von Thaden, Sharma, & Mitchell, 2002). Zhang et al. (2002) aggregated the similarities of safety culture definitions and asserted that the significant aspect of safety culture is a deeply rooted, stable, and therefore dominant attitude toward safety throughout an organization—an attitude extremely resistant to change. As a result, the existing safety culture would have a tremendous influence on individual behavior within the organizational context (Wiegmann, Zhang, von Thaden, Sharma, & Mitchell, 2002). An alternate and more complete definition by Zohar (1980) portrays safety culture as defined by shared perceptions about leaders' commitment to safety, appropriate measures taken to mitigate probable risks, and level of devotion to safety standards and procedures.

This study aims to observe the influence of safety culture on an individual's behavior. Measuring an organization's safety culture can, however, be problematic (Cooper & Phillips, 2004). Organizational culture refers to the climate of an organization as a whole, including codes, values, norms, rules, what is expected, and what is valued (Westrum, 1996). Cooper and Phillips (2004) claimed that psychometric safety climate measurement instruments can measure the safety culture construct in a particular time because climate is a measurable facet of

organizational culture. Hence, organizational safety culture was observed by its safety climate facet as a latent construct in this study.

Safety climate is regarded as a subcomponent of safety culture (Zohar, 2000) and a snapshot of an organization's actual safety culture (Hall, 2006), as well as a measurable facet of safety culture (Zohar & Luria, 2005). In this study, safety climate stands for the shared perceptions of employees regarding common attitudes in the workplace toward safety at a particular time (Hall, 2006). Zohar's (1980) definition of safety climate is also useful for this study. He defined safety climate as —a summary of molar perceptions that employees share about their work environments (Zohar, 1980, p. 96). Then this understanding of safety climate was further clarified as —shared perceptions among members of an organization with regard to aspects of the organizational environment that inform role behavior, that is, the extent to which certain facets of role behavior are rewarded and supported in any organization (Zohar & Luria, 2005, p. 1). While safety culture is stable and difficult to modify, safety climate is particularly dynamic and subject to change at any time (Wiegmann et al., 2002).

Safety behavior is a notoriously problematic construct because of the variations that occur in defining the term and the difficulty involved in its measurement (Cooper & Phillips, 2004). For the purposes of this study, safety behavior refers to any behavior mode that mitigates the probability of human error (Glendon & Litherland, 2001). This study measures safety behavior based on the self-reported items. Safety behavior, as a dependent variable, is supposed to consist of actual behaviours performed by individuals at the workplace to the extent to which their actions comply with safety procedures (Griffin & Neal, 2000). Wiegmann and Shappell (2003) classified

safety behaviours into two categories. While the term safety violation refers to willful and conscious disregard of approved safety regulations and procedures, safety error refers to situations in which an individual's activities accidentally failing to accomplish intended outcome (Shappell & Wiegmann, 2000; Wiegmann & Shappell, 2003).

A Safety Culture consists of shared beliefs, practices, and attitudes that exist in an organisation. The culture is the atmosphere created by those beliefs, attitudes etc., which shape our behaviour.

1.2. Individual Safety Behavior

It suggests that organisational safety culture arises from shared beliefs. These beliefs driving an organisation's collective behaviours are not always overt but in reality are buried beneath observable supportive layers of values, attitudes and artefacts. It is suggested that beliefs and hence culture can only be assessed and interpreted indirectly through observing employee safety behaviours.

Hence it seems that the organisational safety culture is dependent on the individual safety behaviour of an employee of an organisation. Individual safety behaviour is mostly derived from the various factors like beliefs, espoused values, attitudes, artefacts, behaviours.

As a combination of the elements; beliefs, values, attitudes and artefacts, the organisational safety culture manifests itself through individual safety behaviours or human performance. Although behaviours have strong links to the culture elements, the generic model suggests that an organisation's shared beliefs in particular mould staff behaviours. In addition, if a set of shared beliefs and associated behaviours deliver organisational 'success', their validity will be reinforced leading to a stable and enduring organisational safety culture.

Therefore to understand the organisational safety culture it is imperative to analyse the

basic of organisational beliefs in terms of above mentioned elements.

1.3. Beliefs

Beliefs are emotions and assumptions that something is true. They can become deep seated to the extent that a person unconsciously subscribes to them. Because they are deep seated and fundamentally they are usually stable. 'Good', shared safety-beliefs, if unconsciously adopted with associated good safety behaviours, can deliver business success. On the other hand, 'poor' shared beliefs can give a perception of business success. Usually this is illusionary as the associated poor safety-behaviours may eventually lead to a severe event or the progressive deterioration of the business.

Some mature organisations have only one or two founding beliefs with others arising naturally from these. Beliefs are usually supported by safety culture values that are conditions and actions that are held in high esteem by an organisation because they assist in fulfilling beliefs.

In general terms, beliefs are not inherent to individuals; they are learnt, shared and arise from a common experience of organisational 'survival'. Although reflected in espoused values, artefacts and personal attitudes, beliefs become overtly observable through behaviours. Where beliefs are shared and reinforced with values and artefacts a sense of community and group cohesion arises.

An individual's beliefs are formed from life's events. They arise, inter alia, from interactions within the family, through formal education, friendships and workplace colleagues. An individual's behaviours are an expression of accumulated long-term beliefs and supporting values which stabilise and if delivering 'success' become resistant to change.

Individual's beliefs are reinforced, modified or changed depending upon the consequences of their personal social behaviours. In this context consequences arise from interactions

with peers and authority figures. If behaviours are misaligned with the organisation's 'cultural' norms, the consequences to individuals may be unwelcome and unpleasant. Within an established organisational culture behavioural consequences for an individual can be delivered by peers, parents, teachers, a management hierarchy, a professional society, a government body or ultimately through a society's legal code. With adverse consequences, belief change may be necessary to modify safety behaviours.

1.4. Espoused Values

As discussed above it was suggested that there is linkage between shared organisational safety-beliefs and how these beliefs are revealed in observable safety behaviours. This linkage is achieved through the elements, espoused safety values, attitudes and visible artefacts. The organisational strength of these elements can be indicative of strong shared individual safety-beliefs.

Espoused or spoken safety values are central principles held by the organisation's members and around which decisions are made, tested and actions occur. Values enable an organisation's shared safety-beliefs to be upheld. For example, if the belief 'safety first is our top priority' is a conviction this leads to supporting safety values that enable the belief to be fulfilled. Values gain particular strength when espoused and practiced by the organisation within their role of culture shaping.

The espouse safety values shall become integrated part of organisational artefacts. And hence safety values like beliefs need to be specifically generated, owned and shared by an organisation. The safety beliefs and values, as an integral part of a management system, would be periodically reviewed and rejuvenated to meet the changing needs of an organisation.

1.5. Attitudes

Attitudes can be considered as a state of mind towards a subject or an object. Say for example a team that experiences no negative feedback from gaining a personal or collective advantage from poor safety behaviours. These may be rushing tasks to save time by taking procedural short-cuts or using unapproved equipment to do the task. With no negative feedback it may become an embedded team belief, a state of mind, that the adopted behaviours are accepted or condoned by supervisors and managers. No feedback becomes positive feedback for belief reinforcement leading to a less than diligent attitude towards maintenance tasks. This lack of diligence, a careless attitude, can become an accepted group norm and ignoring procedures or using inappropriate equipment can become an unchallenged part of the team's cultural behaviour. This poor behaviour can, if not arrested, pass to new generations of a team within an organisation.

Hence appropriate safety attitudes are an important safety-culture element that needs to be trained at all organisational hierarchy levels.

New people, particular young employees, wishing to be accepted by a group, will quickly adopt the group's attitudes. This makes them particularly vulnerable to accidents if individual or group attitudes are misaligned with good practice. Therefore, 'measuring or testing' attitudes requires to be treated with caution. Observed attitudes may not be a true reflection of how a person really feels; true beliefs may be hidden particularly if a 'fear culture' has developed. And thereafter, if this attitude by a group is challenged or questioned on safety, an individual or group may adopted the 'expected attitude' in support of their immediate self interest.

1.6. Artefacts

The robustness of an organisation's safety-culture can be indicated by the presence or

absence of artefacts. These contribute to establishing a safety climate as a reminder to all staff of their shared safety-beliefs, values and behaviours.

Whereas safety-behaviours are considered to be the informal dimension of safety-culture, artefacts can be the formal, documented and physical reminders dimension. Artefacts can include aspects of the informal dimension such as organisational safety activities and rituals. A significant formal artefact is an organisation's documented safety-management system with its safety policy and supporting procedures. This is normally integrated into the organisation's quality, health and safety management system.

Artefacts are typically symbols of an organisation's identity. Some formal and informal examples are given as under:

Formal artefacts:

- The organisation's environment, health and safety mission and policy statement
- The safety-management system, corporate procedures and processes
- Safety progress reports and programmes
- Public, annual safety reports
- Safety guidance pocket books
- Safety posters in the plant
- The company logo
- The company flag
- The safety news bulletin.

Informal artefacts:

- The technical jargon used by an organisation
- Corporate stories about which the organisation has pride
- Company rituals – safety schemes, the annual safety conference

- Reserved car parking (suggesting the importance of status and hierarchy)
- People's posted photographs showing safety merit or achievement
- A well-maintained safety wall board; statistics, posted achievements, conferences, lectures

Artefacts can generate pride and give a visual association with the organisation's values.

This can be regularly seen with familiar brand names, there is a psychological power in symbols. They assist in developing organisational 'team spirit' and group cohesion.

1.7. Behaviours

By establishing good safety-beliefs, safety-management becomes a matter of influencing and directing good safety-behaviours. These are the most visible expression of safety-culture.

Culture has generally been described as deep, broad, and stable. Also, having a large psychological and social element it is not a superficial phenomenon. Further, culture stability infers development over time, with its robustness tested against many internal and external factors. Because of this, detailed behaviours at each hierarchical level in an organisation cannot be generically prescribed as they emerge from the shared beliefs, become tacit rules and lead to good safety behavioural awareness. Detailed behavioural sets emerge from within an organisation on a platform of safety-beliefs that meet the business needs.

Therefore, in view of the above, it is emphasised that an organisations need to generate, encourage and implement their required safety-behavioural expectations.

Executives and senior managers:

- Give visible leadership and commitment to safety
- Communicate, espouse and implement agreed organisational safety-beliefs and values within a dialogue culture
- Challenge and question on safety issues at all times
- Have a positive attitude to safety
- Exercise a transformational and mentoring management style
- Actively delegate safety responsibility within their framework of safety accountability
- Generate trust and openness
- Personally commit to and exercise good (physical) safety behaviours.

Middle managers:

- Give visible leadership and commitment to safety
- Communicate, espouse and implement agreed organisational safety-beliefs and values within a dialogue culture
- Challenge and question on safety issues at all times
- Have a positive attitude to safety
- Are periodically actively engaged in facility safety interactions
- Demonstrate safety is a business priority in operations
- Actively generate trust and openness within facilities
- Have a humanistic management practice
- Personally commit to and exercise good (physical) safety behaviours.

Supervisors:

- Demonstrate safety leadership
- Have a positive attitude to safety issues at all times
- Challenge and question on safety issues
- Support the teams' safety decisions
- Motivate teams for safety improvements
- Develop trust within teams

- Communicate, espouse and implement agreed organisational safety-beliefs and values
- Promote an open safety dialogue culture
- Promote a learning culture
- Be seen to personally display good (physical) safety-behaviours.

Workforce:

- Are actively involved in safety initiatives
- Demonstrate autonomy through questioning and challenging on safety issues
- Show risk perception and risk aversion with safety demonstrably the first priority
- Actively promote a cohesive team spirit
- Self-motivated to be compliant with systems
- Communicate, espouse and implement agreed organisational safety-beliefs and values.

Hence fore, in context of the above, there are two essential factors that are fundamental to safety behaviour implementation. First, antecedents have to be in place to enable individuals to implement agreed role safety-behaviours and second, there has to be feedback regarding the adequacy of implementation. These two factors can on occasions be neglected and safety-beliefs remain unfulfilled and safety values not upheld.[Safety Culture a book by John Bernard Taylor: ISBN 9781409401278]

1.8.Employee Satisfaction in relation to Organisational Safety Culture and Individual Safety Behaviour

Employee job satisfaction is defined as the degree to which a worker experiences positive affection towards his or her job [Locke E]. Locke [Chicago, IL, USA: Rand McNally; 1976. p. 1297–349] in his well-cited definition considers job satisfaction to be “a pleasurable or positive emotional state resulting from the appraisal of one’s job or

job experiences and as a function of the perceived relationship between what one wants from one's job and what one perceives it as offering" (p. 1300). Though recent theorising on job satisfaction describes it as a multifaceted construct, and a function of two major factors, dispositional (worker personality traits) and situational (workplace factors) [Brief A, Weiss H Ann Rev Psychol 2002;53:279–307], the general indication, however, is that job satisfaction is more of an affective reaction to one's job, an evaluative measure and consequently an indicator of working conditions [Hart et al]. Occupational injuries and industrial accidents are therefore likely to be mediated by organisational climate and job satisfaction.

The explanation for the proposed link between job satisfaction and organisational safety climate relates to the fact that the degree of an employee's job satisfaction derives from meaningful organisational and social organisational values, norms, beliefs, practices and procedures operational at the workplace. In effect, the perceived level of support provided by an organisation will turn out to be closely associated with safety climate and other organisational and social factors which are important for safety. If employees perceive that their organisations are supportive and are satisfied with the organisational structures in place, they are more likely to recognise that the organisations value their safety and general well-being as well. This assessment in turn reflects positively on their perceptions of the prevailing safety climate and influences organisational behaviour. Thus, it is on record that when workers' basic needs are met consistently and the workers express job satisfaction, they display greater emotional attachment, involvement and express stronger feelings of allegiance and loyalty to their organisations. Additionally, research reports on the job satisfaction-safety link have indicated that satisfied employees, more than

their dissatisfied counterparts, are motivated into safe work behaviours [Probst T, Brubaker T] and register relatively lower accident rates [Ind Relat 1999;54:111–34]. Employees who perceive a high level of organisational concern and support, and are satisfied with workplace conditions, feel a sense of indebtedness and a need to reciprocate in terms that will benefit their organisations/management [Hofmann DA, Morgeson FP, Gerras SJ, Kelley SW, Hoffman KD, J Retal 1997;73(3);407–27]. Complementary research findings along this line of argument in both social psychology [Grusec JE, Van Maanen M, Schein EH] and the organisational literature [Kelley SW, Hoffman KD, J Retal 1997;73(3);407–27] have confirmed that one type of prosocial behaviour facilitates other types of prosocial behaviours due to the personal values acquired through the socialisation process. Organisational researchers have therefore found satisfied employees to be more actively engaged in activities that are considered more facilitative to organisational goals than their dissatisfied work colleagues [J Organ Beh 2002; 23: 267–85]. Thus relative to their dissatisfied colleagues, satisfied workers are more likely to comply with safety-related practices. Workers with a high degree of job satisfaction will correspondingly have positive perceptions regarding safety climate and vice versa.

DISCUSSION

In this short review the study of organizational safety culture in relation with the individual safety behaviour and its impact on the employee well being and satisfaction are studied. Importance of prevention of work-related injury and illness is of crucial importance to employees, industry and subsequently to the wider society is also discussed.

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STUDY OF IMPACT AND IDENTIFICATION OF GENDER ON SELF ESTEEM

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Introduction:

Self-esteem is a term used in psychology to reflect person's overall emotional evaluation of his or her own worth. It is a judgment of oneself as well as an attitude toward the self. Self-esteem encompasses beliefs (for example, "I am competent," "I am worthy") and emotions such as triumph, despair, pride and shame. Smith and Mackie define it by saying "The self-concept is what we think about the self; self-esteem is the positive or negative evaluations of the self, as in how we feel about it." Self-esteem is also known as the evaluative dimension of the self that includes feelings of worthiness, prides and discouragement. One's self-esteem is also closely associated with self-consciousness.

It is a disposition that a person has which represents their judgments of their own worthiness.

Many early theories suggested that self-esteem is a basic human need or motivation. American psychologist Abraham Maslow included self-esteem in his hierarchy of needs. He described two different forms of esteem: the need for respect from others, and the need for self-respect, or inner self-esteem. Respect from others entails recognition, acceptance, status, and appreciation, and was believed to be more fragile and easily lost than inner self-esteem. According to Maslow, without the fulfillment of the self-esteem

need, individuals will be driven to seek it and unable to grow and obtain self-actualization. Abraham Maslow, in his hierarchy of human needs, describes the "need for esteem," which is divided into two aspects, the esteem for oneself self-love, self-confidence, skill, aptitude, and respect receives from other people recognition, success, etc. The healthiest expression of self-esteem, according to Maslow, "is the one which manifests in respect we deserve for others, more than renown, fame and flattery".

Self-esteem is how we value ourselves; it is how we perceive our value to the world and how valuable we think we are to others. Self-esteem affects our trust in others, our relationships, our work – nearly every part of our lives. Positive self-esteem gives us the strength and flexibility to take charge of our lives and grow from our mistakes without the fear of rejection.

Following are some outward signs of positive self-esteem:

- Confidence
- Self-direction
- Non-blaming behavior

- An awareness of personal strengths
- An ability to make mistakes and learn from them
- An ability to accept mistakes from others • Optimism
- An ability to solve problems
- An independent and cooperative attitude
- Feeling comfortable with a wide range of emotions
- An ability to trust others
- A good sense of personal limitations
- Good self-care
- The ability to say no

What is low self-esteem?

Low self-esteem is a debilitating condition that keeps individuals from realizing their full potential. A person with low self-esteem feels unworthy, incapable, and incompetent. In fact, because the person with low self-esteem feels so poorly about him or herself, these feelings may actually cause the person's continued low self-esteem.

Here are some signs of low self-esteem:

- Negative view of life
- Perfectionist attitude
- Mistrusting others – even those who show signs of affection
- Blaming behavior
- Fear of taking risks

- Feelings of being unloved and unlovable
- Dependence – letting others make decisions
- Fear of being ridiculed

Self-esteem is your overall opinion of yourself — how you feel about your abilities and limitations. When you have healthy self-esteem, you feel good about yourself and see yourself as deserving the respect of others. When you have low self-esteem, you put little value on your opinions and ideas. You might constantly worry that you aren't good enough.

Here's how to tell if your self-esteem needs a boost and why it's important to develop a healthy sense of your own worth.

Factors that shape and influence self-esteem

Self-esteem begins to form in early childhood. Factors that can influence self-esteem include:

- Your own thoughts and perceptions
- How other people react to you
- Experiences at home, school, work and in the community
- Illness, disability or injury
- Culture or religion
- Role and status in society
- Media messages

Relationships with those close to you — parents, siblings, peers, teachers and other important contacts — are important to your self-esteem. Many beliefs you hold about yourself today reflect messages you've received from these people over time. If your relationships are strong and you receive generally positive feedback, you're more likely to see yourself as worthwhile and have

healthier self-esteem. If you receive mostly negative feedback and are often criticized, teased or devalued by others, you're more likely to struggle with poor self-esteem.

Still, your own thoughts have perhaps the biggest impact on self-esteem — and these thoughts are within your control. If you tend to focus on your weaknesses or flaws, you can learn to develop a more balanced, accurate view of yourself.

Literature Review:

Jamie C. Sternke (2010): Research shows that students with LD commonly have more negative self-concepts than students without LD. The study examine the differences between self-concept and self-esteem, and their effects during adolescent development.

Loree J. Hisken(2011): This research is an examination of the correlation between the self-esteem of students and their reading ability, reading level, and academic achievement. Students’ levels of self-esteem were positively impacted if they were successful in reading and other academics.

Brenda Huebscher(2010): This review outlines the present research on the relationship between body image and self-esteem among adolescent girls. The research shows that the relationship between body image and self-esteem is important for adolescent girls.

Michael L. Schwalbe(1991): Gender differences in the importance of reflected appraisals, self-perceived competence, and social comparisons as sources of self-esteem. Gender differences are expected for several reasons: sex role socialization may lead men and women to develop abilities to exploit different sources of self-esteem; men and women may learn to embrace different criteria for self-evaluation; and opportunities to experience self-enhancement in various

ways may be distributed unequally between men and women.

- 1) **Julie Ann McMullin(2004):** This paper, we explore the relationships among self-esteem, age, class, and gender and ask whether relationships between self-esteem and gender are similar across age and class groups.
- 2) **American Psychological Association (2011):** The study states If-esteem increases during adolescence, then slows in young adulthood, but contrary to popular belief, there is no significant difference between men's and women's self-esteem during either of those life phases, according to research published by the American Psychological Association.

Research Methodology:

Objectives:

1. To study the concept of Self esteem
2. To identify factors contributing self-esteem
3. To find the relation between various factors contributing towards attainment of self-esteem and gender.

Hypotheses:

Gender does not have an impact on self esteem.

Research Design:

The data was collected from 100 teachers through structured questionnaires of a college

Sampling Design:

Sampling Design Type:
 Sampling Unit: Nagpur Region
 Sampling Frame: Teachers
 Sample Size: 100

Data Collection:

1. Primary Data was collected through structured questionnaire.
2. Secondary Data was collected through research papers published in journals &

conferences (please refer to references), reports by various agencies.

Data Analysis:

The study was conducted to analyze the SELF ESTEEM in one of the Engineering College in Nagpur and if gender is a differentiating factor in identifying self esteem. We initially conducted the reliability analysis of the test score questionnaire administered to the employees of the College.

RELIABILITY ANALYSIS

Internal consistency reliability, for multiple item scales. In this assignment, we will compute the most commonly used type of internal consistency reliability, Cronbach's coefficient **alpha**. This measure indicates the consistency of a multiple item scale. Alpha is typically used when we have several Likert type items that are summed to make a composite score or **summated scale**. Alpha is based on the mean or average correlation of each item in the scale with every other item.

Conditions for Measures of Reliability

The Cornbach Alpha shows a value of 0.651 which states there is sufficient reliability of the scale to analyze the questionnaire further in understanding the self esteem of the employees.

Reliability Statistics

Cronbach's Alpha	N of Items
.651	5

CHI SQUARE TEST

The cross-tabulation of the gender with the self esteem is presented below.

esteem * gender Cross tabulation

			gender		Total
			1	2	
esteem	low	Count	1	1	2
		% within esteem	50.0%	50.0%	100.0%
		% within gender	4.5%	3.6%	4.0%
	normal	Count	15	25	40
		% within esteem	37.5%	62.5%	100.0%
		% within gender	68.2%	89.3%	80.0%
	high	Count	6	2	8

	% within esteem	75.0%	25.0%	100.0%
	% within gender	27.3%	7.1%	16.0%
Total	Count	22	28	50
	% within esteem	44.0%	56.0%	100.0%
	% within gender	100.0%	100.0%	100.0%

Chi square has been used to analyze if gender discriminates the self esteem of employees. The coefficient contingency has been used to

find out the extent of relation between the self esteem and gender

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.835 ^a	2	.147
Likelihood Ratio	3.898	2	.142
Linear-by-Linear Association	2.387	1	.122
N of Valid Cases	50		

4 cells (66.7%) have expected count less than 5. The minimum expected count is .88.

The chi square statistic p value is 0.147 which is greater than 0.05 hence we can say gender is not a differentiating factor for the self esteem.

Conclusion:

It was identified with the help of Chi square that there is no significant relationship between gender and self esteem. Thus it can be said that gender does not become a factor

responsible for an individual’s low or high self esteem.

CSR as a Tool to Protection of Child Rights and Welfare in India

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Introduction

The concept of Corporate Social Responsibility has been practised by leading companies in India in the form of corporate philanthropy for many centuries now.⁵ Indeed there are many studies that seek to draw parallels to the concept of corporate social responsibility in vedic literature and in writings of Tamil poet Tiruvalluvar.⁶ All these stand testimony to the fact that this concept of CSR is not new to India.

CSR is broadly described as a commitment of a corporate towards its community where it thrives and profits. According to World Business Council for Sustainable Development “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.⁷” There has

been a paradigm shift in the perception of the role of business from being purely economical and catering to creation of wealth in a society to the acceptance and inclusion of a broader

societal and environmental commitments along with its traditional financial commitments.⁸ This has brought to the centre stage the concept of corporate social responsibility. It is generally perceived as an activity through which the corporate express their concern and commitment to the social issues in the societies they operate and flourish. It is considered as a way of giving back to the society but for whom these companies would not make profits.

Mandatory Provisions of CSR in Companies Act 2013

India is the only country in the world which has mandatory CSR provisions. The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules made there under have

6

been notified on 27.02.2014. These provisions include that companies with a networth of 500 crores or more, or a turnover of 100 crores or more, or a net profit of 5 crore or more have to spend two percent of average profit of immediate preceding three years on CSR activities. Also, each such company is required to constitute a CSR committee of the Board and the Board of each such company is required to have the company's CSR policy formulated and it also has the responsibility of monitoring the implementation of CSR policy of the company. Further, the Board's report shall include an annual report on CSR containing particulars specified in prescribed format. If a company does not fulfil its mandatory CSR commitment the reasons for the same have to be specified in the report filed by the Board. The companies are also allowed to implement their CSR Policy through trusts or societies or Section 8 companies etc. Schedule VII of the Act⁹ specifies the activities in which a company can engage to fulfil their CSR commitments. According to official data, out of 10475 eligible companies, 7334 have reported as of 31st January 2016. Out of these reporting companies, only 3139 have done some expenditure on CSR and out of total prescribed expenditure of 11883 crores by these 3139 companies, 8803 crores have actually been spent (74%).¹⁰ The spending under the corporate social responsibility (CSR) by the NSE listed companies has seen a significant increase of 28% in 2015-16.¹¹ In the previous year, when CSR Rules came into force, the 100 top listed companies had spent a total of Rs 4,760 crore on CSR activities. The figure recorded in the second year was at Rs 6,033 crore, as per data analysed by NextGen Pvt. Ltd, a CSR

management firm.¹² The data shows that the maximum spending of CSR by the companies has been on the education sector and healthcare. In comparison to previous year, CSRs contribution to Prime Minister's funds witnessed an increase by 418% from Rs 168 crore in 2014-15 to Rs 701 crore in 2015-16. This was followed by spending on poverty alleviation (66% increase) and gender equality (38 %). Meanwhile, spending on child mortality and maternal health saw the maximum fall with 22 %.¹³ The amount of money available to be spent for CSR activities provides an opportunity for the companies to shoulder some of the responsibilities of the Government in ensuring social and economic equity in tune with the international view of global businesses acting responsibly in the societies they engage in.¹⁴ Corporate partnership perceivably would be the catalyst for the Government's efforts to usher in inclusive development especially for the numerous projects concerning children welfare and bring in the desired change.

Issues related to Children in India

According to Census 2011 report¹⁵ children below the age of 18 constitute about 39% of the total population of India. This classifies India to be a young nation and it provides ample scope for growth trajectory. But is imperative that the future generations are groomed properly and endowed with proper skill sets and more significantly are healthy to contribute to the overall growth of the country. This brings to the fore the issue of providing adequate opportunity to the children to blossom as mature individuals with knowledge and adequate vocational skills and required capabilities to assist the

progress and development of the country. This calls for creating an environment which allows the child to grow and develop in a holistic way.

Legal Framework in India

The Constitution of India is the guarantor of human rights to the citizens of India. True to its character the Constitution guarantees fundamental rights to the children without any discrimination. It also ensures compulsory education to all children to be provided by the State¹⁶ and prohibits their employment in hazardous factories, mines and other such places¹⁷. It mandates the State to protect the children from being forced to do work that are unsuited to their age driven by economic necessity.¹⁸ The State is also directed to provide facilities for development of children in a healthy manner and protect them from exploitation.¹⁹ Besides, the children are entitled to all the fundamental rights that are accorded to the adults in Part III of the Constitution. A number of legislations which are children specific have also been enacted in India to actuate the ideals specified in the Constitution such as the Juvenile Justice Care and Protection Act (2000) and the new Act of 2015, the establishment of the National Commission for the Protection of Child Rights (NCPCR) (2005), the Prohibition of Child Marriage Act (2006), the Right of Children to Free and Compulsory Education Act (2009), and the Protection of Children from Sexual Offences (POCSO) Act (2012).

The Executive has also lined up many schemes for the welfare of the children. Significant among them being the Integrated Child Development Scheme (ICDS, 1975), Swachh Bharat Mission (Total Sanitation Campaign, 1999 and Swachh Bharat Mission, 2014), Sarva Shiksha Abhiyan (SSA, 2000),

National Health Mission (NHM,2005), Integrated Child Protection Scheme (ICPS, 2009), National Skill Development Mission (NSDM, 2015).

Situation of the Children in India

In spite of such extensive rights protection accorded to the children and the policy and programmes in place prioritising the needs of children it is sad that the reality of the situation of the children of the country presents a grim picture. According to the Socioeconomic and caste Census 2011 published by Government of India²⁰, 38 percent household in rural areas of the country are landless and are engaged in manual casual labour. The average monthly income of highest earning members in 75 percent of rural households is less than Rupees 5000 per month and approximately 27.5 percent children belong to disadvantaged communities (17.6 percent belong to scheduled caste and 9.7 percent to the scheduled tribes). The vulnerability of these communities together with social discrimination has an adverse effect on the children as they live in poverty ridden conditions and therefore their access to nutrition and healthcare is also affected and they also face risks that jeopardise their right to survival, protection and development.

The health of children in India is equally worrisome as only around half (54%) of the infants in India are fully immunised. According to National Family Health Survey (NFHS) 3²¹, more than half the births in the country continue to remain home-births, 4 out of 5 children under 3 years of age in the country are anaemic and 3 out of 5 children are malnourished. Around 8.5 lakh children are estimated to die before their first birthday each year.²² Child nutrition is measured in terms of prevalence of stunting, wasting and underweight. According to NFHS 3 (2005-

06) almost half of children under age five years (48 percent) were stunted, 43 percent were underweight and 20 percent were wasted. Children from SC and ST community had comparatively higher levels of malnutrition. The India Health Report on Nutrition, 2015²³ notes that despite significant growth in India's GDP; the nutritional status of children has not improved at the same pace. Although the Rapid Survey on Children 2013-14 conducted by Ministry of Women and Child Development and UNICEF shows considerable improvement in nutrition level of children under 5 years of age in comparison to 2005-06, yet it still remains very high. The stunting has reduced to 38.7 percent while wasting and underweight have reduced to 29.4 percent and 15 percent respectively. Latest NFHS data reveals that less than one-third infants receive adequate diet in India. (National Family Health Survey (NFHS) 4)²⁴.

Education is considered as an important tool to ensure the proper development and progress of children. But statistics show that about one third of the children (33 percent) enrolled in Class I discontinue their education before completing Class VIII. The retention rates are lower for SC and ST children²⁵ and only half of the ST children enrolled in Class I are able to complete Class VIII²⁶. The Educational Statistics At a Glance, 2014 published by Ministry of Human Resource Development, Government of India²⁷ reveals that 36.3 percent children drop out between Class I-VIII but this percentage is much higher for SC (38.8 percent) and ST (48.2 percent) children. Regular school attendance is another matter of concern. The third round of the National

Sample Survey of Out of School children in the age 6-13 years (2014)²⁸, shows there are 6.041 million (2.97percent) of children in the age group who are not enrolled in school. A higher proportion of girls (3.23 percent) are out of school than boys (2.77 percent). Also, more children from rural areas (3.13 percent) are out of school than from urban areas (2.54 percent). The study reveals that a higher proportion of ST (4.36 percent) children are out of school than any other social category, pointing to their lack of access to elementary education despite the Right to Education Act. This round's findings also show that an estimated 28.07 percent children with special needs are out of school. A study undertaken by NCERT (2013) showed that there was an extreme shortage of trained teachers as well as educational materials for children with disabilities in most of the government schools surveyed.²⁹

Child labour is another grave issue that needs priority attention. According to Census 2011³⁰, there are about 3.3 million children in the age group of 5-18 years who are engaged in the labour force as either main or marginal workers accounting for about 9 percent of the child population and 62 percent of them are boys. More than 10 million of them are in the age group of 5-14 years (3.9 percent). Approximately 60 percent children are engaged in the agriculture sector either as agricultural labourers or as cultivators.

With regard to crimes against children, according to official data³¹ a total of 94,172 cases of crimes against children were registered in the country during 2015 as compared to 89,423 cases during 2014, showing an increase of 5.3%. The crime rate i.e. number of cases reported as crimes against children per 1,00,000 population of children (below 18 years of age) was

observed as 21.1 at all India level during 2015. A total of 41,893 cases of 'kidnapping & abduction' of children were registered during the year 2015 as compared to 37,854 cases in the previous year showing an increase of 10.7%. The data also reveals that under Sec. 366A IPC (Procurator of Minor Girls) 3,087 such cases were registered in the year 2015 as compared to 2,020 cases in the year 2014, showing an increase of 52.8% during 2015 over 2014.

A total of 6,877 cases of crime relating to human trafficking were registered in the country during the year 2015 as compared to 5,466 cases during the year 2014, pointing to an increase of 25.8% during 2015 over 2014. Incidents of human trafficking also show a rising trend during the period from 2011 – 2015. A total of 3,517 cases were registered in 2011, which rose to 3,554 cases in 2012, to 3,940 cases in 2013, to 5,466 cases in 2014 and to 6,877 cases in 2015. Another disconcerted fact is that a large number of children, especially girls are married before the legal age in India. According to a report by National Family Health Survey(NFHS 3) (2005-06)³², 47.4 percent of women in the age group of 20-24 were married before 18, the percentage being higher for rural areas. The situation has improved in 2013-14 as the Rapid Survey on Children(RSOC)³³ data shows that 30.3 percent women in the age 20-24 were married before their legal age. Early marriage poses various risks for the survival, health and development of young girls and to children born to them. It is also used as a means of trafficking.

Another serious concern is that of child sexual abuse which is rampant in India. A survey by United Nations International Children Education Fund (UNICEF) reported that ten per cent of girls are likely to have experienced sexual violence when they were 10–14 years of age and 30 percent during 15–

19 years of age. The report reveals nearly 42 percent of Indian girls have gone through the trauma of sexual violence before their teenage.³⁴

The existing situation calls for priority action in ensuring rightful access to education, healthcare and nutrition to all children especially to the children from disadvantaged communities. There is an urgent need to create a safe and protective environment in which the children can grow and develop without experiencing any form of abuse or exploitation. This responsibility on the polity has to be fulfilled without any laxity as it is an essential condition to enable the children to realise their fullest potential and grow to be worthy citizens of the country.

.Conclusion

It is apparent that inspite of the existence of a host of legislations, policies and programmes to govern and ensure children safety and rights, there exists a huge gap in the implementation of these laws and schemes. Recognising the gravity of the situation and realising that it is the future of the nation that is at stake, the time has come for corporates to step in and augment the efforts of the Government in ensuring conducive conditions of living for the children in India. The CSR obligation thrust on the companies comes as a boon to this endeavour. The corporate expertise along with its funds if channelized in the right direction could well mark the beginning of the good times for the disadvantaged children. The Corporates could partner with Government and civil society to bring to an end the scourge of child labour and exploitation and rehabilitate such disadvantaged children by providing them educational facilities along with skill and vocational training. They could aid effectively in addressing the lacuna existing in the education imparted in the government schools especially in the rural areas and constructively reduce the school dropout

rates. They could also partner with other associations working with children from disadvantaged communities and ensure that the children have access to proper education, adequate healthcare and nutrition. The recognition of rights based approach rather than need based approach to deal with issues concerning children can be strengthened to yield good results if the corporates are

mandated to spend a part of their CSR expenditure to address specific issues relating to children. The thrust must be to ensure that the companies involve themselves in these projects rather than just donating money because their expertise and managerial skills could really make a difference in this endeavour on which the future of the country depends.

IMPACT OF WORKPLACE EMPOWERMENT ON ORGANIZATION CITIZENSHIP BEHAVIOUR (OCB) IN ACADEMICS

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Introduction:

The study of organizational citizenship behavior (OCB) has emerged as an extremely popular topic of human resource management, organizational psychology and organizational behavior. Over the year research and interest in job related attitudes and behaviours such as job involvement, job satisfaction, workplace empowerment, organization justice and organizational citizenship behaviour have gained much popularity and importance because of their pivotal role in generating various and several desirable positive organizational outcomes. Earlier empirical researcher evidence indicates that fostering the attitudinal states of job involvement of human resources is an important organizational goal as it is considered to be one of the best predictors of OCB (Chu et al., 2005; Diefendorff et al., 2002; Munene, 1995; Somers and Birnbaum, 1998; Bolger and Somech, 2004; Rotenberry and Moberg, 2007)

Literature review

Organizational citizenship behaviour (OCB)

Formally and directly OCB may not always be recognized or rewarded by the company, through promotions or salary increments. For example, though of course OCB may be reflected in favourable co-workers and supervisor ratings, or better performance appraisals. (Organ, 1988). OCB to be an extra-role behavior i.e. it is any behavior not officially required by the organization; rather its practice depends solely on the consent of employee as a

consequence of the organizational environment is explained by Jacqueline et al. (2004). OCB makes the impact on organization effectiveness; OCB should have a particular impact on the overall effectiveness of organizations by adding to the social framework of the work environment (Todd, 2003). OCB has garnered much academic attention since its conception. It is perceived to be something intangible; OCB is not always formally recognized or rewarded, and concepts like 'helpfulness' or 'friendliness' are also difficult to quantify. Yet OCB has been shown to have a considerable positive impact at the organizational level, enhancing organisational effectiveness from 18 to 38% across different dimensions of measurement (Podsakoff, MacKenzie, Paine & Bachrach, 2000; Ehrhart, 2004). Organizational citizenship behavior is; volunteer behaviors of workers which ensure the improvement of organization. This concept is very popular and attracts attention recently (MacKenzie et al., 1999). At the end of researches in the last 20 years, it is found out that organizational and individual performance develops with OCB (Organ et al., 1995). Researches especially focus on the scope of this behavior, factors which cause this behavior, effects of it on workers and organization, and relations between sector and culture. Five dimensions of Dennis Organ (altruism, kindness, sportsmanship, conscientious and civil virtuous) evaluate OCB perfectly (Konovsky and Organ, 1996).

Workplace Empowerment

Human resource is considered as basis of the real wealth of an organization (Bakhtiari and Daneshgar, 2011). Successful businesses in the world concern about gathering wise and educated human resource who can change the organizations. This can be achieved at most through empowerment of employees (Abolalayi, 2010). Empowerment is defined as assignment of official authorities and lawful power to employees. It is the process of development; it increases power of employees to solve their problems; it elevates the political and social views of employees. Empowerment is not limited to giving power to employees but they can be able to learn knowledge and skills and have motivation for improvement of their performances. Workplace Empowerment is a value added process extending from senior management to the lowest rank of the management in the organization. (Abbasi and Abtahi, 2007)

Workplace Empowerment and OCB

Kanter’s(1979) theory provides a framework for understanding how empowered employees may experience less burnout and, in turn, engage in more OCB. Previous research has linked psychological empowerment and leader empowerment behaviours to OCB(Ackfeldt & Coote 2005, Cabrey 2005). Wat and Shaffer (2003) argued that empowered employees are encouraged and enabled to exercise initiative and perform OCB, suggesting that empowerment may have both direct and indirect effects on OCB. Psychological empowerment and organizational citizenship behavior impact positively on job performance.

Theoretical framework

In the figure given of the study, the theoretical framework is showing the relationship among workplace empowerment, organization justice and OCB.

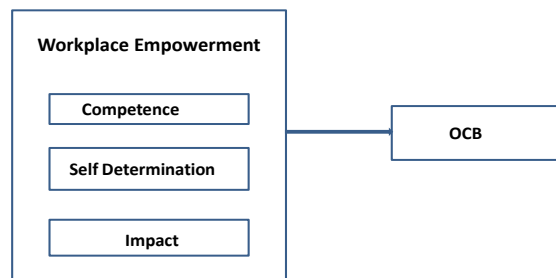


Figure: Theoretical framework

Research Methodology

Objectives of the study

The objective of the study is to build a proposition to investigate the impact of workplace empowerment on Organization Citizenship Behavior (OCB). The objective of the study is as follows:

- To understand the concept of organization citizenship behaviour (OCB).
- To understand workplace empowerment and its parameters.

- To understand workplace empowerment in relation to organization citizenship behavior.

Hypothesis

Workplace empowerment is correlated with the various parameters of OCB.
 Workplace empowerment influences Organization Citizen Behavior.

Sampling procedure

The sample for this study was 104 teaching staff from the Engineering Colleges of Nagpur city .simple random sampling technique was utilized.

Operational Measures of Variables:

The variables examined in this study are workplace empowerment and organizational

citizenship behaviour .In this study, workplace empowerment was measured with the twelve items workplace empowerment developed by Spreitzer (1995). The dimensions of OCB adopted in this study include: Altruism, consciousness, civic virtue, Sportsmanship, and Courtesy or Interpersonal Harmony (Organ, 1988). These components of OCB were measured by means of the Organizational Citizenship behaviour Questionnaire. The scales used to measure the five components of organizational citizenship behaviors were based on the earlier research Podsakoff et al. (2000). All the dimensions of OCB were measured on a 5- point Likert type scale.

Data Analysis Interpretation:

1 Gender

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Female	28	27	27	27
Male	76	73	73	100.0
Total	1000	100.0	100.0	

Out of 104 respondents 28% were female and 73 % were male.

3 Age Group

Age Group	Frequency	Percent	Valid Percent	Cumulative Percent
26-35	23	22	22	22
36-45	81	78	78	100.0
Total	1000	100.0	100.0	

Maximum respondents were from the Age group of 36-45 years and the percentage was 78%

4 Work Experience

Work Experience	Frequency	Percent	Valid Percent	Cumulative Percent
0-5yrs	12	12	12	12
6-10	41	39	39	51
11-15	28	27	27	78
above 15	23	22	22	100.0
Total	100	100.0	100.0	

Maximum respondents were having experience of 6 to 10 years and the least were having experience of 0-5 yrs.

▪ **CORRELATION**

Data Analysis was carried out with SPSS 17.

		OCB
OCB	Pearson Correlation	1
	Sig. (2-tailed)	
	N	104
Work Place Empowerment	Pearson Correlation	.531**
	Sig. (2-tailed)	.000
	N	104

Value of Correlation ratio ‘r’ is 0.531, which shows that there exist correlation between OCB and workplace empowerment.

▪ **REGRESSION ANALYSIS**

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.746 ^a	.556	.543	.23515

Coefficient of correlation $r = 0.746$. r square is 55.6 %. It shows that , 55.6% of OCB was explained by competence, self determination and impact.

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	6.923	3	2.308	41.736	.000 ^b
Residual	5.529	100	.055		
Total	12.453	103			

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.204	.284		4.245	.000
Competence	.284	.045	.436	6.351	.000
Self Determination	.290	.039	.508	7.446	.000
Impact	.044	.050	.058	.865	.089

Dependent Variable: OCB

$$OCB = 1.204 + (0.284) Competence + (0.290) Self Determination + (0.044) Impact + error$$

Result :

Workplace empowerment is correlated with the various parameters of OCB.

Workplace empowerment influences Organization Citizen Behavior.

Conclusion:

Even though OCB is a voluntary behavior shown by an individual at workplace, organization role in inducing the behavior is also very important. Organization should focus on employee friendly policies and should provide working environment in such way, that it will result employee empowerment and thus induce OCB in employees.

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**ROLE OF HUMAN RESOURCE MANAGEMENT SYSTEM
IN PRIVATE ENGINEERING INSTITUTES
AFFILIATED TO GONDWANA UNIVERSITY, GADCHIROLI**

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INTRODUCTION

Human Resource Management (HRM) is the term used to describe formal systems devised for the management of people within an every organization. There are three major resources to be managed if the organization wants to achieve its objectives and goals. These resources are Humans, materials and financial resources, of which Human Resource is most important and difficult to manage. HRM deals with problems associated with individuals like reimbursement, renting, concert supervision, business growth, security, healthiness, profits, worker motivation, communication, administration, and coaching. Effective HRM permits staff to contribute effectively and fruitfully to the general direction and also the execution of the company's aims and purposes. Human resource Development

(HRD) suggests that to develop obtainable hands there are appropriate ways like coaching, encouragements, relocation and chances for profession growth. In line with Peter F. Druker, "the wealth, if not the endurance of some company depends on the concert of its administrators of future." The human being resource ought to be nurtured and used for the development of the organization.

TECHNICAL EDUCATION

Technical education plays a vital role in human resource development of the country by creating skilled man power & improving the quality of life. Human Resource develops talent and sharpens hidden caliber of manpower, in order that the objectives of staff in addition as Institute may be met along and located fruitful output. The fitting of Indian organizations of Technology, Indian organizations of administration and Indian organizations of Science streams was a

serious step within the development of technical education within the country. The standard of education of those institutes has managed to vary the outlook of Republic of India most that this ancient country that was earlier glorious for yoga and meditation is currently glorious for laptop engineers. History of conveyance formal technical education in Republic of India may be copied back to middle nineteenth century, though it got momentum in twentieth century with the established of formation of technological teaching board of the mid University Board of schooling (CABE) during 1943; groundwork of Sergeant description during 1944 as well as arrangement of All India Council for technical Education (AICTE) during 1945. Through the kingdom achieving self-government during 1947, the event of technical education had become a serious concern for the govt. of democracy of Bharat to look the fresh disputes and go the nation onward. So as to take care of the quality of technological culture, a legal power- The entire Republic of India Council for Technical Education (AICTE) - was established in 1945. AICTE is accountable for planning, preservation plus formulation of standards as well as sets, excellence guarantee through certification, funding in priority areas, observation and analysis,

maintaining parity of certification and awards and making certain organized and incorporated growth and organization of technological culture within the country.

INSTITUTES OFFERING TECHNICAL EDUCATION IN INDIA

Technical education in India consists of Diploma, Degree and Master Degree courses. All the Technical courses in India are approved by AICTE. Engineering, Master of Computer Application (MCA), Pharmacy, Architecture, Master of Business Administration (MBA), Applied Arts, Hotel Management and Catering Technology are known as technical education in India. The number of Technical Institutes in India is huge in numbers and all are approved by AICTE and affiliated to University. In India more than 1200 Institutes offer diploma courses, more than 60 offers Hotel and Catering Technology Management. 25 institutes approved by AICTE offers diploma courses in Architecture. More than 1000 institutes offer master of Computer Application. AICTE approves the institutes to offer the Master of Business Administration courses and Master of Engineering or Master of Technology, Architecture. To increase the Hotel business and attract the tourists the AICTE has approved the institutes to offer courses like Hotel Management, Catering

Technology. For some institutes the AICTE gives approval to offer applied arts courses. Given the importance of technical culture in the further development of the country, the Indian Government is taking interest to develop more institutes in the row of IITs, IISCs and IIMs. The Indian Prime Minister gave an improvement plan to establish all IITs IISCs and IIMs to develop and extend the quality of technical education in India. Many private institutes approved by AICTE and few foreign technical institutes are providing the potential to technical education accessible to all regions of society including remote areas in India with the quality of education. Human Resources Development are devoted to scientific improvement, progress in technology and also financial growth of the nation through development of human resources. It was based on the principle, "Think worldwide and Act locally" and to remain the endeavored, so that country welfare are made compulsory to dishevel with and surrounded in the universal goals of civilization. To provide teaching and learning of again and again high stands through adaptable programs and innovative that was responsible to the rising and current needs of the society. Human Resource Management practices and kind of workforce help to attain Institutes competitiveness. Human Resource

Management is the Institutional function that enhances creativeness, rapidity, innovation, elasticity and effectiveness of the workforce to transform them into Institutional assets. Human Resource Management is now highly recognized as a strategic lever for the Institute in creating value. Chandrapur & Gadchiroli district is known for engineering education rather it is engineering education hub. There are 4 Private Engineering Institutes are offering various Engineering Courses like B.E.(Electronics), B.E. (E&TC), B.E.(Computer Science), B.E. (I.T.), B.E.(Civil), B.E.(Electrical), B.E.(Production), B.E. (AUTOMOBILE), B.E.(Mechanical), B.E.(Instrumentation) & which are approved by AICTE , New Delhi and Directorate of Technical Education of Maharashtra Government &Gondwana University,Gadchiroli. Engineering is a broad discipline surrounding wide range of a wealth of information & skills with the development in technology, the engineers' prerequisite today is not to covenant with complex mathematical problem but to think logically and increase solutions to various engineering issues through information technology. The scope of institute of engineering works with a vision of transforming its students into inspired, skilled and professional engineers. The importance of the courses now is to

develop craftsmanship and skills to meet a higher level of excellence and knowledge. Engineering Colleges works with a visualization of transforming there alumina addicted to capable, professional and enthused engineers. The Engineering colleges aim to transport not presently the uppermost excellence of technical education to their students through an learning oriented, interactive environment, the latest infrastructure, advanced laboratories and well qualified, enthusiastic employees with the innovative, holistic and learning set of existence skill that was brush up students to face the industry in the years to approach.

HUMAN RESOURCE MANAGEMENT

The primary responsibility of a human resource manager is to ensure that human resources are utilized and managed as efficiently and effectively as possible. The main HRM Functions are:-

HR Utilizations - This includes planning, recruitment, induction, selection, assignments, collective negotiations, compensations and welfare, stability and retention.

HR Development - This includes Training and Development, organizational development, career development & performance development.

HR Environment - There are two types of Environment:-

1. External Environment- This includes legislation, union, stakeholders etc.

2. Internal Environment - This includes organizational climate, safety, well being etc.

To this end, the Educational Institution's Chief administrator/Registrar is required meet the following objectives -

1. Recruitment and selection, developing the work place required by the organization.

2. Helping in creating a working environment that is conducive for his members of staff so as to promote maximum contentment thereby motivating them.

3. Ensuring that the abilities and skills of the workforce are used to the optimum in pursuance of the institution's mission and mandate.

4. Ensuring a fair balance between the personal needs of staff and the needs of the institution in general. The effectiveness and success of any organization is

dependent on the efficient use of its resources particularly the human resource. Also there are several other human resource management functions such as:-

1. **Recruitment and Selection** - This involves searching for a suitable person to fill the vacant position. The basic goal of

staffing is to locate qualified applicant who will stay with the organization.

2. Training and Education - This involves developing staff to professional growth. In the Registry department, training involves induction of new employees, formal training of staff which may include on the job training.

3. Wages and salary Administration- This refers to the financial benefits that are given to staff for the jobs they have performed. In the university administration, fixing of salaries is a continuous exercise as position and posts keep changing due to growth and functional advancement.

4. Staff Appraisals- This is the continuous process of feedback to subordinates about how well they have performed on their jobs. In the registry department, members of staff are formally appraised annually by their

immediate supervisors and the evaluation ratified by the Appointments and promotions committee.

5. Welfare- In Educational Institution's administration, the main purpose of welfare is to provide assistance to members of staff and also encourage a positive relationship between staff and the institution by providing extra security comforts.

To understand the current HRM practices in the Four Engineering colleges affiliated to Gondwana University, Gadchiroli, Author got an opportunity to visit all the colleges and study about the HRM Practices. Here is the Data Analysis (Fig-1) of the findings. The outcome is that in every college out of 10, minimum 6 staff members are dissatisfied with the current HRM practices in the Institute.

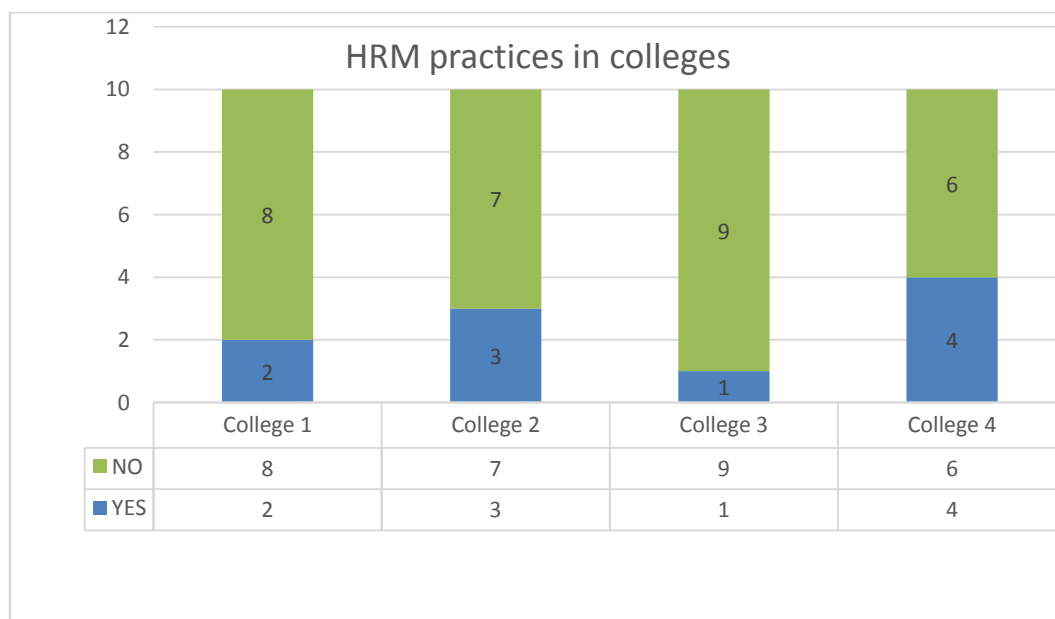


Fig 1

CONCLUSION

Basically, the Educational Administrator, we may call him HR Manager or Registrar in these educational institutions who are generally the Chief Administrative Managers and deals with human beings at various levels. Administration at all levels involves effective planning, organizing, supervising, controlling and evaluating. It is therefore their duty to co-ordinate all activities to meet the Human Resource Management in the Educational Institutions. Attempt has been made to understand the meaning of human resource management as the understanding of human behavior, their needs, aspiration in an organization and developing strategies to accomplish these needs and aspirations. Knowing that if these needs are neglected, it could lead to failure in achieving set goals for the administration of future education system. It should be understood that these individuals work with external and internal environments which are psychological and sociological in nature. Thus a professional of HRM by the administrator of these institutions will go a long way to improve the quality of R&D and the satisfaction rate of the employees in these organization. Thus it is recommended that, these administrators should therefore deal with staff individually and collectively with a view of understanding them deeply. Since there is a lot of noise being made everywhere to attract and retain best talent from their specializations in these specialist pools of educational institutions, the issue needs to be address proactively to

procure, develop and utilize these talents up to the optimum level.

To this end, it has therefore becomes necessary for these institutions to advocate the use of good human relations so as to ensure effective and efficient administration in these institutions. It is also found that they need to motivate workers not only through monetary means but also to recognize the individual's worth and enhance their feeling of responsibility and achievements. Creation of a talent culture in these institutions is the need of hour.

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DECLARATION

We declare originality of work. This article is not published or be submitted for publication elsewhere.

Is Organisational Commitment a product of Job Satisfaction?

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1. Introduction:

Job Satisfaction is a feeling of fulfilment and contentment an employee feels while working in an organisation. The feeling of satisfaction depends on individual's perception of satisfaction. Organisational commitment is a bond or connection employees feel with their organisation. When an employee feels attached to the organisation it leads to a feeling of belongingness towards their organisation. Thus, a committed employee will prove an asset to the organisation

2. Purpose of the study:

The aim of the study is to study the concepts of organisational commitment and Job satisfaction and understand their role in employee retention.

▪ Conceptual Understanding

Before trying to understand how both the things are interlinked with each

other, let us first study each one of them in detail.

3.1 Job Satisfaction:

Employee job satisfaction is an attitude that people have about their jobs and the organizations in which they perform these jobs. Methodologically, we can define job satisfaction as an employee's affective reaction to a job, based on a comparison between actual outcomes and desired outcomes (Mosadeghrad, 2003b). Job satisfaction is generally recognized as a multifaceted construct that includes employee feelings about a variety of both intrinsic and extrinsic job elements. It encompasses specific aspects of satisfaction related to pay, benefits, promotion, work conditions, supervision, organizational practices and relationships with co-workers (Misener et al., 1996). Locke and Lathan (1976) give a comprehensive definition of job satisfaction as pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. Job satisfaction is a result of employee's perception of how well their job provides those things that are viewed as important.

Job satisfaction is the level of contentment an employee feels about their organisations and work. The satisfaction can mean different things for different people, thus it becomes difficult to measure it. The psychological built, social background, economic background, attitude and goals of a person may define his satisfaction at job. Since each individual is unique, job satisfaction would be different for different individuals. The degree of importance a person gives to a particular thing or his priority may define job satisfaction for that person.

Job satisfaction falls into two levels:

3.1.1 Affective job satisfaction

A person's satisfaction based on the emotional feeling about the job as a whole

3.1.2 Cognitive job satisfaction

A person's satisfaction based on some factors like; pay, working hours, benefits, role, designation, etc.

Job satisfaction takes many forms, it can be:

- a) Reward – monetary or intangible reward like performance, appreciation, recognition, promotion
- b) Performance – type of job and their performance

Factors responsible for job satisfaction

Respect: According to the SHRM report, employees rate respectful treatment of all employees as the most important factor in job satisfaction.

Trust: Perhaps because of workplace uncertainty in the years following the Great Recession, employees indicated that trust between themselves and senior management was another highly important satisfaction factor.

Security: If you've ever had to go to work each day wondering whether your job is secure, you know it can cause a great deal of anxiety. Organizations can provide a sense of security through honest communication and transparency about the company's health and long-term viability.

Healthy Environment: Workplaces that are free from stress, morale issues, harassment and discriminatory practices can create a positive and healthy environment for everyone.

Career Path: No one wants a dead-end job. Employees are more likely to excel when they can see an established upward path, with the opportunity to earn a higher wage and take on greater responsibilities.

Pay and Benefits: Good wages aren't the only reason employees find satisfaction in their jobs, but they typically rank high on the list. Competitive pay generally makes employees feel valued, and gives them less reason to look elsewhere for work.

Now that we have an understanding of job satisfaction, let us understand organisational commitment.

3.2 Organisational Commitment:

It is a bond or a feeling of belongingness towards the organisation. Employees who are committed to their organisation generally

feel a connection with their organisation, feel that they fit in and, feel they understand the goals of the organisation. The added value of such employees is that they tend to be more determined in their work, show relatively high productivity and are more proactive in offering their support. Miller (2003, p 73) states that organisational commitment is “a state in which an employee identifies with a particular organisation and its goals, and wishes to maintain membership in the organisation”. This definition is also supported by Kreitner and Kinicki (1995). O'Reilly (1989, p 17) defines organisational commitment as “an individual’s psychological bond to the organisation, including a sense of job involvement, loyalty and belief in the values of the organisation”. Organizational commitment is determined by a number of factor, including personal factors (e.g., age, tenure in the organization, disposition, internal or external control attributions); organizational factors (job design and the leadership style of one's supervisor); non-organizational factors (availability of alternatives). All these things affect subsequent commitment (Nortcraft and Neale, 1996).

3.2.1 Types of Organisational Commitment:

- a) Affective Commitment
- b) Continuance Commitment
- c) Normative Commitment

a) *Affective Commitment:*

When employees are emotionally attached to the organisation and when the employee’s personal goals meet with the organisational goals, it is known as affective commitment. These employees are a great asset for the organisation, because they are willingly staying in the organisation. They are the ambassadors of the organisation. It is also known as attributions approach, which states, organisational commitment is conceptualised as a state in which an individual identifies with a particular organisation and its goals, and he/she wishes to maintain membership in the organisation in order to facilitate its goals (Blau&Boal, 1987).

b) *Continuance Commitment:*

When employees are staying in the organisation, due to need, it is called continuance commitment. The employee is not willingly staying in the organisation. The reason could be lack of work alternatives and fear of loss. These perceived losses could be monetary, professional or social. The continuance commitment tends to increase with age and commitment. It is also known as behavioural approach, which states, individuals are committed to the organisation because the benefits assimilated with staying in the organisation are higher than the alternative opportunities and costs to leave (Blau&Boal, 1987; Collins & Seller, 1988).

c) *Normative Commitment:*

When employees are staying in the organisation due to a sense of obligation, it is known as normative commitment. Normatively committed employees feel that leaving their organisation would have

disastrous consequences, and feel a sense of guilt about the possibility of leaving.

Although these are separate types of commitments, but they are not always present exclusively, i.e. employee commitment is not based on just one of these commitments. An employee at the same time would have more than one of these commitments. For retention of the employee, it is important for the organisation to improve

▪ **Empirical Studies:**

Job satisfaction has been found to significantly influence absenteeism, turnover, job performance, and psychological distress (Chen et al., 2006; Spector, 1997). Lee (1988) also revealed that job dissatisfaction is among the best predictors of turnover. Eslami and Davood (2012), indicate that job satisfaction have positive and significant effects on organizational commitments. The results were tested using Cronbach's alpha (α). Hair et al. (1998). Job satisfaction is so important in that its absence often leads to lethargy and reduced organizational commitment (Levinson, 1997, Moser, 1997). Lack of job satisfaction is a predictor of quitting a job (Alexander, Lichtenstein and Hellmann, 1997; Jamal, 1997). Guest (1991) concludes that high organizational commitment is associated with lower turnover and absence, but there is no clear link to performance. Studies on commitment have provided strong evidence that affective and normative commitment are positively related and continuance commitment is negatively connected with organizational outcomes

such as performance and citizenship behaviour (Hackett, Bycio, and Handsdoff, 1994; Shore and Wayne, 1993). The findings of this study reveal that a correlation exists between perceived motivation, job satisfaction, and commitment. Tang and LiPing (1999) report that a relationship exists between job satisfaction and organizational commitment, and Woer (1998) finds that organizational commitment relates to job satisfaction. Studies that have examined intention to search for another position or intention to leave found that these two behaviors have a much stronger relationship with organizational commitment than does employee turnover (Mathieu & Zajac, 1990).

▪ **Conclusion**

From the above studies it is clear that there is a strong relation between organisational commitment and job satisfaction. However both are interlinked, i.e. job satisfaction leads to organisational commitment and organisational commitment leads to job satisfaction. Thus, as per the empirical studies done by various researchers presented in the paper, we can conclude that organisational commitment is a product of job satisfaction. After understanding the various kinds of organisational commitments, we can conclude that affective commitment proves to be the best amongst all kinds of commitment. Hence the organisations should take into consideration the factors responsible for job satisfaction, which would ultimately lead to an increase in affective commitment. Also, we can conclude from

the above studies the connection between organisational commitment and employee turnover. Since, an employee having affective commitment is an asset for the organisation, it will lead to increased productivity and growth for the organisation and decreased employee turnover.

▪ **Scope for future research**

The paper concentrates only on job satisfaction as a factor responsible for organisational commitment. The further studies can take into consideration the other factors that are responsible for organisational commitment in addition to job satisfaction.

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GENERATION PARITY AT WORKPLACE- MUST FOR PRODUCTIVITY AND GROWTH

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Green Heaven Institute of Management and Research, Nagpur

Introduction

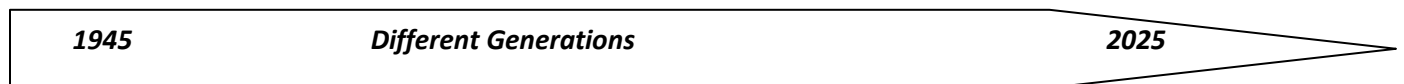
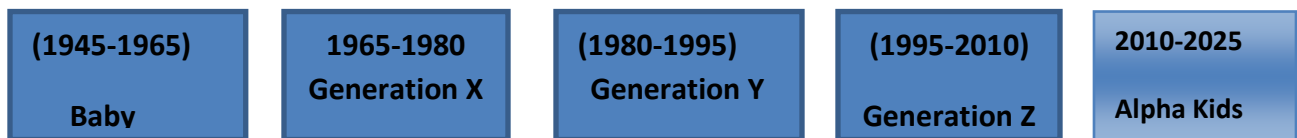
Companies today are made up of a multi generational workplace. A huge gap is found in the mind set of individuals in any of the organizations. These disparities in age usually trigger various clashes as mindsets differ across generations. However, generation gaps can also offer myriad benefits to a workplace if leveraged wisely. A combination of the enthusiasm and up to date attitudes of the youth and the experience of the older employees can create a stimulating and vibrant work environment. Of course generation disparities need to be

Various names have been given to the different generations on the basis of their characteristics.

dealt with cleverly, with a perfect blend of flexibility, maturity, respect and broad-mindedness.

Generation Gap at Work place

Employees of different generations possess different traits. Hence, it is obvious that their working styles, thoughts and ideas will be diverse as well. Unfortunately, this diversity can sometimes lead to animosity at the workplace. The situation might get worse due to new and updated technologies and revised work patterns that companies are slowly adhering to.



Generation Y

Entering the workforce by storm is a new wave of generation - Generation Y (Gen Y), bringing with them a set of distinct values, assumptions, and behavior to the workplace. This generation has generated a widespread organizational concern with regards to managing their career aspirations. The arrival of Gen Y, has forced the organizations to re-strategize how to attract and retain star performers as their competitive advantage in a steadily dwindling labor market.

Thus, the newest and youngest members of work forces all over the world are making their presence felt, forcing businesses to re-think their working practices and adapt their working environment to this breed of employees and managers. Generation Y is perceived as invading the workplace, arriving like unruly and energetic guests at a stuffy country house party and shocking the house guests who are already there. And they are bringing outside luggage in the form of multiple digital technologies, their social networks, their tech-savvy culture, new ways of contemplating, new managerial forms. Generation Y is also known as the Nexters (aged 15-29), they are the current entrants into global workforce and estimated at 1.7 billion worldwide, representing 25.5% of the world population. The statistics show

that by the year 2020, India will have the highest percentage of employable workforce in the world. With each Indian town emerging as a talent centre, India will be a source of 500 million trained work force by the year 2020. This reason justifies the need for studying Generation Y and their career aspirations. Gen Y population in India is 25.47% of world population (Indian Population Bureau, 2009) that makes Generation Y professionals skills and potentials crucial if economies are to move up the value chain.

A major challenge which faces organizations is how to attract, engage, and retain Gen Y who, because of their experiences and attitudes toward work, are markedly different from Baby Boomers in their workplace needs and expectations. Characterized as entrepreneurial and independent; digitally savvy; rejecting micromanagement; and valuing empowerment, challenge, and excitement (Izzzo, 2002), Gen Y has an unorthodox approach to career management that does not parallel traditional paths. Job jumping every two years in search of greater compensation or purposeful work is the norm due to a boundary less view of career and an awareness of their sought-after

technological expertise (Zemke, Raines,& Filipczak, 2000).

Impact of Generation Gap

Generation gaps often infuse ill-will and frictions into the workplace, making the atmosphere inappropriate for effective performance. It gives rise to conflicts of ideas and thoughts, which sometimes results in cold wars. This brings about a very unhealthy work environment. Dissimilarities and differences of ideas regarding right and wrong, work ethics and basic beliefs lead to misunderstanding giving rise to tensions and stress among the employees. This in turn impacts the entire organization as it affects the interaction of employees and reduces their productivity. It is ultimately the company which suffers.

Dealing with Generation Gaps

These generation gaps can be strenuous for both employees and companies, hence it is important to handle them efficiently and transform the problem into boon for the company. With Gen Y declared “the most entrepreneurial generation in history”, organizations are confronted with the added

weight of convincing young workers that working for a corporation has greater appeal than self-employment (Martin, 2005). Gen Y brings an impressive, portfolio of academic credentials and requisite skills in technology to the workplace along with lofty expectations for fast-track promotion, raises, perks, independence, flexible work arrangements, a need for fun (Zemke,2001), and meaningful work that adds value to the organization’s strategic direction (Rekar Munro,2008). They expect continuous recognition and daily feedback (Hastings, 2008). They also call for managerial support as well as clear and comprehensive instructions, yet seek autonomy to chart the path and pace for achieving. Given their pressing sense of immediacy and impatience, Gen Y is unlikely to be enticed by promises of distant pay raises and promotions (Lancaster &Stillman, 2002). This generation is not keen to follow the behavior patterns of older generation and hence, individuals don’t grow up to become reflections of their parents. Generation difference grows from this point.

Points for dealing with generation gap

Sensitization of the top management:

Managers and leaders need to craft strategies and action plans carefully in order to improve the work environment and induce positivity and harmony amongst employees of distinct generations. Human Resource teams need to take the responsibility to train the top level managers in such a way that they can handle the generational differences effectively without hindrance in the working environment.

Discussion and mingling of employees:

Formal and informal discussions and conversation among different generations and groups should be initiated and encouraged. This would enable the employees to gel well with each other. The interaction will also enable the younger generation to grasp and benefit from the experience of the seniors. The informal discussions would also enable the senior employees to embrace the new, innovative ideas of the youngsters.

Training: Companies should ensure that they have different training methods/modules to meet the requirements of the employees of different generations. Generation Y employees being more techno savvy, prefer modern methods of training

while the older generation prefer traditional methods of training.

Innovative approach: Newness in the company is important to tackle the monotonous routines of the employees. This could be obtained through enhanced team work where people of different generations come together, share their ideas and views to achieve organizational objectives. The top management can encourage team work by appreciating the contribution of each team members as well as the team as a whole.

Tailor made policies: People of different generations need to be dealt with differently since they have different needs and desires. It is not a good idea to impose uniform policy on all, as this can lead to resentment among people of different generations depending upon their views and ability to understand and reciprocate things. Flexibility in the company policies and time would enable the employees to absorb the things required so as to align the task as per organizational and individual objectives.

Open communication process: An open channel of communication enables employees to put forth their opinion and also provide platform for discussion and mutual learning. Open communication works best to keep employees happy and satisfied, as they

give a feeling of security that their concerns would be addressed. In times of globalization, businesses have to compete to attract, develop, deploy and retain the services of skilled people. It is crucial to understand what matters to the employees. Open and frequent discussion with as well as among the employees creates a bond among different generation of employees.

Conclusion

The new age economy is facing a dearth of employable workforce as the baby Boomers, the post-world war II generation associated with social change, are beginning to retire in large numbers, taking their knowledge and experience with them. And generation Y is the new generation to replace this deficit, making their knowledge and skills more in demand. This is another major reason why the generation Y is grabbing attention. Many commentators are claiming that Generation Y is setting off a new wave of social and business transformation. As organizations prepare for the arrival of Gen-Y as the next generation of strategic business partners in our 21st century workplaces, questions bubble about their aspirations and how these can be

synergized to create value for the organization. A major challenge which faces organizations is how to attract, engage, and retain Gen Y who, because of their experiences and attitudes toward work, is markedly different from Baby Boomers in their workplace needs and expectations. The combined synergy of various generations can shoot up companies' vital growth graph immensely. For this to happen, it's vital for organizations to take worthwhile and thoughtful steps to keep the conflicts and confusions at bay and germinate a working atmosphere that brings out the best from employees, regardless of their age and generation gaps.

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COMPARATIVE STUDY OF PROVISIONS OF CORPORATE SOCIAL RESPONSIBILITY BEFORE AND AFTER THE COMPANIES ACT 2013 W.R.T SELECTED PSUS IN NAGPUR

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Introduction

Corporates today endeavor to project a model of governance, which is built on conviction, participation, transparency, equity, integrity and social and environment responsibility. The focus is on facilitating a balance between social responsibility, civil society and corporate goals.

Public Sector Undertakings (PSUs) have key role in the socio-economic development of the country. PSUs serve the interest of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.

Government as the principal shareholder and promoter in PSUs, should be setting the bar on Corporate Social Responsibility and corporate governance standards and practices. Good CSR practices are essential for sustainable business. It generates long-term value to all its shareholders and other stakeholders. In the context of the policy of the government to grant more autonomy to the PSUs and encourage them to access the capital markets for their fund requirement, Corporate Governance has become even more important. The Companies Bill 2013

seeks to make CSR spending compulsory for companies that meet certain criteria. With the passage of this Act, India would

become the first country to mandate Corporate Social Responsibility (CSR) through a statutory provision.

Over the past few years, the concept of CSR has been changing. There has been an apparent transition from giving as an obligation or charity to giving as a strategy or responsibility.

Revised CSR and sustainability guidelines for CPSEs intended to attain the nation's aim of inclusive growth:

India has emerged as one of the world's strongest emerging markets and PSUs have played a vital role in achieving this growth and development. In order to sustain this growth, CSR initiatives have become important as they form a crucial part of the companies' strategic decision-making process. In order to integrate this into their business models and achieve the nation's aim of inclusive growth, the revised CSR and sustainability guidelines issued by the DPE in Dec 2012 (effective April 2013) are expected to play a crucial role. The revised guideline has urged the CPSEs to embrace a robust CSR practice that is in the interest of all stakeholders.

As per the new guidelines, it is mandatory for CPSEs to disclose its various CSR initiatives and performance to stakeholders. Earlier, CSR and sustainable development were treated as two separate subject areas and were dealt with differently for the purpose of

memorandum of understanding (MoU) evaluation. However, now they are combined into a single set of guidelines for

greater transparency. The budgetary allocation for CSR also stands modified.

The revised CSR and sustainability budgetary allocation for CPSEs is as under:-

Net Profit in the previous year	Budgetary allocation as a % of net profit in previous year
Less than ₹ 100 Crs	3% - 5%
₹ 100 Crs - ₹ 500 Crs	2% - 3%
₹ 500 Crs and above	1% - 2%

The CPSEs would have to utilize and spend the entire amount earmarked for CSR, or would have to disclose the reasons for not utilizing the full amount. Further, if the CPSEs are unable to spend the earmarked amount for CSR in a particular year, it would have to spend the amount in the next two financial years, failing which, it would be transferred to 'Sustainability Fund'. Currently, its implementation mechanism is being formulated separately.

However, the government has not mandated loss-making or negative net worth CPSEs to earmark specific funds for CSR activities. However, they are expected to pursue the same by integrating them into their business process. They can work in collaboration with other profit making CPSEs, in areas that do not require financial support.

The new guideline has also focused on implementing a robust mechanism for project monitoring. In order to avoid conflict of interest, the guideline enables companies to have a third-party monitoring mechanism. For instance, if a company is implementing CSR projects with the help of its own employees, then for monitoring its implementation it would have to go through a third party and vice versa. The chart below highlights the key changes in CSR and sustainability guidelines for CPSEs:-

History of Corporate Social Responsibility:

Evolution of Corporate Social Responsibility in India

The evolution of Corporate Social Responsibility in India refers to changes over time in India of the cultural norms of corporations' engagement of Corporate Social Responsibility (CSR), with CSR referring to way that businesses are managed to bring about an overall positive impact on the communities, cultures, societies and

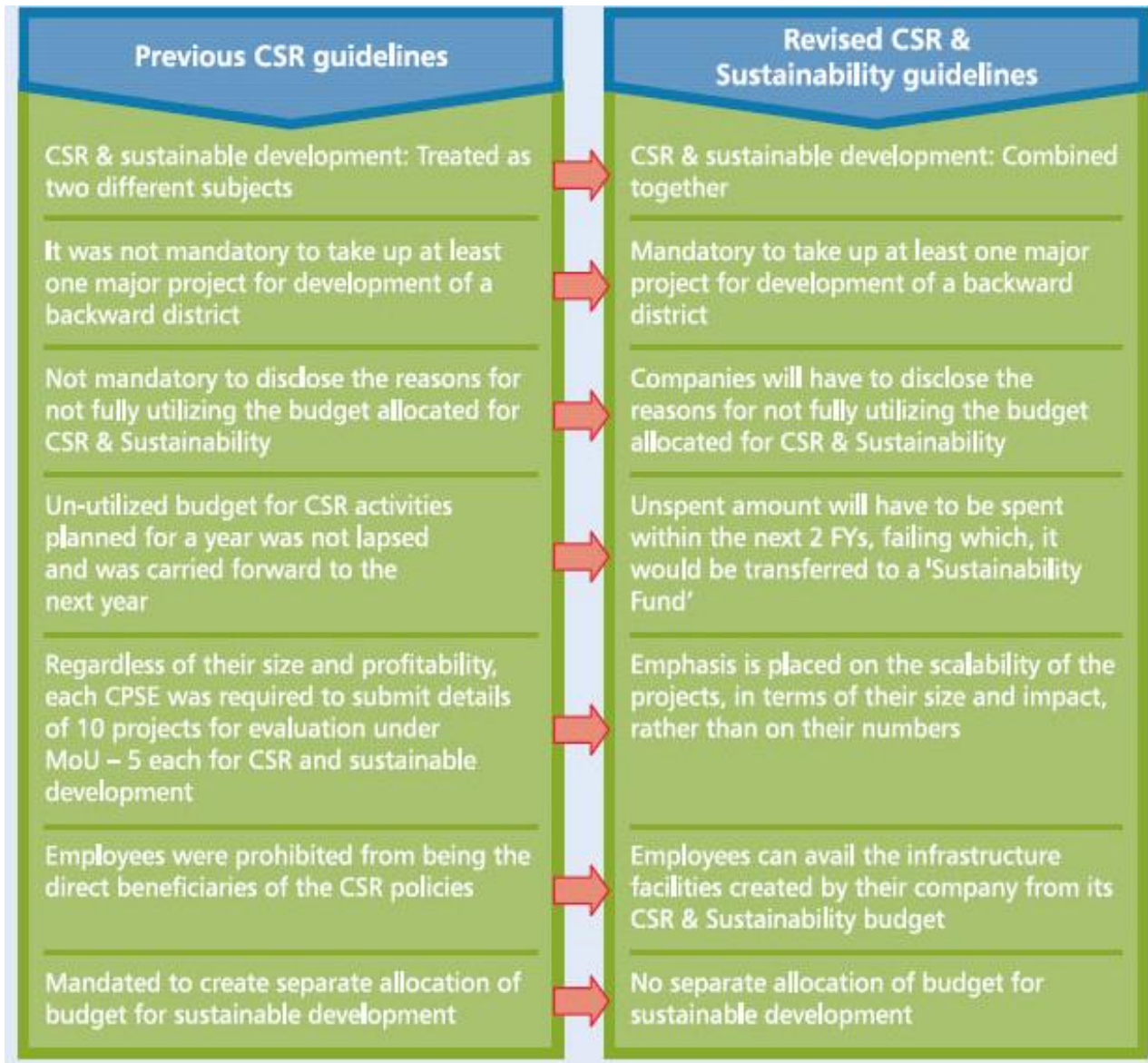
environments in which they operate. The fundamentals of CSR rest on the fact that not only public policy but even corporates should be responsible enough to address social issues. Thus companies should deal with the challenges and issues looked after to a certain extent by the states.

Among other countries, India has one of the richest traditions of CSR. Much has been done in recent years to make Indian Entrepreneurs aware of social responsibility as an important segment of their business activity but CSR in India has yet to receive widespread recognition. If this goal has to be realised then the CSR approach of corporates has to be in line with their attitudes towards mainstream business- companies setting clear objectives, undertaking potential

investments, measuring and reporting performance publicly.

The Four Phases of CSR Development in India
The history of CSR in India has its four phases which run parallel to India's

historical development and has resulted in different approaches towards CSR. However the phases are not static and the features of each phase may overlap other phases.



The First Phase: Charity and Philanthropy In the first phase charity and philanthropy were the main drivers of CSR. Culture, religion, family values and tradition and industrialization had an influential effect on CSR. In the pre-industrialization period, which lasted till 1850, wealthy merchants shared a part of their wealth with the wider society by way of setting up temples for a religious cause. Moreover, these merchants helped the society in getting over phases of famine and epidemics by providing food from their godowns and money and thus securing an integral position in the society. With the arrival of colonial rule in India from 1850s onwards, the approach towards CSR changed. The industrial families of the 19th century such as Tata, Godrej, Bajaj, Modi, Birla, Singhania were strongly inclined towards economic as well as social considerations. However it has been observed that their efforts towards social as well as industrial development were not only driven by selfless and religious motives but also influenced by caste groups and political objectives.

The Second Phase: Gandhiji's Trusteeship

In the second phase, during the independence movement, there was increased stress on Indian Industrialists to demonstrate their dedication towards the progress of the society. This was when Mahatma Gandhi introduced the notion of "trusteeship", according to which the industry leaders had to manage their wealth so as to benefit the common man. "I desire to end capitalism almost, if not quite, as much as the most advanced socialist. But our methods differ. My theory of trusteeship is no make-shift, certainly no camouflage. I am confident that it will survive all other theories." This

was Gandhi's words which highlights his argument towards his concept of "trusteeship". Gandhi's influence put pressure on various Industrialists to act towards building the nation and its socio-economic development. According to Gandhi, Indian companies were supposed to be the "temples of modern India". Under his influence businesses established trusts for schools and colleges and also helped in setting up training and scientific institutions. The operations of the trusts were largely in line with Gandhi's reforms which sought to abolish untouchability, encourage empowerment of women and rural development.

The Third Phase: Public Sector Undertaking –Era of Command and Control

The third phase of CSR (1960–80) had its relation to the element of "mixed economy", emergence of Public Sector Undertakings (PSUs) and laws relating labour and environmental standards. During this period the private sector was forced to take a backseat. The public sector was seen as the prime mover of development. Because of the stringent legal rules and regulations surrounding the activities of the private sector, the period was described as an "era of command and control". The policy of industrial licensing, high taxes and restrictions on the private sector led to corporate malpractices. This led to enactment of legislation regarding corporate governance, labour and environmental issues. PSUs were set up by the state to ensure suitable distribution of resources (wealth, food etc.) to the needy. However the public sector was effective only to a certain limited extent. This led to shift of expectation from the public to the private sector and their active involvement in the socio-economic development of the country became absolutely necessary. In 1965 Indian academicians, politicians and businessmen set up a national workshop on CSR aimed at reconciliation. They emphasized upon transparency, social

accountability and regular stakeholder dialogues. In spite of such attempts the CSR failed to catch steam.

The Fourth Phase: Globalization

In the fourth phase (1980 until the present) Indian companies started abandoning their traditional engagement with CSR and integrated it into a sustainable business strategy. In 1990s the first initiation towards globalization and economic liberalization were undertaken. Controls and licensing system were partly done away with which gave a boost to the economy the signs of which are very evident today. Increased growth momentum of the economy helped Indian companies grow rapidly and this made them more willing and able to contribute towards social cause. Globalization has transformed India into an important destination in terms of production and manufacturing bases of TNCs are concerned. As Western markets are becoming more and more concerned about labour and environmental standards in the developing countries, Indian companies who export and produce goods for the developed world need to pay a close attention to compliance with the international standards.

Current State of CSR in India

As discussed above, CSR is not a new concept in India. Ever since their inception, corporates like the Tata Group, the Aditya Birla Group, and Indian Oil Corporation, to name a few, have been involved in serving the community. Through donations and charity events, many other organizations have been doing their part for the society. The basic objective of CSR in these days is to maximize the company's overall impact on the society and stakeholders. CSR policies, practices and programs are being

comprehensively integrated by an increasing number of companies throughout their business operations and processes. A growing number of corporates feel that CSR is not just another form of indirect expense but is important for protecting the goodwill and reputation, defending attacks and increasing business competitiveness.

Companies have specialised CSR teams that formulate policies, strategies and goals for their CSR programs and set aside budgets to fund them. These programs are often determined by social philosophy which have clear objectives and are well defined and are aligned with the mainsteam business. The programs are put into practice by the employees who are crucial to this process. CSR programs ranges from community development to development in education.

With effect from 1st April, 2014, Section 135 under Companies Act 2013 is mandatory for all the Companies irrespective of their status. CPSE Guidelines (Revised) on CSR and Sustainability became mandatory with effect from 1st April, 2013. But, these guidelines will be superseded by Section 135 of Companies Act 2013. Therefore, this study is undertaken to focus on the impact of Section 135 of the Companies Act 2013 on PSUs.

The objectives of the study are to

- Identify the major differences between CSR activities performed before and after Companies Act 2013
- Analyse the impact of the CSR u/s 135 of Companies Act 2013 on PSUs

Methodology

- The study is based on Secondary data. The Secondary Sources include Annual Reports of the Select Companies.
- The period of the study is for 3 years i.e. 2012 to 2015.

Applicability of Section 135 of Companies Act 2013: PSUs

Section 135 of the Companies Act 2013 makes it mandatory for the Companies to discharge their social responsibility. The applicability of this section 135 for the Companies Act 2013 depends on the fulfillment of any one of the following three conditions. The three conditions are (i) net-worth Rs 500 Crores or more in a fiscal year, or (ii) annual turnover of Rs 1,000 Crores or more in a fiscal year, or (iii) net profit of Rs 5 Crores or more in a fiscal year. If any one of the above conditions is satisfied, every company shall provide at least 2% of the average net profits made during the three immediately preceding financial years for spending on the activities covered under Schedule VII of the New Companies Act 2013 (Annexure-I). Though the section requires that any one of the three conditions is to be fulfilled, the PSUs must have fulfilled all the three conditions to obtain the status of the PSUs. Hence, PSUs Companies have to undertake CSR activities and spend in a year at least 2% of the immediately preceding three financial year's average profit.

Impact of CSR u/s 135 of Companies Act 2013 on PSUs Companies

PSUs Companies are the CPSEs and therefore fall under CPSE CSR and Sustainable Guidelines. However, Section 135 of Companies Act 2013 is to be followed by all the Companies irrespective of their status with effect from 1st April, 2014. Therefore, the impact of Section 135 on the profits of the PSUs Companies is analyzed and also it is tested if there is a significant difference in the amount to be spent on the CSR activities by the PSUs Companies before and after the applicability of Section 135.

- CSR liability under CPSE Guidelines for the FY 2014-15

CPSE guidelines on CSR and Sustainability are mandatory from 1st April, 2013 to all the Central Public Sector Enterprises provided they are not loss making Companies. Therefore, all PSUs Companies have to spend on CSR and Sustainable activities based on their profitability. Since all the PSUs Companies are having a profit of more than Rs 500 crores, the Companies fall in the CSR slab of 1% to 2% of profits. However, the guideline suggests an upper percentage to be spent by the Companies on the CSR activities. Hence 2% of profits are considered.

- CSR Liability u/s 135 of Companies Act 2013

CSR u/s 135 of Companies Act 2013 became mandatory with effect from 1st April, 2014. To compare the CSR liability under Section 135 of Companies Act 2013 with the CPSE Guidelines on CSR and Sustainability, the provisions of Section 135 have been applied for the financial year 2014-15. Therefore, the average profits of the three immediately preceding financial years' i.e., 2013-14, 2012-13, and 2011-12 are considered for the calculation of the amount to be spent on CSR activities as per Section 135.

Findings

- ✓ PSUs Companies with a high profit in the immediately preceding financial year and lower profits in the other two preceding financial years will have a lower liability under Section 135 as compared to CPSE CSR and Sustainable Guidelines.
- ✓ The impact of Section 135 on the profits of PSUs Companies depends on the liability of the Companies to spend on CSR activities. The profits would be more when the liability is less and vice-versa.
- ✓ In the case of BHEL, IOC and SAIL, the impact of Section 135 is high as

these Companies have to spend an additional amount (i.e. Rs 44.94 crores, Rs 37.6 crores and Rs 21.1 crores respectively) on CSR activities as per Section 135.

- ✓ The difference between the amount to be spent by the PSUs Companies on an overall basis for the financial year 2014-15 under CPSE CSR Guidelines and Section 135 of Companies Act 2013 is low i.e. Rs 0.8 Crores.
- ✓ The computed 't' value 0.0071 is less than the table value 2.45 at 5% level of significance. H_0 is accepted, implying that there is no significant difference in the amount to be spent on CSR activities as per CPSE CSR and Sustainable guidelines and Section 135 of Companies Act 2013.
- ✓ CSR amount spent under Section 135 of Companies Act 2013 is not allowable as business expenditure as per the latest amendment made in the Finance Act 2014 as a result of which the amount spent under Section 135 will become additional burden to the Companies. To many Companies choose to donate without any complexity. It would be appropriate to make it mandatory to spend on CSR activities by the Companies themselves benefitting the local people of the areas where the Companies are located.

Limitation of the Study

The New Companies Act 2013 clearly states that 2% of the preceding three years' average net profits to be spent on CSR activities should be calculated on the profits earned by the Companies excluding the adjustments of profit/loss from the overseas operation. Due to lack of data in the form of Segment Reporting, the same could not be ascertained. The profits taken for the calculation at 2% is on the average profits of the Company which may include even the profit/loss from the overseas operations. Thus, the data suffers to that extent.

Suggestions

- ✓ As the PSUs Companies are either Manufacturing or Mining Companies, environment pollution due to their large scale operations is more. Therefore, giving a list of CSR activities for these Companies (Schedule-VII) is not appropriate. Certainly, these Companies have to concentrate only on Environmental Protection, Forestation, and Health Alignments of the people. Hence, the activities in Schedule-VII can be prioritized based on the nature of their business.
- ✓ Auditing on CSR Activities and the amount spent on them has to be done apart from the normal audit.
- ✓ CSR amount spent under Section 135 of Companies Act 2013 is not allowable as business expenditure as per the latest amendment made in the Finance Act 2014 as a result of which the amount spent under Section 135 will become additional burden to the Companies. To encourage the Companies to spend on CSR activities, the amount may be allowed as business expenditure in the Income Tax computation.
- ✓ Schedule-VII covers even donation to Prime Minister Relief Fund as CSR activity. But there is more possibility than

Conclusion

In a retrospective fashion, there is no doubt that the situation of CSR in India has changed drastically. It has taken a major leap from a mere *compliance based approach* to a more strategic and planned approach in order to mitigate the social woes of the society it co-exists with. With the change in definition, its importance has changed too. The world around is now keen and aware to see that in what ways are the *Responsible Corporate citizens* paying their debts towards the society.

This is certainly increasing pressures on the corporate as well as the communities. Indian PSUs are already very aware of their responsibilities and obligations towards the society. All they still lack in is the right direction and approach. In order to become a co-existent part of society, PSUs need to fit in the shoes of the communities and try to make CSR a *household term*. The compliances of CSR has to be done in a way that it involves maximum shareholders and generate their interest towards this economically and socially feasible 'charity plan'. Once the PSU is able to create a *synergy* between all the stakeholders of the society, it would be a win-win position for all the interest groups. PSUs have to emphasize on the changing needs and aspirations of the citizens and the society. The approach has to be more sensitive, compassionate and at the same time more focussed and specialized. The discussion gets even more severe for sector such as Energy which falls under one of the highest spenders of CSR in India. (Ramanathan, 2015). It is high time for PSUs in the sector to understand the seriousness of the situation and make an attempt to rope in all the related stakeholders, choose a specialized co-partner/expertise for the execution and aspire to achieve a social approval from the community at large.

Finally, the very philosophy of CSR is premised on aspirations and goodwill. In an attempt to mandate it legally, we are aiming at an impossible task of *legislating aspirations* (Karnani, 2013). Thus to facilitate it, PSUs have to start taking genuine interests in their socialendeavours which is undoubtedly their share of burden too and assist the process of bettering this world in a cohesive and participatory manner.

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Evaluation and Analysis of the Salary Earned by MBAs of RTMNU, Nagpur on their First Jobs

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Introduction:

Rashtrasant Tukdoji Maharaj Nagpur University (RTMNU), Nagpur has produced around 50,000 management graduates in more than last three decades since the inception of Master in Business Administration (MBA) program in 1982. It is considered as a substantial strength of a professionally qualified manpower. A comprehensive evidenced based research is proposed to spot the employment trends of this professionally qualified manpower. This research paper is an attempt to specifically identify the trends in salaries offered to the fresh MBAs on their first jobs after successful completion of MBA course. Summary of the related research studies carried out in different parts of the world has been presented below.

(Rao, 2014) The average annual salary offered to students during placements in close to 40% of B-schools in India is less than Rs 3 lakh p.a. Students from the top business schools is offered an annual salary of Rs 9 lakh during campus placement.

(Nirmal, 2014) categorised the MBA institutes in India into five groups as Group 1: Top 5 colleges □ Group 2: Rank 5-15 □ Group 3: Rank 15-30 □ Group 4: Rank 30-50 □ Group 5: Rank 50-100. From the data collected it is evident that only a handful of colleges are having international placements. The starting salary packages vary from Rs.3, 00,000 to 16,00,000 based on the college. The top 15 colleges are having averages from Rs. 10,00,000 – 17,50,000. Whereas the average salary packages of next 15

colleges vary from Rs. 4,50,000 – 10,00,000. And the good thing is they are giving 100 percent placements as like top 25 colleges. But the status of next 60 colleges is more or less similar and the placement trend is not always positive. When the lowest and the highest salary packages are taken into consideration for the Top 15 colleges it varies from Rs. 4,50,000 – 6,50,000 and Rs. 14,00,000 – 24,00,000 (International placements apart). But in the group 4 colleges the lowest may go as low as Rs. 2,00,000 which is much lower than the bachelors starting salary.

(Unknown, B and C Category B-schools producing un-employable Pass-outs: ASSOCHAM, 2016) Barring a handful of top Business schools like the government run IIMs and other few, most of 5,500 B schools in the country are producing sub-par graduates who are largely un-employable resulting in these pass-outs earning less than Rs 10,000 a month. While on an average, each student has spent nearly Rs 3 to Rs 5 lakh on a two-year MBA programme, their current monthly salary is a merely Rs 8,000 to Rs 10,000. Only 7% of the pass-outs are actually employable in India excepting graduates from IIMs.

(unknown, 2016) According to a website **payscale.com** the median annual salary of MBAs in India with 0-1 years of experience is Rs 301,548. For 1-4 years' experience the median salary is Rs 400,679. For 5-9 years, 10-19 years, and for 20 years or more years of experience the median salaries are Rs 718209, Rs 1386214, and Rs 2947906 respectively. In Maharashtra state the

median annual salary of MBAs is reported as Rs 7,01,152.

(Unknown, MBA Salary in India) naukrihub.com while highlighting the possible salaries of young MBAs cites the average salary per annum of Rs290,350 for 0-1 year experience candidates. For 1-4 years' experience the average salary is Rs 390,270. For 5-9 years, 10-19 years, and for 20 years or more years of experience the median salaries are Rs720,510, Rs1,430,950, and Rs2,550,690 respectively.

As it is evident from the above research studies, the median salary offered to fresh MBAs is ranging between Rs 8000/ to Rs 10,000/ per month.

Problem definition:

Every year RTMNU produces around 2500-3000 MBAs. These professional degree holders are the major source of fulfilling human resource requirements of different industries spread across the length and breadth of this country in general and Nagpur region in particular. Typically, a study of employment perspectives of the professionally qualified human resource of a region is itself a major indicator of the economic welfare of the region under consideration. Employment surveys are typically carried out at national and state level regularly. Latest statistics is readily available on the salaries offered to the MBAs on their first job after completion of their MBA program. With this backdrop, it becomes essential to know the standings of MBAs of RTMNU in terms of the salaries offered to them on their first jobs. Hence, evidence based comprehensive study to check, compare, and analyse salaries of MBAs is required at the micro level.

Need and Significance of the Study

This research study is an effort to fulfil the latent needs of the stakeholders seeking information on average salaries offered to

the fresh management post graduates of the Nagpur region. This piece of research work shall be of immense importance to the following interest groups viz. the passed out MBAs, MBA aspirants, the management institutes, Training & Placement officers, the employers, manpower consultancy firms, HR professionals, the policy makers and other important stakeholders. These stakeholders shall be benefited at large by taking an overview of the key findings of this piece of research work.

Scope of the Study:

1. This study is confined only to the MBAs of RTM Nagpur University.
2. This study is carried out by surveying the MBAs of RTMNU graduated during 2011 & 2014.
3. This research study has been carried out on the MBAs who preferred to make their career in private or government jobs. Entrepreneurs have been excluded from this study.

Research objectives:

1. To evaluate the median salary earned by the MBAs of RTMNU on their first jobs
2. To compare the average salaries of Male and Female MBAs of RTMNU
3. To examine the relationship between first salary earned by MBAs on their first jobs and the number of interviews faced before getting first job

Hypotheses:

1. The median salary of MBAs of RTMNU is Rs 10,000/ per month
2. There is no difference between the salaries of Male and Female MBAs of RTMNU
3. There is no relationship between the salary on the first job and the

number of interviews faced to get first job

Research Methodology:

This research study has been carried out by using the techniques of descriptive and inferential research design. This research study is out and out based on quantitative research techniques. Survey method for contacting the target respondents has been adopted by the researcher.

Sample design: The target population for this research study was all the MBAs including male and female passed out during 2011 to 2014 from RTMNU. The target population size was approximately 10,000. The researcher has taken out a sample of 149 MBAs. Clusters were formed on the basis of the year of batches of MBAs. Four clusters starting from year 2011 to 2014 have been formed and the samples were drawn from all the clusters proportionately. For final selection of samples, the researcher has adopted snowball sampling method.

Data collection: The researcher has used telephonic interview and self-administered questionnaire methods predominantly to collect primary data. A questionnaire was designed as an instrument of data collection.

Analysis of Data:

Testing of Hypothesis: 1

Null hypothesis: The median salary of MBAs of RTMNU is Rs 10,000/ per month

H_0 : Median salary = Rs 10,000/

Alternate hypothesis: The median salary of MBAs of RTMNU is not Rs 10,000/ per month

H_1 : Median salary \neq Rs 10,000/

The researcher wishes to compare the observed median salary and hypothesized median salary of MBAs of RTMNU. The observed median salary of the sample data is evaluated as Rs 12,000/ per month.

The collected data on this variable is of ratio scale. Therefore, Wilcoxon one-sample Signed-Rank Test will be an appropriate test here.

Wilcoxon Signed Rank Test	
W= Test Stat	4907
n = No. of Non Zero Differences	135
σ_w	910.6371
z score	5.387986
z critical	1.959964

As calculated z-score (5.38) > critical z-score (1.96) null hypothesis is rejected at 0.05 significance level. Therefore, median salary of MBAs of RTMNU is significantly different than Rs 10,000/.

Interpretation: Median salary of MBAs of RTMNU is more than Rs 10,000/ per month.

Testing of Hypothesis: 2

Null hypothesis: There is no difference between the salaries of Male and Female MBAs of RTMNU

H_0 : $\mu = 0$

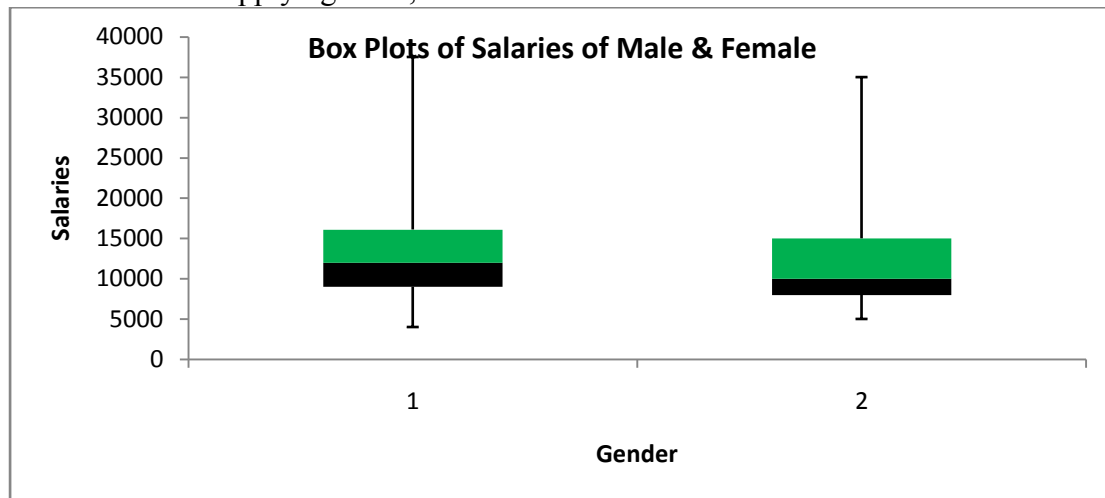
Alternate hypothesis: There is difference between the salaries of Male and Female MBAs of RTMNU

H_1 : $\mu \neq 0$

The researcher wishes to evaluate two independent samples i.e. males and females to determine whether the sample mean of men's is greater than the sample means of females.

t-test for comparing means of two independent samples is an appropriate test here. Before applying t-test, we

shall check for normality of both the groups viz. male and female.



As can be seen in the box plots of males and females salaries, both the groups seem to be approximately normally distributed.

Now, we will check whether both the samples are homoscedastic. For this we need to check whether variances of both the groups are similar. We shall use F-test for testing homogeneity of variances of both the samples.

Means of both the groups are as follows:

Mean salary of Males = Rs 13,829; and Mean salary of Females = Rs 11,830
The null hypothesis for F-test is - there is no significant difference between the variance of Males and Females salaries.

F-Test Two-Sample for Variances

	<i>Salary of Male</i>	<i>Salary of Female</i>
Mean	13829.24	11829.5
Variance	47487164	38186396
Observations	103	44
df	102	43
F	1.243562	
P(F<=f) one-tail	0.212827	
F Critical one-tail	1.565393	

P-value (0.21) > alpha (0.05).

Therefore, null hypothesis is accepted.

We therefore conclude as a result of the F Test that the variances of both the groups are the same.

As variances of both the groups are same; therefore we shall use t-test: two samples assuming equal variances test for testing our null hypothesis that means of both the groups are similar.

t-Test: Two-Sample Assuming Equal Variances

	<i>Salary of Male</i>	<i>Salary of Female</i>
Mean	13829.24	11829.5
Variance	47487164	38186396
Observations	103	44
Pooled Variance	44729005	
Hypothesized Mean Difference	0	
df	145	
t Stat	1.660221	
P(T<=t) one-tail	0.049516	
t Critical one-tail	1.65543	
P(T<=t) two-tail	0.099031	
t Critical two-tail	1.97646	

The p Value (0.04) is less than Alpha (0.05) and we therefore reject the Null Hypothesis.

Interpretation: There is significant difference between the salary of male and female MBAs.

Female MBAs get about 16 per cent lower salaries than male MBAs on their first jobs. Across India this difference is 17 per cent.

Testing of Hypothesis: 3

Null hypothesis: There is no relationship between the salary on the first job and the number of interviews faced to get first job

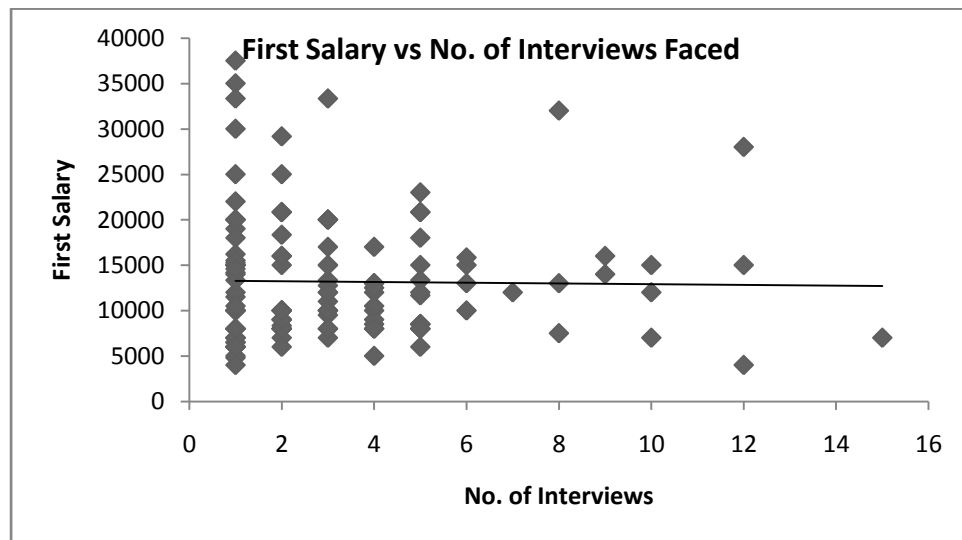
$H_0: r = 0$

Alternate hypothesis: There is relationship between the salary on the first job and the number of interviews faced to get first job

$H_1: r \neq 0$

The researcher wishes to examine the degree of relationship between the two variables namely salary on the first job and number of interviews faced by MBAs to get the first job. Therefore, computing Karl Pearson’s correlation coefficient will be an appropriate measure.

A scatter plot has been prepared to check the association between both the variables



As it is evident from the scatter plot, there seem to be no association between career growth rate and academic performance of the MBAs.

Karl Pearson’s correlation coefficient between these two variables is calculated as $r = -0.02$. This supports the findings of scatter plot as there is very low negative relationship between the first salary of the respondents and the number of interviews faced by them.

Computation of SE of r		Computation of PE	
r	-0.01589		
1			
r square	0.000252	PE	0.058916
1-rsq	0.999748	r	-0.01589
n	131	Range	
sqrt n	11.44552	Lower	-0.07481

SE	0.087348	Upper	0.04302
		r	7

PE is calculated to be 0.06. Therefore, population correlation will fall between -0.07 to 0.04

Coefficient of determination (R) square is 0.00. This further support the finding that there is no relationship between salary earned and the number of interviews faced.

Test of Significance of 'r':

Now, the calculated Pearson Correlation Coefficient, r, between two variables, the significance of r should be checked.

Hypothesis Testing	
Computing p-value	
r	-0.01589
r ²	0.000252
df=n-2	129
df*r ²	0.03257
1-r ²	0.999748
(df*r ²)/(1-r ²)	0.032578
p-value	0.857048
α	0.05
Result	Accept

Since p-value (0.86) > Alpha (0.05), therefore the null hypothesis is accepted.

Interpretation: There is no significant relationship between salary on the first job and the number of interviews faced by the MBAs in RTMNU at 0.05 significance level.

Conclusion:

It has been found that there is no relationship between the number of interviews faced and the salary earned. It is also evident from this research

study that median salary of MBAs of RTMNU is Rs 12000/per month. It is concluded by this research study that there is significant difference between the salary earned by male and female MBAs. Female MBAs get about 16 per cent lower salaries than male MBAs on their first jobs.

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AN EXPLORATORY ESSAY ON CLOUD COMPUTING: IT'S OPPORTUNITIES AND OBSTACLES

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Introduction to Cloud Computing:

The word "cloud" in cloud computing means that the architecture taking the form of a cloud which is easily accessible for users from anywhere in the world on demand. It has important links to management aspects and also helps in cost reduction. At present, it is common to access content across the Internet independently without reference to the underlying hosting infrastructure. This infrastructure consists of data centers that are monitored and maintained round the clock by content providers. Cloud computing is an extension of this idea wherein the capabilities of business applications are exposed as sophisticated services that can be accessed over a network. Cloud service providers are incentivized by the profits to be made by charging consumers for accessing these services. Consumers, such as enterprises, are attracted by the opportunity for reducing or eliminating costs associated with "in-house" provision of these services. The term cloud was initially derived from its common representation in the network diagrams as an outline of cloud, used to represent the data transportation from one point to another. While Computing is the procedure of calculating; determining something by mathematical or logical methods and something that is about to change, so Cloud computing is the use of computer technology (computing) on the

internet (cloud). It is a new generation of computing that uses remote and isolated servers for administration, management, online sharing and data storage, allowing smaller and more efficient chip devices that consume less energy. In simple words, we can say that cloud computing is the use of browser based application that is hosted on a remote server..

The concept behind the cloud computing is that the common user does not require a computer that is much powerful enough to handle complex operations. Instead, with the use of broadband users can easily connect to the internet (cloud), which would commonly be referred to as the point of contact with the larger network. From this point of contact, cloud computing users from all across the world can get the benefits of enormous processing power without major investment or technical know-how.

Characteristics of Cloud Computing:

Cloud computing main characteristics are as follows:

- 1) **Capital expenditure** minimized, therefore low barrier to entry as infrastructure is owned by the provider and does not need to be purchased for one-time or infrequent intensive computing tasks. Services are typically being available to or specifically targeting retail consumers and small businesses.

- 2) **Device and location independence** which enables users to access systems regardless of location or what device they are using (for example PC, mobile, etc.).
- 3) **Multitenancy** enabling sharing of resources (and costs) among a large pool of users, allowing for:
 - a. **Centralization** of infrastructure in areas with lower costs (e.g. real estate, electricity)
 - b. **Peak-load capacity** increases (users need not engineer for highest possible load levels)
 - c. **Utilization and efficiency** improvements for systems that are often only 10-20% utilized.
- 4) **Performance** is monitored and consistent but can be affected by insufficient bandwidth or high network load.
- 5) **Reliability** by way of multiple redundant sites, which makes it suitable for business continuity and disaster recovery, however IT and business managers are able to do little when an outage hits them. Historical data on cloud outages is tracked in the Cloud Computing Incidents Database.
- 6) **Scalability** which meets changing user demands quickly, without having to engineer for peak loads. Massive scalability and large user bases are common but not an absolute requirement.
- 7) **Security** which typically improves due to centralization of data increased security-focused resources, etc. but which raises concerns about loss of control over certain sensitive data. Accesses are typically logged but accessing the audit logs themselves can be difficult or impossible.
- 8) **Sustainability** through improved resource utilization, more efficient systems and carbon neutrality.

Classification of Cloud Computing Environments

The Cloud Computing environments may be classified in terms of access and location as Public, Private or Hybrid:

1) **General Public Cloud:** available to anyone on the Internet; that is, any user may access and use a public Cloud. Its benefits are as follows:

- **Easy and low cost infrastructure management** - since its hardware and software can be managed by the service provider;
- **Scalability and Elasticity** – processing and storing resources are used on demand,
- **Eliminates complex cycles of search for resources** – increasing speed of delivery application, once resources are always available, when necessary;
- **Relieves the IT team of the user company** – from concerns about infrastructure to pursue the development of business applications.
- **OBS:** examples of Public Clouds: Amazon Elastic Computer Cloud, Google App Engine and Microsoft Windows Azure.

2) **Private Clouds:** Cloud environments which can only be accessed by a limited number of users. They are Clouds normally installed within the limits of a data-center, behind a firewall. Their benefits are as follows:

- **Exclusive use** – greatest control on data, security and quality of services;
- **Ownership** – total control of the infrastructure and of how applications are executed;
- **Management by the IT team of the user organization** – which implies high level of control.
- **OBS:** in this case, most advantages of the Cloud Computing application are restricted to savings on hardware and management of physical infrastructure, because though costs are reduced they still remain at high levels.

3) **Hybrid Clouds:** also known as “virtual private clouds”, they offer services that are performed on a Public Cloud, but within the limits of a VPN (Virtual Private Network). Their benefits are:

- A mix of the two previously mentioned, but they may be very attractive to companies interested in global coverage associated with total control.

The other models are Community Cloud, Distributed Cloud, Intercloud and Multicloud.

Cloud Computing Service Models:-

All the cloud resources are provided as services to the end users. The service models of cloud computing are mainly Software as a Service (SaaS), Platform as a Service (PaaS), and Infrastructure as a Service (IaaS).

A. Software as a Service (SaaS):

All the applications running on the cloud are provided as the services to the end users. This eliminates the software up-gradation and software licensing investments for the clients. On the other hand cost of the cloud is rather low. Cloud also delivers business applications such as accounting, enterprise resource planning (ERP) and customer relationship management (CRM). The SaaS cloud's example includes Sales force CRM and Google Apps.

B. Platform as a Service (PaaS):

This service allows user to built applications using several software tools along with programming languages (e.g. Java, .Net, Python) and also deploy user's applications onto the cloud infrastructure. The user needs not to manage the cloud infrastructure, operating system and other requirements for them. The PaaS cloud's example includes Google App Engine and Microsoft Windows Azure.

C. Infrastructure as a Service (IaaS):

By this user can use storage, network, servers, processing and other resources on rental basis. The user can run and deploy

the applications and guest OS. The user does not control or manage the infrastructure but has control over applications, OS, storage etc. The PaaS cloud's example is Amazon EC2.

Cloud applications

Here are just a few *Cloud* applications you could use at the time of writing.

- **Google Docs:**
<http://www.google.com/>
online word processing, spreadsheet, presentations and collaboration software.
- **EFAX:**
<http://www.efax.com/>
Faxes and voice mail by e-mail.
- **YouTube:**
<http://www.youtube.com/> online storage of videos.
- **Webex:**
<http://www.webex.com/>
online meetings.
- **YouSendIt:**
<http://www.yousendit.com/>
a digital delivery service for large files.
- **Gliffy:**
<http://www.gliffy.com/>
online diagram drawing.
- **Yahoo! Calendar:**
www.yahoo.com. An online calendar
- **Mozy:** <http://mozy.com/>.
File backup service.
- **LinkedIn:**
<http://www.linkedin.com/>
Home Social networking for business. The business answer to MySpace and FaceBook
- **Picnik:**
<http://www.picnik.com/>.
Online photo editing
- **Zamzar:**
<http://www.zamzar.com/>
Online files conversion.
- **PBWiki:**
<http://pbwiki.com/>. Online collaboration software

- **Blogger:**
www.blogger.com. A
service for online
publishing – blogs

Popular Cloud Computing Platforms:

A. AbiCloud

Abicloud is a cloud computing platform, It can be used to build, integrate and manage public as well as private cloud in the homogeneous environments. Using Abicloud, user can easily and automatically deploy and manage the server, storage system, network, virtual devices and applications and so on. The main difference between Abicloud and other cloud computing platforms is its powerful web-based management function and its core encapsulation manner. Using the Abicloud, user can finish deploying a new service by just dragging a virtual machine with mouse. This is much easier and flexible than other cloud computing platforms that deploy new services through command lines.

B. Eucalyptus

Eucalyptus (Elastic Utility Computing Architecture for Linking Your Programs to Useful Systems) mainly was used to build open-source private cloud platform. Eucalyptus is an elastic computing structure that can be used to connect the users' programs to the useful systems, it is an open-source infrastructure using clusters or workstation implementation of elastic, utility, cloud computing and a popular computing standard based on a service level protocol that permit users lease network for computing capability.

C. Nimbus

Nimbus is an open tool set and also a cloud computing solution providing IaaS. It permits users lease remote resources and build the required computing environment through the deployment of virtual machines. Generally, all these functional components can be classified as three kinds. One kind is client- supported modules which are used to support all

kinds of cloud clients. Context client module, cloud client module, reference client module and EC2 client module are all belonging to this kind of component.

D. OpenNebula

OpenNebula is also an open source cloud service framework. It allows user deploy and manage virtual machines on physical resources and it can set user's data centers or clusters to flexible virtual infrastructure that can automatically adapt to the change of the service load. The main difference of OpenNebula and nimbus is that nimbus implements remote interface based on EC2 or WSRF through which user can process all security related issues, while OpenNebula does not. OpenNebula is also an open and flexible virtual infrastructure management tool, which can use to synchronize the storage, network and virtual techniques and let users dynamically deploy services on the distributed infrastructure according to the allocation strategies for data center and remote cloud resources.

Opportunities for Cloud Computing:-

- ***Updated copy access always:*** Data owner is now free from the burden of storing multiple copies of data and keep them updating. The cloud maintains one copy that is accessible to user from any location. That's why cloud data is always the updated one.
- ***Transferring the Risk:*** With cloud user is free from the risk of data lose due to computer failure. Because data is updated and stored at cloud always. Data is maintained in versions at cloud. So user can recover data from its previous version if any version of a document is deleted. To implicitly copy selected files to the cloud, software (e.g. Drop-box) can be installed at the client side.
- ***Online Editing:*** Google Docs and Sky Drive provides Web based editors. A common group of people

can work on same document such as Google doc. This will eliminate the need of mailing documents to each other.

- **Online collaboration:** In the past people used to email documents to each other for collaboration. This was hard to keep track of all the documents. With cloud computing there is need to email the link to the online version only, as only one copy of document is maintained.
- **Minimized Capital expenditure:** Cloud computing eliminates initial investments for a business and also reduces operational and maintenance expenditures. Also organization needs not to buy separate hardware, separate software or software licenses for their employees.
- **Location and Device independence:** End users can access services of cloud by login in from anywhere and through any device having internet access.
- **Utilization and efficiency improvement:** With cloud employees in an organization are free from the burden of data base management, licenses updating, software upgrades, and hardware requirements for any application etc. So employees can focus on their development work more efficiently.
- **Very high Scalability & Sustainability:** Consumers can scale up and scale down their usage of services in case their business demands triggers requirements to be changed.
- **High-level Computing power:** For every application access cloud provides higher level of computing power to the end users.
- **Increased Reliability:** Cloud enhances reliability and scalability of the business.

- **Increased pace of innovation & Environmentally Friendly:** Cloud is an upcoming service that supports innovation and as it reduces the consumption of resources it is environment friendly as well.
- **Recovery & Backups:** As data is not stored on local drives the process of recovering and backing up data is simplified. Flexible & reliable backup solutions are offered by several cloud providers.
- **Smaller learning curve:** Consumers feel ease to learn and adopt cloud computing for them.

Obstacles for Cloud Computing:-

- **Service Availability:** If the cloud goes down for hours or more unexpectedly, it can affect the current business strongly. Cloud services sometime may be unavailable due to number of reasons such as some failure at data center, failure of any equipment at client side, security attacks, network failure due to poorer weather conditions etc.
- **Data mobility and ownership:** Who is actually the owner of the data? Will cloud actually delete all the records if the user has deleted some records not needed in future?
- **Privacy:** How the cloud companies are using and maintaining the data collected from different enterprises?
- **No direct control:** When user moves services to the cloud, their direct control to them is over. It is troubling for some IT giants to adopt this.
- **Still need on-premises hardware, and an in-house IT staff:** Organization still require IT staff to support services. Sometimes users also need to add more processing

servers of their own for proper functioning.

- **Possible downtime:** With Cloud computing business becomes totally dependent on the internet availability. One cannot access services offline.
- **Security issues:** How and where the data is actually stored? Is it safe there? So some users are not comfortable while storing their confidential data at cloud.
- **Cost:** Firstly cloud appears to be cheaper but cloud doesn't support all the features provided by a software solution installed at a local device.
- **Inflexibility:** User must be very careful while choosing a particular cloud for their business. Cloud provides limited access to several applications. For ex. Google Docs spreadsheets can't accept documents created in any other format.
- **Lack of support:** There is no other supporting organization for cloud providers in case of any problem.

Conclusion:-

Cloud offers resources sharing in a cost effective and independent way. Through cloud providers are sharing their resources and capabilities with external users on rental basis. Surely, many organizations are benefitting from Cloud computing, as cloud provides facility to run OS for several servers on Virtual machine. Apart from multinational organizations several small enterprises and educational institute are also using cloud services. Now

employees can focus on planning and development work instead of wasting time for managing data and other resources. Although cloud's benefits are very appealing, but in distributed environment nothing can be hundred percent secure. There are several risks involved in the cloud. The problems discussed in this paper have made adaptation of hybrid and public cloud difficult. Still numbers of new providers are coming to this business. This increases competition among different cloud providers. So the companies are getting better offers from their cloud providers.

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TRANSFORMING EDUCATION MARKET OF INDIA: THE BIG BUSINESS

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Introduction

Education sector in India is growing with huge opportunity for providing scalable technology platform for the quality elementary education and job oriented vocational courses. Some of the players like NIIT, ZEE LEARN and MT EDUCARE have got first mover advantage and competition is intensifying with the entry of many new players seeing the positive outlook and growing demand in this sector. In India, the land of the woefully ill-equipped education system, many of training institutes are seen to have a fairly important role to play: ***that of bridging skill gaps and transforming the 'qualified but largely unemployable' into the employable.***

To meet the Demand-Supply gap, vast school segments in India, high-end, private, unaided schools have been the fastest to adopt technology-driven pedagogy. The government schools' technology investment has been funded by the Information & Communication Technology (ICT) school initiative under the Sarva Shiksha Abhiyan (education for all) scheme of the government of India. In Union Budget of FY15-16, ministry of HRD has been provided with allocation of Rs. 690.74 bn an decrease of 2.03% over last year, Rs. 422.2 bn for the department of School education and literacy and Rs. 268.6 bn for higher education.

Companies like NIIT, ZEE LEARN and MT EDUCARE and many other small players are in the fray with their strong content development capabilities and scalable delivery models. There is huge potential—according to our estimate the size of the Indian education market is a whopping Rs. 1022 bn and we expect to grow at a healthy 20% per annum. There are more than 20,000 private schools in premium segment and these companies could penetrate only 35% of them. In FY15, the combined sales of the three education companies NIIT, ZEE LEARN and MT

EDUCARE was merely 7 bn, which is just 1% of the total potential addressable market. Clearly there is enormous room for growth.

Along with enormous growth potential, the education business offers the comfort of strong annuity-based cash flows for content vendors since the companies generally enter into 3-5 year contracts with educational institutions. The business provides strong revenue visibility also because education remains a priority even during periods of economic downturn – spending on education is certainly not discretionary in nature for the Indian middle class. The market for digital classrooms is growing at 60% per year and has a vast space in K-12 segment for number of firms with huge potential. Due to low entry barrier many new players like TIS (Tata Interactive System), Navneet Publications, Pearson, Zee Learn are increasing their market share.

Apart from digital content for schools, there are numerous other segments in education which are witnessing robust demand growth like online tutoring, vocational training, training in employability skills, IT training etc providing additional growth and diversification opportunities. Recent JV of Everonn Education and NSDC (National Skill Development Centre) explore the market for 15 million students accounting for business of Rs. 144 bn. Over the years and through a couple of economic downturns, private companies have transitioned from just an IT training company to a Global Talent Company. This means, even while it remains fairly focused on IT training, it has diversified into other verticals like finance, English and soft-skills training; extended its services from individuals to institutions (schools & colleges)

and businesses and has expanded its global reach phenomenally.

Literature Review

Lall M., House C.(2005) in the paper titled “The Challenges for India’s Education System” highlights the issue being faced in the current education system in India. Even in general election manifesto education related issue plays an important role. The ill equipped infrastructure forced governments to enforce common minimum program.

Kaul S. (2006) in his working paper titled “Higher education in India: seizing the opportunity” his findings are that the growth of service companies like KPOs/BPOs are due availability of skilled manpower in India and to sustain this trend the education institutes have to adopt technology driven pedagogy and it is necessary to produce the required skilled manpower with accelerated rate.

Chakrabarty A. (2007), in the paper titled “Higher Education and Research in India: an Overview” said that the need of improvement in higher education quality is need of hour and can be done by collaborating with world’s best education universities like Finnish Universities

and Research Institutes. Universities from UK, Australia, USA are already having their collaborations with some of the institutes in higher education. On similar ground there is need in school education also.

Krishna M. G., (2013), titled “A study on Indian education sector and various problems & opportunities associated with it” highlighted that India has huge market for education system. K-12 segment has huge potential due to insufficient required infrastructure, teachers and technology. International funding and government financing in school segment provides opportunities for private companies a good business opportunities.

Tulasi B (2013), in the paper titled “Significance of big data and analytics in higher education” of the view that with the change in the demand of market, education system mostly in higher education should adopt the requirement of market. There has always been huge gap in industrial requirement and the graduates, but the this is now urge of the organisations to have skilled based education system which can be possible only by the involvement of private players.

Analysis

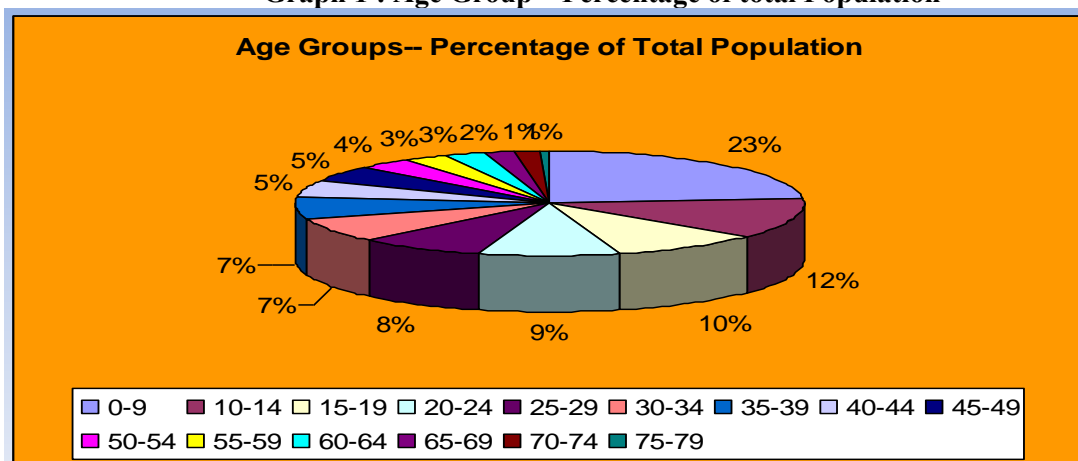
Key Growth Drivers

1) Huge market potential

Large target population

India is one of the largest markets for education in the world. The size of India’s population in the 0-24 age-groups (the target segment for education) is an estimated 553 mn i.e. 54% of total population as of latest report of Ministry of Home affairs as shown in Graph 1.

Graph 1 : Age Group – Percentage of total Population

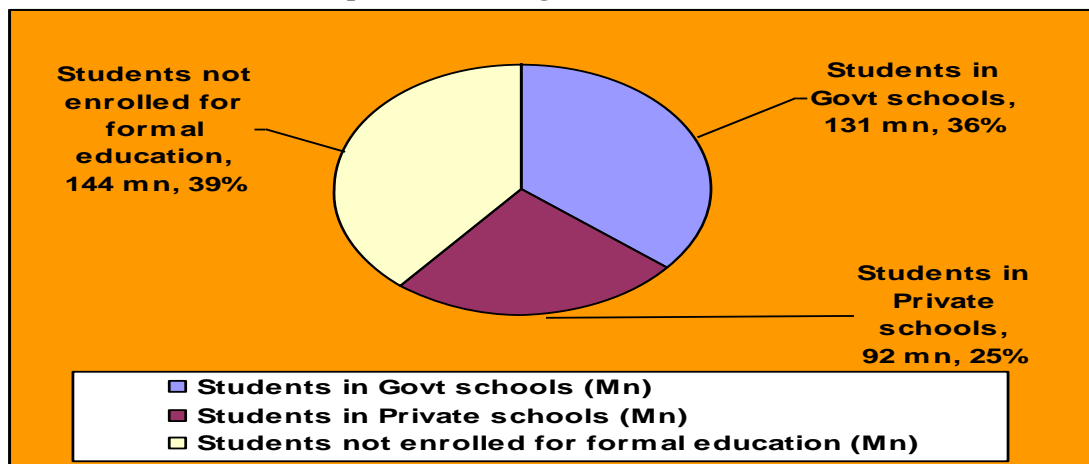


Source: Ministry of Home Affairs (Government of India)

As per the provisional population of totals of census 2011, the number of persons aged seven years and above is 1,051,404,135. Out

of this, 778,454,120 i.e. 74% are literates and 272,950,015 i.e. 26% are still illiterates.

Graph 2 : Percentage of students enrolled



Source: Ministry of Home Affairs (Government of India)

Due to the government’s focus towards education there have been significant improvements towards literacy of India. There are around 1,080,747 government schools and about 328,845 private schools. There is huge target population in the age group of 0-24 for

the education sector. Currently there are 132 mn students in the age-group of 4-18 in government schools which is 37% of total schooling population (as shown in Graph 2). And about 40% i.e. 143 mn are still out of schools.

Table 1: Literacy rates in percentage (7+ age group)

	2001			2011		
	Total	SC	ST	Total	SC	ST
Total	64.8	54.7	47.1	73.0	66.1	59.0
Male	75.3	67.0	59.0	80.9	75.2	68.5
Female	53.7	42.0	35.0	64.6	56.5	49.4

Data Source: O/O RGI, Census 2001 & 2011

The Census report compares the status of literacy which shows a positive transformation due to government’s focus (Table 1). It can be analysed that the efforts have resulted into improvement of literacy from 64.8% as on year 2001 to 73% in the year 2011. It can be observed that the major driver is in Female category which has improved from 53.7% to 64.6% from 2001 to 2011. Similar pattern has been shown in case of backward class of population and this improvement can also be

attributed because of participation of private players.

2) Growing need for ‘right skilling’ and ‘upskilling’ of qualified manpower

India is one of the largest education markets in the world with 3.5 mn students graduating each year. But the education curriculum and teaching methodologies in Indian universities fall short both on ‘relevance for industry’ and

on quality. Students who graduate therefore require additional training and skill development from the employability and productivity improvement perspectives.

A report by the Confederation of Indian Industry (CII) and the Boston Consulting Group (BCG) published at the end of 2008 estimated that India would face ‘talent gap’ i.e., lack of right skill sets for jobs, as existing educational institutions do not impart the required skills for employability. At the same time there will be a surplus of 1.3 mn unskilled and unqualified school dropouts and illiterates. Such a scenario presents a huge opportunity for NIIT, Educomp which has a product portfolio that spans training in vocational skills, IT skills, soft skills, English language skills, management education & skills for the banking-finance sector.

The current economic slowdown led by the concerns of China downfall and European concern has had an adverse impact on training demand – there is, for example, a slowdown in hiring in the IT as well as financial services sectors and enrolments for courses in both segments have slowed down. Economic recovery and resumption of hiring will bring back demand for training courses. The government’s emphasis on skill development with public private partnerships also presents significant opportunity.

3) Outsourcing of training services to benefit from the training segment

Looking for training outsourcing opportunities in Europe & the APAC regions

The corporate learning solutions business, which generates over 90% of its revenues from the US, has witnessed a sharp slowdown, with a decrease in demand for customized content. But the growing trend towards outsourcing of training services opens up new opportunities.

Many companies like NIIT, ZEE LEARN has seen a growing pipeline of training outsourcing deals. It is looking for opportunities to offer training outsourcing solutions to companies in Europe and the APAC region

4) Opportunities in the school segment set to grow with the government’s focus on education

There is significant potential for growth. From school segment as this segment is largely insulated from the impact of the economic downturn. The size of the school segment in India is very large – a whopping 223 mn students are enrolled in formal education (which represents 61% of the targeted population in the age group of 6-24). Of these, 131 mn students study in 9, 50,000 government schools, while 92mn students are enrolled in 75,000 private schools.

Companies like NIIT is well positioned to take advantage of opportunities in both private and government schools where there is a need to improve the quality of education using information technology. However, given the execution risks in government projects, the company is more intent on scaling up business in the private schools segment. In 2008, NIIT launched the e-Guru portfolio -- a comprehensive solution that includes ‘Interactive Classrooms’ for teachers, ‘Math lab’ and ‘IT Wizard’ for students, and ‘Quick School’ an Education Resource Planning solution for school management.

5) Spending on education growing at a CAGR of 20%

For the large target population, spending on education is mandatory rather than discretionary in nature. The fact that the Indian middle class is willing to spend on quality education is evident from the fact the education expenditure has been growing at a CAGR of 20%. This increase is in congruence with the increase in education loans by banks as the banks have eased the process of disbursement of allocation of education loans considering it as one of the important priority sector as business segment.

6) The size of the addressable market for private players is a whopping Rs. 1,023 bn

Estimate of Potential Market Size

Number of Govt school	1,080,747
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Number of students (Mn)	153
Average student per Govt school	142
Number of Private school (a+b)	328,845
Number of students (Mn)	78
Average student per Private school	310
a) Private aided schools	66,695
Assumed Fees in Private aided schools per month Rs	500
Market size of Private aided school (Rs bn)	10.3
Market size of Aided Private school (US\$ @ 67)	0.2
b) Private Un-aided schools	262,150
Unaided Premium schools	20,000
Unaided standard school	242,150
assumed Fees in Private unaided premium schools per month Rs	1,500
assumed Fees in Private unaided Standard premium schools per month Rs	1,000
Market size of Unaided Private school (Rs bn)	1,012.5
Market size of Unaided Private school (US\$ @ 67)	15.1
Total Market size of Private school in K-12 segment (Rs bn)	1,022.9

As per the latest data of ministry of HRD, average number of students in each classroom in India is 35. On average private schools charge Rs. 500 per student per month and unaided premium schools charge fee in the range of Rs. 1,000 to Rs 1,500 per student per month. Accordingly the size of the education market catered to by private educational institutions in the K-12 (Kindergarten- 12th Class) segment is about Rs. 1,022.9 bn.

India currently spends Rs. 46,500 crore in higher educations. The number of students in higher education is doubled to 16 million in last decade. The government aims to add 25 million students in higher education in next 10 years. The number of universities is rising at the rate of 5% annually from 1950 & number of colleges is rising at the rate of 8% since 1990. Today there are 36,671 colleges and 712 universities in the country. Despite having such a large number of institutes, the Gross enrolment ratio is only 12% which is well below the global average of 50%.

Additionally, private players have been participating in the government's Instructional Computing and Technology (ICT) in education initiative under the Sarva Shiksha Abhiyan (SSA) program. The Rs. 411 bn

allocated in the XI Five Year Plan for setting up ICT infrastructure across government schools translates into an opportunity of Rs. 82.2 bn per year for education companies. The size of the total addressable market (providing content and technology to private and government institutions) is thus Rs. 1105 bn. In FY15, the combined sales of the three education companies NIIT, ZEE LEARN and MT EDUCARE was merely 7 bn, which is just 1% of the total potential addressable market. Clearly there is enormous room for growth.

7) Growing acceptance of technology in education

The technology requirements of private unaided schools & demand for out-of-class (online) education offer attractive business potential

Private unaided schools (there are about 262,150 schools in this category) have greater flexibility in adopting new technologies/learning methodologies for education. Since there is no government interference, decision-making is speedy. The segment represents an attractive opportunity for private education companies. In the past few years, there has been significant growth in the number of private school clients of Educomp and Everonn for their SmartClass and ViTELS programs respectively.

The demand for out-of-class (online) education has taken a huge leap with growth in Internet access. For instance, sites such as mathguru.com, WiziQ.com, eclassontheweb.com are attracting huge amounts of traffic. This trend also throws up significant opportunities for private education companies. Majority of this segment is concentrated to urban areas due to internet access. As the penetration of internet is towards rural area, this business will further grow as demand is huge.

8) Government's focus on education...

Increase in budget allocation driving deployment of technology in government schools

Government's spending on education increased from 2.20% of GDP in 1974-75 to 4.28% in 2000-01 and has been in the range of 3.5-4.2% of GDP in the last 8 years (Table 3). The amount is, however, low in comparison to global standards – UK spends 5.4% of GDP on education and the US spends 5.6% of GDP. The present Congress government has clearly mentioned education as a key area of priority.

Table 3: Public Expenditure on Education and Gross Domestic Product (GDP)

Year	GDP at factor Cost (Rs. Crore)	Expenditure on education (Rs. Crore)	Expenditure as % of GDP
2005-06	3,390,503	113,229	3.34%
2006-07	3,953,276	137,384	3.48%
2007-08	4,582,086	155,797	3.40%
2008-09	5,303,567	189,069	3.56%
2009-10	6,108,903	241,256	3.95%
2010-11	7,248,860	293,478	4.05%
2011-12(RE)	8,391,691	351,146	4.18%
2012-13(BE)	9,388,876	403,237	4.29%

RE: Revised Estimate BE: Budget Estimate Data Source: Analysis of Budgeted Expenditure

Some of its initiatives are:

- Enacting the Right to Education Bill
- Allocating Rs. 1,571 bn to be spent on education by various agencies (central government, state governments and Union Territories) under the XI the Five Year Plan.
- Increasing the budget allocation for education in the last three years, this has provided a boost to the deployment of technology in schools. In the Union Budget for FY15-16, Rs. 690 bn has been set aside for education and a lot of emphasis is to be given on proper utilisation of funds and implementation of policies and programmes.
- Proposal to increase the budget for higher education by Rs. 96 bn to Rs. 110 bn. The funds are likely to be used for setting up

premier technology and management institutes like the IITs and IIMs.

- Implementation of SSA programmes, with an allocation of Rs. 291 bn, in order to ensure primary education for all.
- Mobilizing resources for education through education cess etc.

9) Public-private partnerships

Government's proposed policy on PPP in education to open up new opportunities

The government proposes to use the Public Private Partnership (PPP) model in several areas of education. The opening up of secondary level and higher education segments to the PPP model will act as a catalyst for education companies in India.

According to estimates of the planning commission, \$250 bn (Rs 16,750 bn) is required to meet the demand for education in the country. The amount allocated for education under the XI Five Year Plan was only \$32 bn (Rs. 2,144 bn). The PPP model is clearly an imperative considering the large resource gap in education.

Key Concerns

1) Capital intensive business

High capex and working capital requirements in the 'ICT in education' segment and in brick 'n mortar schools

Education is a capital-intensive business which requires heavy upfront investment. Land acquisition, infrastructure, teaching aids all require huge investment and return to this sector is also takes long duration. The capex and working capital requirements of education companies are high especially in the 'ICT in education' segment and in brick 'n mortar schools and these results in negative free cash flows. High Debtor Days in the ICT segment due to delays in payment by the government is also a cause for concern. This makes the companies to be very specific about the selection of the projects during tender stage. The companies like Everonn, Educomp are feeling the heat as they are facing negative cash flows for last 2 to 3 years. The companies are now very cautious while entering any contract whether government approved projects or private bodies.

2) Execution Risks

Decision and payment delays by the government increase execution risks

Execution risks are high in the education sector, particularly in the ICT programmes with government-run institutions. These projects are vulnerable to policy change, bureaucratic red-tape, and inordinate payment delays by government departments etc., and resolution of these issues is beyond the control of education companies. Managing large schools and maintaining quality standards in the franchisee model also pose huge challenges as there is infrastructure constrains associated with government run schools and institutions.

Apart from these companies also face problem in execution due to inflation, violence and social unrest, natural calamities, and economic slowdowns. The uncertainties and delay in clearance associated with the execution of expansion plans add to the risk.

3) Obsolescence of content

Need for strong content development capabilities

One of the most critical challenges for education companies is providing appropriate content presented in a manner that enhances learnability. Content obsolescence is particularly rapid in technology-related areas and companies need to update / re-develop content at regular intervals. Companies need to have strong content development teams consisting of subject matter experts, instructional designers, and animators etc. who can convert curriculum into digitized content. Frequently adaptation and changes in the school curriculum to meet the present requirements and also the changing requirement in the professional courses require a very strong content development team.

4) Competition in this segment

Realization per school on a decline

Competition is increasing in the ICT segment with the entry of new players and this has resulted in declining realizations per school. In the private schools segment, competition is intense among providers of quality digital content and door to door service. While smaller players do not have a significant presence in this segment, larger companies are vying for a share in this space as they have strong infrastructure and required team for content development. NIIT, for example, has made an aggressive foray into this segment. Many new players are entering in this sector both at elementary level and at professional school level due to its fast growth and low entry barrier in digital technology. Companies like HCL, Zee Learn, and Tata Interactive Systems are already enter in this segment and are capturing the untapped market.

5) Government policies

Policy change on private sector participation, budgetary allocation etc., will impact revenue prospects

Education companies are vulnerable to any changes in government policies especially in relation to the role of the private sector, budgetary allocation ICT initiatives etc. The payment systems with the government are subject to delay due to the bureaucratic process. The delay in payments and changes in terms and conditions, companies have to face certain challenges. The government decision and its focus to make this sector non for profit and the various schemes will make this segment low margin business.

6) Slow recovery in Corporate Learning Solutions

Corporate learning solutions (CLS) is a product of companies where they provide software, communication and other corporate related training which is need of hour for the companies to be competitive in the market. Corporate houses invest heavily in order to improve and update their employees.

Corporate Learning Solutions could be a drag on overall performance due to sluggish growth and low margins. Custom content revenues have been particularly sluggish though the decline has partly been compensated by training outsourcing and learning products revenues. The US contributes almost 90% of the revenues in the CLS segment. The impact of the economic slowdown and of the volatility in the rupee-dollar exchange rate has, therefore, been severe.

7) Vulnerability to policy change in education

Policy change on the role of private sector in education will impact growth prospects

The incumbent government's focus on education opens up greater opportunities for the companies in this segment. But these companies also expect to play a key role in the skills development initiatives of the government aimed at improving employability. However, growth opportunities could be impacted by changes in government policies on the role of the private sector in

various areas of education. Moreover budgetary allocation for education also varies year after year, and this could impact revenue prospects.

8) Execution risks in government projects

There are significant execution risks associated with government projects. Delays in awarding of contracts, decision-making and payments and unexpected policy changes are some of the hurdles in execution of such projects. The ICT in education projects for government schools are capital intensive in nature, with companies having to make upfront investments in infrastructure and systems integration after winning the contract. Working capital needs are also high due to frequent payment delays.

Competition is also increasing in the ICT business for government schools with the entry of a number of local players and this has led to a decrease in realization per school.

Future Outlook

Department of Higher Education, Ministry of Human Resource Development is administering the National Mission on Education through Information and Communication Technology (NMEICT) Scheme to leverage the potential of Information and computing technology (ICT), in teaching and learning process for the benefit of all the learners in Higher Education Institutions in anytime any where mode. The three dimension principles of Education Policy i.e. access, equity and quality could be served well by providing connectivity to all colleges and universities, providing low cost and affordable access-cum-computing devices to students and teachers and providing high quality e-content free of cost to all learners in the country.

Government's focus on education coupled with increasing willingness of burgeoning middle class to spend on quality education creates huge growth opportunities for private players. With the Right to Education Act enacted from April 1, 2010

, India is continue focusing on reforms in the education sector and greater private participation in the form of Public Private Partnerships (PPP) from players, such as Everonn, educomp, NIIT etc.

In Union Budget of FY15-16, ministry of HRD has been provided with allocation of Rs. 690.74 bn an decrease of 2.03% over last year, Rs. 422.2 bn for the department of School education and literacy and Rs. 268.6 bn for higher education.

As per the latest report of the IBA (Indian Banks' Association), education loans have increased to Rs. 628 bn in the year 2015 from Rs. 589 bn in FY14. Thus the education loan through banks have grown by 20% in the past couple of years and is fastest ever and expected to grow further at rate of 10% to 12% in coming years.

SmartClass, Educomp's flagship product for private schools, continues to gain traction. The company added in 1340 schools in FY10 & signup 10,000 classrooms to digitise FY15, taking total 5889 schools with SmartClass. Company is targeting to add another 21,000 schools in next 2 years. In the K-12 segment, the company is also aggressively expanding its network of schools under the Millennium Schools brand, using a combination of franchisee & company operated models. Everonn has made two significant moves which have strengthened its content capabilities and service portfolio – Microsoft academic service partner in India (in Feb, 2011) to provide training, courseware and certification to more than 300,000 students in next three years, and has JV with NSDC (National Skill Development centre) to train 15 million students in next 10 years. This JV will give an order booking of Rs. 15000 bn which will be executed in next 10 years of time frame.

The government's thrust on education and growing adoption of technology- driven curriculum delivery by private schools are driving strong growth in the education sector.

There is huge opportunity for companies offering quality digital content with scalable business models.

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“A DETAILED STUDY ON EFFECT OF TELEVISION ADVERTISEMENTS ON CHILDREN’S ATTITUDE & ITS IMPACT ON FAMILY PURCHASE DECISIONS”

Dr. Ramesh Nikhade

1. Introduction:

There is little empirical research available in India investigating the role of television advertisements in children life and extent to which children further influence on parents’ purchasing. Most of the researches on impact of television advertisements on children purchase influence were conducted in the U.S.A. This research will make a contribution to this area by examining the influence of television commercials on Indian children and further examining their influence on family purchase decision. India provides a useful setting because it is culturally different from the USA and other European countries. Specially, substantial differences exist between two nations. India is less individualistic, less power distant, and more uncertainty avoiding than the USA. Therefore, India provides a meaningful context to examine children influence due to television advertisements on family decision making with regard to different products.

2. Literature Review:

Barling and Fullagar (1983) carried out a study to assess children attitudes to television advertisement. Five hundred and forty five middle class white boy and girls (average age 10.67years) completed a 28 item scale after viewing TV commercials, Factor analysis of item yielding two interpretable factors, labelled as —Entertainment and Irritation—Boredom. It was found that there was a considerable difference between children attitude and adult attitude towards TV advertisement. Children view television advertisements almost entirely in terms of their entertainment function. Their purchase behaviour may not be manipulated by such advertisement. They found two reasons for this (a) their perception of these advertisements may not be consistent with

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the advertiser’s primary intentions and (b) they are less entertained and more irritated and bored with such advertisements as they grow old.

Panwar and Agnihotri (2006) made a study titled —Advertising message processing amongst urban children. Data were collected from 250 children aged between 7 and 12 years, drawn from five major towns of western state of Gujarat (India) by using the cluster sampling approach. The main objective was to find out whether children understand the advertising intent and is there any differentiation on the basis of age, gender and family status. The result showed that children understand that basic objective of advertisement, which is to inform about the products and also to persuade them to buy these products.

3. Objectives of the Study:

1. To assess the extent of media exposure among children.
2. To measure the children’s attitude towards TV ads.
3. To evaluate the various promotional strategies adopted by the advertisers and their effectiveness on children.
4. To assess the ability of TV advertisement to attract and retain children as consumer.
5. To examine how children through exposure to television advertisements, influence the family’s purchase decision.
6. To study the parents perception of the influence of TV advertisements on children.

4. Hypothesis of the study:

H0 Children through exposure to television advertisements, doesn’t influence the family’s purchase decision.

H1 Children through exposure to television advertisements, influence the family’s purchase decision.

5. Type of research

The type of research design followed for the study will be Exploratory Research. When the purpose of research is to gain familiarity with a phenomenon or acquire new insights into it in order to formulate a more precise problem or develop hypothesis, the exploratory research comes in handy. If the study happens to be too general or too specific, hypothesis cannot be formulated. Therefore need for exploratory research is felt to gain experience that will be helpful in formulating relevant hypothesis for more detailed investigations.

6. LIMITATIONS OF THE STUDY

The study possesses some limitations, which are given hereunder:

- The study is limited to Akola city. So, the findings of the study may not be generalized for all others cities of India, because of socio-cultural variations.
- The study is limited to parent's perception about TV advertisement influence on family purchase decisions as a whole, instead of separately considering the mother's and father's perception of influence.
- The data collected through questionnaire from respondents may not be accurate.
- Another difficulty could be limited time span of the project.
- The accuracy of findings is limited by the accuracy of statistical tools used for analysis.
- Under the secondary data collection researcher will rely over the data sources which may or may not be correct i.e, Dependency on secondary data.
- Under the secondary data collection researcher will rely over the data sources which may or may not be correct.

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**Quality, Accreditations Achieving a path of Academics Excellence
- an Indian Perspective**

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1. INTRODUCTION

“Quality is a concept; it’s a philosophy; it’s a journey; it’s also what we practice. We at NAAC strive to create awareness and understanding of quality, and quality assurance in higher education as a necessary ingredient to national development” [3]. In higher education system the development and application of effective mechanism for quality assurance and improvement play important role to become successful. To fulfill local, national needs as well as international expectations and standards every nation and its university graduates are competing in an environment. Due to increase the impact, the higher education standards and expectations are affected by the success and competitiveness of graduates in tertiary in the institutions. As a result the faculty members, educators and policy makers would be well to evaluate their own tertiary system in that perspective and endeavor to set suitable of their own which also make use of and imitate the unique history, needs, and expectations of the nation. In higher education quality improvement and quality assurance are the most complicated problems because they touch on almost every aspect of the system. The quality assurance is to be carried out effectively by involving critical information to tertiary institutions, employers and the public and to be meaningful to the international higher education community and other international player. In India, survey of various

2. LITERATURE REVIEW

The Indian higher education framework is one of the biggest of its kind in the world. The Indian education framework has its roots in the system inherited from the British at independence in 1947[3]. The deterioration in the quality of higher education was a serious concern for all stakeholders, regardless of a number of built-in quality controls, such as the

Dimensions of Quality in Higher Education

Originally Quality was developed in the manufacturing industry. The adoption of

studies has also indicated the low degree of employability of Indian graduates, which is serious both for planners and the industry. In this case the quality assurance is the first step to improve the situation in this direction. The two different form of quality assurance is ranking and accreditation. National accreditation agencies such as the NAAC and the National Board of Accreditation (NBA) play an important role in monitoring quality in the Indian higher education sector. The most vital terms used as a part of this study are accreditation audit and academic review. Accreditation is a practice of self-study and external quality assessment used in higher education to scrutinize colleges, universities and higher education programs for quality assurance and quality improvement Accreditation is the process usually includes a self-evaluation, peer review and site visits to designed to make sure whether has met or exceed national published standard for accreditation is achieving its mission and stated purpose. With Audit process take review of an institution or program to determine if its curriculum, staff, and infrastructure meet its stated aims and objectives. It is intended to provide an institution assessment of its own programs based on a self-assessment by the unit, a peer review by colleagues outside the program, and a report on the findings.

University Grants Commission’s guidelines and the affiliating functions of the university, [5]. Hence quality assurance is the major concern in HEI’s. Various studies, researches and commission reports at official level has recognized the same and given recommendations for its improvement. Some of these researches are summarized below:

quality control in area of higher education has been superficial and weakened by the activity of academic freedom [7]. Further, the existing culture of universities is often based on

individual autonomy, which is keenly shielded [10]. The most commonly used dimensions of quality in higher education are product, software and service [9]. Author studied quality frameworks in other disciplines such as software engineering which they contend are likened to higher education. From their study they shaped a conceptual framework that groups 30 attributes into the six dimensions of tangibles, competence, attitude, content, delivery and reliability (see Table 1). Owlia and Aspinwall's [9] research come into view to be the most ample dimensioning study of quality of higher education. Other studies appear to validate, accompaniment all or some quality dimensions of Owlia and Aspinwall's research. A recent Indian study [1] thoroughly evaluates the consequence of accreditation in

the Indian education system. The study appraises the upshot of accreditation calisthenics undertaken by agencies like NAAC and NBA. They found these calisthenics have significant impact on improving the quality of higher education. The strengths and shortcomings of the institutions are distinguished for initiating appropriate activity. The stakeholders- the government, students and employers- duly benefited from information and evaluations of institutional performance. R Natarajan[8] explains the significance of institution accreditation in encouraging the Quality Assurance of Technical education and demonstrated the indicators of student, faculty and institutional quality.

Table 1 - Quality dimensions in higher education by Owlia and Aspinwall [9]

No	Dimensions	Characteristics
1	Tangibles	Sufficient equipment/facilities Modern equipment/facilities Ease of access Visually appealing environment Support services (accommodation, sports, ...)
2	Competence	Sufficient (academic) staff Theoretical knowledge, qualifications Practical knowledge Up to date Teaching expertise, communication
3	Attitude	Understanding students' needs Willingness to help Availability for guidance and advice Giving personal attention Emotion, courtesy
4	Content	Relevance of curriculum to the future jobs of students Effectiveness Containing primary knowledge/skills Completeness, use of computer Communication skills and teamworking Flexibility of knowledge, being cross-disciplinary
5	Delivery	Effective presentation Sequencing, timeliness Consistency Fairness of examinations Feedback from students Encouraging students
6	Reliability	Trustworthiness

Author [10] stated that the philosophy of Quality Assurance and Total Quality

Management are derived from the industrial and commercial practice and opined that

greatest endeavor requirements to be employed from all the personnel and services involved in the process of the educational institution to make the Quality Assurance system worthwhile. described two approaches in implementing TQM in educational institutions viz, academic approach and strategic approach. The total quality management concept is applied in order to move ahead and accomplish a higher level of quality in engineering education. Anil R Sahu, Dr. R L Srivastava, Dr. R R Shrivastava [2] counted the key factors which influence the effectiveness of the technical education from

Indian point of view also suggested the seven important key factors affecting the effectiveness of the technical education from Indian perspective.. The quality of teaching and research in this field will play a significant role economy. Prasad [4] reported that the universities which assume traditional management do not focus on the students needs in the process of education. Author Pillai, K. N. M.; Srinivas [5] measured the student’s satisfaction for quality and said that customer satisfaction is directly proportional to the quality.

3. INDIAN HIGHER EDUCATION INFRASTRUCTURE

In India, the higher education is provided by five group of institutions i.e. Central, state, private, deemed universities and “Institutions of National Importance” Figure 1 shows the

spectrum of higher educational institutions in India.

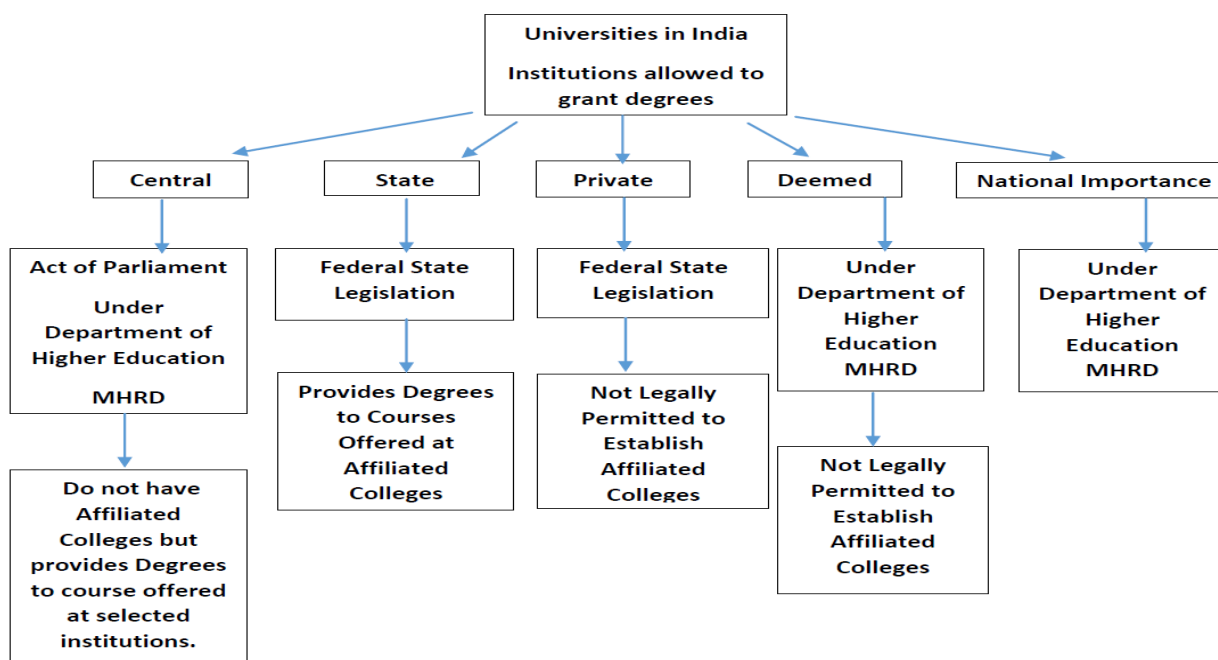


Figure 1: Universe of Higher Educational Institutions in India

The Indian system of higher education has always retorted well to the challenges of the time.

From last two decades, the system came under serve criticism that it had allowed the growing of higher educational institutions (HEIs) compromising with the quality of educational offerings.

To come out these situations the Ministry of Human Resource Development (MHRD) and the University Grants Commission (UGC) took initiatives to

revitalize the standards of higher education. As a result, the National Policy on Education (1986) places special importance on maintenance the quality of higher education in India. The number of Universities has increased 34 times from 20 in 1950 to 677 in 2014. The sector boasts of 45 Central Universities of which 40 are under the purview of Ministry of Human Resource Development, 318 State Universities, 185 State Private universities, 129 Deemed to be Universities, 51 Institutions of National Importance

(established under Acts of Parliament) under MHRD (IITs - 16, NITs – 30 and IISERs – 5) and four Institutions (established under various State legislations). The number of colleges has

also registered manifold increase of 74 times with just 500 in 1950 growing to 37,204, as on 31st March, 2015. (Data Source: MHRD).

4.

KEY PLAYERS IN THE REGULATION OF HIGHER EDUCATION

➤ **The Ministry of Human Resource Development (MHRD)**

The Ministry of Human Resource Development (MHRD) is accountable for directing the functioning of all the universities in India through its main regulatory body Universities Grants Commission (UGC). The other government organizations whose contribution to the Indian educational development significance for mentioning are All India Council for Technical Education (AICTE) and National Assessment and Accreditation Council (NAAC). The Indian government formed following statutory bodies which have been in vital role in assuring and maintaining the quality and standards of higher education system in India.

➤ **University Grant Commission (UGC)**

UGC was established in 1956 as a statutory body of the Government of India through an Act of Parliament. The UGC's authorization includes promoting and coordinating university education; Determining and advancement standards of teaching, examination and research in Universities; Framing regulations on minimum standards of education; Monitoring developments in the field of collegiate and university education; Disbursing grants to the Universities and Colleges; Serving as a vital link between the Union and State Governments and institutions of higher learning; Advising the Central and State Governments on the measures necessary for improvement of university education. The UGC serves as the crucial link between the Central and State governments and other institutions of higher learning, and directed them on the measures essential for the development and improvement of university education Under section 12 (c) in September 1994 ,national Assessment and Accreditation Council (NAAC) was created as an autonomous body to monitor standards of the higher educational institutions.

➤ **National Assessment and Accreditation Council (NAAC)**

In September 1994, at Bangalore the National Assessment and Accreditation Council (NAAC) was setup by the UGC for evaluating the performance of the Universities and Colleges in the Country. NAAC's authorization includes the task of performance evaluation, assessment and accreditation of universities and colleges in the country. The NAAC philosophy is based on objective and continuous improvement rather than being punitive or judgmental, so that all institutions of higher education are empowered to take advantage of their resources, opportunities and capabilities.

Certification given by NAAC called Accreditation, which is valid for a period of five years. Both Assessment and Accreditation by NAAC is done on a voluntary basis. The main agenda of NAAC is to Assess and Accredited Institutions of higher education to helping them work continuously to improve the quality of education. NAAC is assigned with the task of performance evaluation, assessment and accreditation of Universities and Colleges in the Country. NAAC is triggering a 'Quality Culture' among the various constituents of the HEI, as well as enhancing the awareness of Institutional Quality Assurance with all stakeholders.

➤ **All India Council for Technical Education (AICTE)**

AICTE was formed in November, (1945) as a regulatory council to make sure proper planning and development of technical education in India and for preserved norms and standards in the field. AICTE incorporate with the field like engineering, technology, pharmaceutical sciences, architecture, town planning, hotel management, catering technology and applied arts and crafts. The Council has the right to formed regulatory measures related to courses, curricula, facilities, etc, grant approval to start new technical institutions and introduce new courses. It recommended the recognition and de-recognition of institutions and programs

through the National Board of Accreditation. The Government of India (Ministry of Human Resource Development) also established a National Working Group to look into the role of AICTE in the framework of increase of technical institutions, maintenance of standards and other related matters.

➤ **National Board of Accreditation (NBA)**

NBA is a autonomous body established by AICTE on 7th January, 2010, with the objective of assurance of quality and relevance of education especially in technical disciplines. NBA periodically evaluates technical institutions and programs based on the norms and standards under the Council. NBA has been facilitated improvement of quality and relevance of technical and professional education in the country to bring it equal international standards. The difference between AICTE approval and NBA accreditation is that the former regulates whether the institution meets the initial requirements of functioning as a technical education provider or offering a new program. With NBA scrutinizes whether the institution has proved its ability to sustain and improve upon assessment criteria and has earned credibility by the end users. NBA also aspires to become a permanent member of the Washington Accord, which was signed, first in 1989 among accreditation agencies of some countries in order to recognize substantial equivalence in qualifications. (Source, WOSA 2012, NBA)

5. ISSUES OF CONCERN FOR THE INDIAN ACCREDITATION SYSTEM

The NACC accreditation is compulsory for all institutes and has a minimum of a 'B' grade to induce the benefit of added funding as per UGC standard. Such a move can be accepted to accomplish a 'quality culture' between universities and colleges which would facilitate in quality sector. At present concerns with accreditation system for HEIs in India are : (a) Lack of functional autonomy and co-ordination between different government regulatory bodies is a concern. Various entities, such as central and state governments, regulatory bodies, and government quality assuring agencies, are involved in accreditation of the HEIs.(b) There is scope of

subversion of norms and the objectivity of the peer-team report is not beyond doubts and questions (Stella 2002). (c) Subjective and impressionistic Assessment criteria .

Additional, with grow in global competition for tempting all international students, Indian HEIs will try to achieve international recognition. The quality assurance agencies like Higher Education (INQAAHE) or the Washington Accord are some international agencies such as the International Network accord, which accredit many institutes across nations.

The institutions will get global status if the Indian quality assurance agencies join these international agencies or if Indian HEIs begin to be accredited by them. Applicability of uniform norms and standards across a diverse world hence it is questionable.

In December 2005, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Organization for Economic Co-operation and Development (OECD) jointly issued nonbinding guidelines on Quality Provision in Cross-Border Higher Education (OECD and UNESCO 2005). In Dec2005, the UN academic, Scientific and Cultural Organization (UNESCO) and also the Organization for Economic Co-operation and Development (OECD) put together issued nonbinding tips on Quality Provision in Cross-Border instruction (OECD and United Nations Educational Scientific and Cultural Organization(2005).

The country may emerge as a favored global knowledge destination for international students with the Indian quality assurance agencies follow these. But the accreditation agency must not abandon the local value judgments and needs of the specific society before evaluating performance of an HEI. Norms and standards should not be rigid but flexible, depending upon the need of the hour and that of the society. Further, India is at the threshold of opening the doors to foreign education providers if the Foreign Education Bill is approved. Since the concept of quality education can vary across countries, the implications of globalization of higher education system can be contentious and debatable depending on the type of courses, reputation of the foreign providers, nature of collaboration with foreign institutes, etc. (Chattopadhyay2012). Some apprehensions with quality assurance system in Indian higher

education have been attended to in The National Accreditation Regulatory Authority for Higher Educational Institutions Bill, 2010.

➤ **The growth of unrecognized and fraudulent universities and institutions providing higher education in India**

As the demand for higher education has grown in India, so has the proliferation of fake universities as well as unrecognized institutions that offer postsecondary qualifications. According to the UGC, no institution other than a university established

or incorporated by under a Central Act or a State Act shall be entitled to use the word "University" associated with its name in any matter whatsoever. The Commission maintains an updated list of fake universities on its website. AICTE maintains a similar e-list of courses and institutions that offer technical education qualifications without obtaining mandatory approval from the Council. It also provides detailed lists of institutions have been accorded registration by AICTE for conducting programs in collaboration with foreign universities/institutions and those that are running unapproved programs.

6. CHECKPOINTS

Attributes	Check Points	Expected outcome
Stake Holders	Whether Accreditation is providing satisfaction to the stake holders in terms of its quality expectations?	Stake holders like students, parents, industry , society etc should be able experience the quality benefits of accreditation and the quantum of this outcome should be visible
Proper Administration	Whether the funds/grants received in a proper manner without any manipulation?	The grants and incentives should reach the institutions and they should use them in an effective and an efficient manner without any form of corruptions.
Faculty	Whether Accreditation is attracting good talents to join the institution?	Accreditation should encourage the experience/knowledgeable faculty to join the institution.
Experiential learning	Whether Accreditation results in competency building?	Accreditation should focus on the Teaching Learning process and should enhance the skill matrix of the student.
Emphasis on Peer Education	Whether Accreditation results in peer learning in class?	The academically stronger students can help the weak students to perform better. This also facilitates interaction between the students ad builds stronger relation
Emphasis on overall Development of students	Whether Accreditation results in the overall development of the student?	Apart from regular teaching, Other things like extracurricular activities, leadership qualities, social work, and soft skills should also be emphasized upon.
Quality student life	Whether Accreditation results in the enhancement of Quality Student Life?	Guidance and counseling should be a prime part of our education system. Not only academic counseling, but provision of

		<p>personal counseling, should also be made to enhance the quality of student life in terms of cognitive way also.</p>
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7. CONCLUSION:

Quality is very essential attribute in all institutions especially higher education, since it bears a direct impact on the enhancement of the education development. We have attempted to provide a brief overview of the educational system in India. This research conferred how accreditation has taken an important place in the Indian government to get quality in higher education. Higher education is the backbone of the society. Through establishing various statutory bodies in India like NAAC, NBA etc, the Indian higher education has addressed a major impediment that prevented the recognition of most university degrees. Focus has shifted to the future face of accreditation and the importance of education to the various stakeholders. Certain limitations of this study might open the avenues of future research in this area. The scope of the study could have been broadened by adopting an appreciative approach to accreditation process.

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