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FACTORS INFLUENCING CHOICE OF BANK BY INDIAN CUSTOMERS – A STUDY CONDUCTED IN NAGPUR CITY

Dr Kammilie Kamalakara Rao* and Prof Hemant Deshmukh**

Abstract:

Banking industry in India is witnessing churning phase post liberalization. Growing presence of private sector banks and their aggressive methods have forced the public sector banks to rethink the ways of doing business. This study aims to analyze the various factors considered by customers while choosing a bank. Also, the current market shares of public and private sector banks are compared in this study. Results of the study have shown that the public sectors banks are still dominant in the marketplace as compared to their counterparts. It is also observed that the most important factors considered by customers while choosing a bank are– Quality of bank personnel, Reliability, Bunch of services offered and Working hours.

Keywords: Public sector Bank, private sector banks, Quality of bank personnel, Reliability, Bunch of services offered and Working hours.

INTRODUCTION

Banking industry in India is in an extremely dynamic phase. The way banking sector has changed in last two decades is truly amazing. Expansion is the key word; be it the largest bank or the smallest player in the sector. All banks are adding more and more branches to their network. This is encouraged by a more liberal licensing policy of the country's central bank: The RBI. Technology up gradation is another focus area for all banks. In last two decades almost all banks have upgraded their systems and implement Core Banking Solutions for customers. This enables customer to access his bank from anywhere in the country. Transactions have become lightning fast. Direct banking channels such as ATMs, Phone banking, Internet banking, Mobile banking, etc are gaining popularity amongst the customers.

The initiative in bringing about these changes was brought by leading banks from the private sector such as ICICI bank and HDFC bank. These banks have successfully created their

image as customer friendly and technologically advanced banks. Initially it seemed that the public sector banks would be left far behind in the competition by the new age private sector banks. However, it seems that the public sector banks which were known for their not so customer friendly attitude have surprisingly embraced the change and are gearing up for intense competition with the private sector banks.

As a result an individual, today, has multiple options for choosing his or her banker. Similarly, all banks are trying hard to retain their existing customers and attract new customers. This paper attempts to find out the parameters considered by an individual while selecting a bank and where public sector banks stand in comparison to private sector banks.

OBJECTIVES OF THE STUDY

1. To study the market share of public and private sector banks in Nagpur city.
2. To analyze the factors influencing the customers' choice of bank and identify the most important factors with the help of factor analysis technique.

HYPOTHESIS

Ho Public sector and Private sector banks share an equal share of market in terms of primary account.

Ha Public sector and Private sector banks do not share an equal share of market in terms of primary account.

RESEARCH METHODOLOGY

Primary data was collected from 207 respondents in Nagpur city. Respondents were selected using convenience sampling technique. Questionnaire was used to collect the data from the respondents. Data was analyzed using SPSS software. Chi-Square test and Factor analysis were the statistical tools used.

Chi-Square test results:

Bank Type			
	Observed N	Expected N	Residual
1.00	156	103.5	52.5
2.00	51	103.5	-52.5
Total	207		

Test Statistics	
	Bank Type
Chi-Square	53.261 ^a
df	1
Asymp. Sig.	.000

Based on the results of the Chi-Square test we reject the null hypothesis that public and private sector banks have an equal share of market.

Factor Analysis:

The main objective of this research was to identify the key factors influencing customers while selecting a bank. 34 variables were identified and the respondents were asked to rate these variables in terms of importance while selecting a bank. A 5 point scale was used to record the responses of the customers.

Table 1: List of variable selected to collect the responses of customers.

Sr. No	Variable
1	Interest rates offered by the bank
2	Location of branches
3	Working hours on weekdays
4	Government ownership of bank
5	Number of ATMs
6	Direct banking service – Internet, phone, etc.
7	Multiple types of loans offered

8	Parking facilities
9	Ambience
10	Fees charged by the bank
11	Sunday working
12	New age services – RTGS, NEFT, etc.
13	Politeness of staff
14	Service delivery in promised time
15	Helpful staff
16	Willingness of bank personnel to listen to me
17	Bank procedures are clearly defined and explained
18	Timely action on complaints.
19	Quality of advice
20	Home banking service
21	Friendly cashiers
22	Knowledgeable employees
23	Speed of transactions
24	Accurate record maintenance
25	Personal attention to customers
26	Competency of the manager
27	Transparency in processes
28	Banks commitment to society
29	Confidentiality of customer information
30	Integrity
31	Bank is technologically advanced
32	Bank is well managed
33	Bank's Image
34	Bank's commitment to me as customer.

Factor analysis was done in the SPSS software. The analysis was done using Principal Component Analysis and Varimax rotation thereafter. Post analysis, 7 factors were identified. These factors collectively accounted for 72% of the variation in the data.

Table 2: Dimensions of Bank Choice Criteria.

	FACTOR1	FACTOR2	FACTOR3	FACTOR4	FACTOR5	FACTOR6	FACTOR7
VAR001	-0.03	0.56	0.31	0.15	-0.16	0.32	-0.18
VAR002	0.06	0.19	0.19	0.06	0.09	0.11	0.75
VAR003	0.11	-0.01	0.17	0.22	0.76	0.06	0.15
VAR004	-0.06	0.05	0.49	0.17	0.76	-0.13	-0.05
VAR005	0.08	-0.01	-0.06	0.74	0.01	0.05	0.42
VAR006	-0.02	0.06	0.24	0.65	0.35	0.02	0.02
VAR007	0.15	-0.14	0.10	0.69	0.13	0.23	0.10
VAR008	0.11	0.09	0.68	0.01	0.14	0.14	0.17
VAR009	0.24	-0.05	0.65	0.21	0.02	-0.03	0.13
VAR010	0.24	0.19	0.03	0.08	-0.02	0.73	0.04
VAR011	0.36	0.14	0.07	0.17	0.62	0.21	0.06
VAR012	0.36	0.12	0.31	0.61	0.13	0.07	-0.02
VAR013	0.71	0.13	0.32	0.08	0.01	-0.12	0.14
VAR014	0.60	0.21	0.27	0.08	-0.08	0.27	-0.06
VAR015	0.72	0.20	0.31	0.04	0.01	0.24	0.04
VAR016	0.78	0.27	0.10	0.16	0.03	0.09	-0.01
VAR017	0.62	0.37	-0.06	0.22	0.22	0.14	-0.10
VAR018	0.56	0.20	-0.06	0.05	0.16	0.41	-0.13
VAR019	0.60	0.44	-0.07	0.06	0.13	-0.02	-0.01
VAR020	0.12	0.03	0.10	0.23	0.18	0.51	0.17
VAR021	0.72	0.11	0.28	0.06	0.13	0.21	0.08
VAR022	0.71	0.39	0.06	0.05	0.11	0.08	0.18
VAR023	0.57	0.35	0.23	0.14	0.18	0.22	-0.14
VAR024	0.34	0.57	0.00	-0.02	0.14	0.24	-0.10
VAR025	0.33	0.07	0.49	-0.15	0.14	0.08	0.01
VAR026	0.42	0.56	0.18	0.16	0.41	-0.08	0.16
VAR027	0.24	0.68	0.12	0.16	0.19	-0.13	0.22
VAR028	0.21	0.39	0.51	0.09	0.02	0.04	0.17
VAR029	0.24	0.63	0.01	-0.09	0.19	0.00	0.14
VAR030	0.27	0.68	0.03	-0.13	-0.18	0.08	0.20
VAR031	0.49	0.48	0.11	0.33	0.13	-0.12	0.22
VAR032	0.57	0.56	0.04	0.11	0.04	-0.07	0.17
VAR033	0.38	0.61	0.08	0.09	0.13	-0.04	0.14
VAR034	0.54	0.44	0.04	0.05	0.06	0.14	0.20
Eigen Value	12.34	9.56	6.27	5.53	5.18	3.95	3.28

By considering variables with highest loadings on each of the 7 retained factors, they were named as follows:

- Factor 1 Quality of bank personnel
- Factor 2 Reliability and Integrity
- Factor 3 Ambience of the bank
- Factor 4 Bunch of services offered
- Factor 5 Working hours
- Factor 6 Bank charges
- Factor 7 Location convenience

To determine which of the 7 factors are important and which are non-important, initially mean importance ratings were computed for each factor by considering criteria with highest loadings on that factor and adjusting for the number of items comprising it. Because factor 7 was comprised of one item, the mean of that item represented the factor mean. These mean scores were summed across factors and divided by 7. The factors whose averages exceeded the grand mean were designated as “high importance” and those which had lower means compared with the grand mean were labeled as “low importance” factors. From this analysis, 4 factors emerged as being important. As can be seen from Table 3, these were factors 1, 2, 4, and 5.

Table 2: Most Important Factors.

Eigen Value	12.84	9.86	6.27	5.53	5.18	3.75	3.10
	FACTOR1	FACTOR2	FACTOR3	FACTOR4	FACTOR5	FACTOR6	FACTOR7
Total of significant Loadings	8.69	4.59	1.84	2.69	2.14	1.04	0.57
Mean	0.67	0.66	0.61	0.67	0.71	0.52	0.57

CONCLUSION

From the above discussion it is observed that the factors which have high influence on customers while selecting a bank are – Quality of bank personnel, Reliability, Bunch of services offered and Working hours.

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A STUDY ON EMPLOYEE ENGAGEMENT AND ORGANIZATIONAL CITIZENSHIP BEHAVIOUR IN THE IT INDUSTRY IN CHENNAI

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ABSTRACT

In the present business scenario, one of the key drivers of employee performance has been identified as employee engagement. Employee engagement is 'capturing' the heads, hearts, and souls of the employees to instill an intrinsic desire and passion for excellence. Engaged employees strived for their organization's success because they feel connected emotionally, socially, and even spiritually to its mission, vision, and purpose. Employee engagement is the level of commitment and involvement an employee has towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. It is a positive attitude held by the employees towards the organization and its values. This paper focuses on the relationship between Employee Engagement and Organizational Citizenship Behaviour based on data collected from IT professionals in the city of Chennai.

Keywords: Employee Engagement, Organizational citizenship behaviour, IT, Chennai

INTRODUCTION

In the recent past, the term 'employee engagement' has increasingly come to the fore and has been discussed as a major determinant of employee performance. According to Scarlett Surveys (2011), "Employee Engagement is a measureable degree of employees' positive or negative emotional attachment to their job, colleagues and organization which profoundly influences their willingness to learn and perform at work". Thus engagement is distinctively different from satisfaction, motivation, culture, climate and opinion. Hewitt Associates (2004) define Employee Engagement as the energy, or passion employees have for their

employer. Employee engagement is described using three different elements namely, 'Stay', 'Say' and 'Strive' where, 'Stay' is the intense desire to be a member of the organization, 'Say' is to consistently speak positively about the organization and 'Strive' is to go beyond what is minimally required to achieve business goals. This is also referred to as the three-point model of employee engagement.

The six pillars of employee engagement are people, work / motivation, total rewards, opportunities, procedures and quality of life / values (Aon Hewitt, 2011). Robinson, Perryman and Hayday (2004) have identified the behaviors demonstrated by engaged employee as belief in the organization, desire to work to make things better, understanding of business context and the 'bigger picture', respectful of, and helpful to, colleagues, willingness to 'go the extra mile', and keeping up-to-date with developments in the field. Thus, an organization's capacity to manage employee engagement is closely related to its ability to achieve high performance levels and superior business results.

While employee engagement is important for performance, situations warrant employees to perform extra-role behaviors like organizational citizenship behaviour. Dennis Organ (1988), the father of organizational citizenship behavior (OCB), defines OCB as "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization". Jacqueline et al. (2004) refer to OCB as extra-role behavior that is, any behavior that is not officially required by the organization but the practice of which depends solely on the consent of employee as a consequence of the organizational environment. It described actions in which employees are willing to go above and beyond their prescribed role requirements. It is extremely valuable to organizations (Katz and Kahn, 1978) and can contribute to performance and competitive advantage (Nemeth and Staw, 1989). Thus, OCB is considered to be an important precursor to overall success of organization in maximizing its objectives and realizing its goals.

There is consensus in the field that employee engagement and OCB are salient behaviors for organizational enterprises and it is worth exploring the relationship between the two. Engagement has clear overlaps with the more exhaustively researched concepts of commitment and organizational citizenship behaviour, but there are also differences. In particular, engagement is two-way; organizations must work to engage the employee, who in turn has a choice about the level of engagement to offer the employer. This paper focuses on clearly defining the relationship between employee engagement and OCB by studying a sample drawn from the IT industry in the city of Chennai.

REVIEW OF LITERATURE

The Institute of Employment Studies (2003) defines engagement as ‘a positive attitude held by the employee towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.’

The Gallup Q12 (2006) engagement index slots people into one of three categories, namely, engaged employees, not-engaged employees and actively disengaged employees. ‘Engaged employees’ work with passion and feel a profound connection to their company. They drive innovation and move the organization forward. ‘Engaged’ employees are builders. They want to know the desired expectations for their role so they can meet and exceed them. They are naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. ‘Not-Engaged employees’ are essentially putting in time, but not enough energy or passion into their work. “Not-engaged” employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks compared to achieving an outcome. Employees who are not-engaged tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers. ‘Actively Disengaged employees’ are the "cave dwellers”. They are "Consistently against Virtually Everything." They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

Various drivers of employee engagement have been identified by the Institute of Employment Studies (2003). The strongest driver of engagement is a sense of feeling valued and involved which in turn is influenced by other factors as depicted in Figure 1.

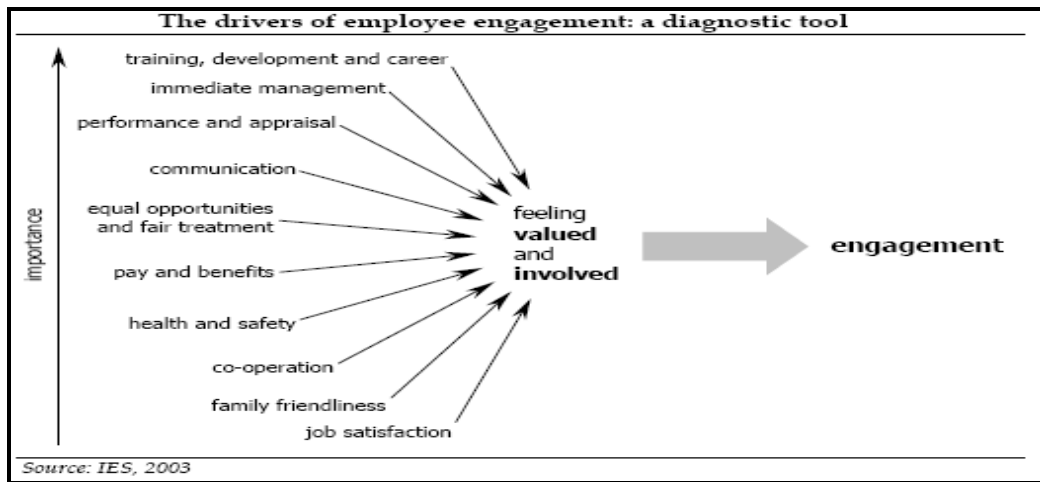


Figure 1: Drivers of Engagement

The eight fold thrust areas for employee engagement (Institute of Employment Studies, 2003) are (i) Good quality line management, (ii) Two-way, open communication, (iii) Effective co-operation, (iv) A focus on developing employees, (v) A commitment to employee well-being, (vi) Clear, accessible HR policies and practices, (vii) Fairness in relation to pay and benefits in terms of comparisons within and outside the organization, and (viii) A harmonious working environment. The benefits of having a highly engaged workforce include (i) lower turnover, (ii) less absenteeism and fewer lost accident and sick days, (iii) larger pool of talent from which to select employees, (iv) greater employee productivity, (v) increased customer satisfaction, (vi) higher revenue growth and economic returns, and (vii) greater sustainability in the face of business challenges.

Organizational citizenship behavior is referred as set of discretionary workplace behaviors that exceed one's basic job requirements. They are often described as behaviors that go beyond the call of duty. Organ, in 1988, identified five dimensions belonging to OCBs – Altruism, Courtesy, and Civic Virtue, Conscientiousness and Sportsmanship. Altruism (e.g., helping new colleagues and freely giving time to others) is typically directed toward other individuals but contributes to group efficiency by enhancing individuals' performance. Courtesy (e.g., advance notices, reminders, and communicating appropriate information) helps prevent problems and facilitates constructive use of time. Civic Virtue (e.g., serving on committees and voluntarily attending functions) promotes the interests of the organization. Conscientiousness (e.g., efficient use of time and going beyond minimum expectations) enhances the efficiency of both an individual and the group. Sportsmanship (e.g., avoids complaining and whining) improves the amount of time spent on constructive endeavors in the organization.

Largely based on Organ's five-dimension taxonomy, Williams and Anderson (1991) proposed a two-dimensional conceptualization of OCB: OCB-I and OCB-O. OCB-I refers to behaviors directed towards individuals and comprises altruism and courtesy while OCB-O refers to behaviors directed towards organizations and comprises three dimensions namely civic virtue, conscientiousness and sportsmanship.

OBJECTIVES OF THE STUDY

The three-fold objectives of the study are:

1. To trace the levels of Employee Engagement and Organizational Citizenship Behavior among the employees of IT industry.
2. To measure the relationship between employee engagement and Organizational Citizenship Behavior.
3. To study the association between personal variables and levels of OCB of the respondents.

HYPOTHESES

NH-1: There is no relationship between Employee Engagement and its Dimensions and Organizational Citizenship Behaviour and its dimensions.

NH-2: There is no association between personal variables and level of OCB.

RESEARCH METHODOLOGY

This study adopted the descriptive research design. The key source of data was primary that is., the employees of IT companies in Chennai. All the employees who have completed at least one year of service in an IT company constituted the universe for this study. The sample size for this study is 90. The sampling technique adopted for this study is simple random sampling technique and were drawn from five IT companies in Chennai.

A questionnaire was constructed to collect data. The questionnaire consisted of 56 questions. It was divided into three sections as Part-I, Part-II and Part-III respectively. Part- I consisted of six questions to trace the demographic profile of the respondents. Part- II consisted of a 25-item scale to measure employee engagement fashioned after the Gallup12 (2006)

instrument. The reliability coefficient is 0.93 (Cronbach alpha value). The responses are rated on a five point scale. Four dimensions of Engagement given by Gallup Inc (2006) are (i) Growth, (ii) Belongingness, (iii) Care and support and (iv) Inputs to perform work. Part- III consisted of a 25-item tool to assess organizational citizenship behaviour. It is based on the scale developed by Podsakoff, et al. (1990) to assess the dimensions of OCB such as Altruism, conscientiousness, courtesy, sportsmanship and civic virtue. The reliability coefficient is 0.87 (Cronbach alpha value). Pretesting was carried out in the month of December 2010 among 10 samples. Data were collected between the months of December 2010 and February 2011. The data collected were analyzed and interpreted using SPSS (statistical package for social sciences), version 18.1. In addition to descriptive statistics, chi-square test and Pearson Correlation have been applied.

The prime limitation of the study is the sample size. As the sample size of the research study is not very comprehensive, generalization may be limited.

RESULTS

The study results are presented in four sections, (i) Personal profile of the respondents, (ii) Employee Engagement, (iii) Organizational Citizenship Behaviour, and (iv) Interplay of Variables.

Section I: Personal profile of the respondents

Table 1: Profile of the respondents

S. No.	Variables	Frequency	Per cent
1.	Age (Mean age = 25.06 years & Standard Deviation = 3.06)		
	21 – 25 years	50	55.6
	26 years and above	40	44.4
	Total	90	100.0
2.	Gender		
	Male	50	55.6
	Female	40	44.4
	Total	90	100.0
3.	Education		
	Under graduation (IT related)	59	65.6
	Post Graduation (IT related)	31	34.4

S. No.	Variables	Frequency	Per cent
	Total	90	100.0
4.	Designation		
	Executive cadre	87	96.7
	Managerial cadre	3	3.3
	Total	90	100.0
5.	Department		
	Technical	59	65.6
	Support	31	34.4
	Total	90	100.0
6.	Experience (Mean = 2.05 Standard Deviation = 1.28)		
	1 – 3 years	77	85.6
	4 years & above	13	14.4
	Total	90	100.0

Table 1 presents the Social and Job demographics such as age, gender, education, department, designation and years of experience of the respondents. The mean age of the respondents is twenty five years and the respondents' age ranges from 21 to 45 years. A little more than half of the respondents (55.6%) are men. Almost two-fifth of the respondents (55.7%) have done their under-graduation in IT related subjects. Great majority of the respondents (96.7%) are from the executive cadre. They were designated as engineers, analysts, developers and so on. Almost two-third of the respondents (65.6%) belonged to the technical department and the rest (34.4%) belonged to the support functions. Majority of respondents (85.6%) have one to three years of experience in the present organization. The years of experience in the present organization ranges from one to seven years. The mean years of experience of the respondents are 2.05 years.

Section – II: Employee Engagement

This section on Employee Engagement shows the distribution of the respondents by their opinion on the four dimensions of Engagement namely, (i) Growth, (ii) Belongingness, (iii) Care and support and (iv) Inputs to perform work

Table 2: Respondents by their opinions on the ‘Growth’ dimension of employee engagement

S.No.	Employee Engagement dimension -1 – Growth	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	In the last six months, someone at work has talked to me about my progress	24 (26.7)*	36 (40.0)	22 (24.4)	7 (7.8)	1 (1.1)	90 (100.0)
2	This last year, I have had opportunities at work to learn and grow	21 (23.3)	48 (53.3)	12 (13.3)	9 (10.0)	-	90 (100.0)
3	Job promotions in my organization is fair and objective	8 (8.9)	37 (41.1)	29 (32.2)	11 (12.2)	5 (5.6)	90 (100.0)
4	I see myself continuing to work for this organization two years from now	11 (12.2)	34 (37.8)	32 (35.6)	7 (7.8)	6 (6.7)	90 (100.0)

*Figures in parentheses represent percentages

Table 2 represents the distribution of the respondents by their opinion on growth prospects in the organization which is one of the key positive indicators of employee engagement.

A little more than one-fourth of the respondents (26.7%) strongly agreed while two-fifth of the respondents (40%) agreed that in the last six months their progress was discussed by someone at their organization. Majority of the respondents (76.6%) have opined that they have had adequate opportunities to learn and grow during the past year. There is divided opinion as regards objectivity in job promotions. Only a few respondents (8.9%) have strongly agreed that promotion in their organization is fair. Almost two-fifth of the respondents (17.8%) have opined in the negative. Half of the respondents have stated that they intended to stay in the same organization for at least the following two years.

From the above table, it can be inferred that majority of respondents considered the prospects for growth in the organization as adequate.

Table 3: Respondents by their opinions on the ‘Sense of belongingness’ dimension of employee engagement

S.No	Employee Engagement Dimension -2 – Belongingness	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	At work, my opinions seem to count	17 (18.9)*	51 (56.7)	18 (20.0)	3 (3.3)	1 (1.1)	90 (100.0)
2	The vision, mission or purpose of my organization makes me feel my job is important	17 (18.9)	48 (55.3)	19 (21.1)	6 (6.7)	-	90 (100.0)
3	My associates or fellow employees are committed to doing quality work	17 (18.9)	56 (62.2)	15 (16.7)	2 (2.2)	-	90 (100.0)
4	I have a best friend at work	36 (40.0)	37 (41.1)	8 (8.9)	9 (10.0)	-	90 (100.0)
5	Organization policies are clearly communicated	9 (10.0)	45 (50.0)	21 (21.3)	11 (12.2)	4 (4.4)	90 (100.0)
6	I am aware of the organization’s business acumen	5 (5.6)	54 (60.0)	23 (25.6)	7 (7.8)	1 (1.1)	90 (100.0)

*Figures in parentheses represent percentages

Table 3 represents the distribution of the respondents by their opinions on sense of belongingness in the organization, the second dimension of employee engagement.

Majority of the respondents (75.6%) contended that their opinions were given due consideration at the workplace. Almost three-fourth of the respondents (73.9%) believed that they felt the linkages between their jobs and the vision, mission or purpose of the organization. Great majority (81.1%) have opined that their colleagues were committed to doing quality work. As regards workplace relationships, two-fifth of the respondents (40%) strongly agreed that they had a best friend at work while a little more than two-fifth of the respondents (41.1%) agreed to the same. While only one-tenth of the respondents (10%) strongly agreed that organization policies were clearly communicated to them, one-half of the respondents (50%) agreed to the same. Less than one-tenth of the respondents (5.6%) strongly agreed that they are aware of their organization’s business domain and three-fifth of the respondents (60%) agreed to the same.

From the above data, it can be inferred that sense of belongingness was encouraging vis a vis workplace relationships and quality orientation while organisational communication was a cause for concern.

Table 4: Respondents by their opinions on the ‘Care and support’ dimension of employee engagement

S.No.	Employee Engagement Dimension 3 – Care & Support	Strongly Agree	Agree	Agree nor Disagree	Disagree	Strongly Disagree	Total
1	At work, I have the opportunity to do what I do best every day	22 (24.4)*	51 (56.2)	12 (13.3)	5 (5.6)	-	90 (100.0)
2	In the last seven days, I have received recognition or praise for doing good work.	15 (16.7)	28 (31.1)	35 (38.9)	9 (10.0)	3 (3.3)	90 (100.0)
3	My supervisor, or someone at work seems to care about me as a person.	23 (25.6)	35 (38.9)	23 (25.6)	8 (8.9)	-	90 (100.0)
4	There is someone at work who encourages my development.	14 (15.6)	58 (64.4)	11 (12.2)	7 (7.8)	-	90 (100.0)
5	I can communicate directly with my boss.	25 (27.8)	47 (52.2)	11 (12.2)	6 (6.7)	1 (1.1)	90 (100.0)
6	My boss motivates me.	18 (20.0)	32 (35.6)	31 (34.4)	6 (6.7)	3 (3.3)	90 (100.0)
7	All employees in this organization are treated equally	11 (12.2)	43 (47.8)	18 (20.0)	13 (14.4)	5 (5.6)	90 (100.0)
8	I trust my colleagues and senior management	14 (15.6)	41 (45.6)	27 (30.0)	6 (6.7)	2 (2.2)	90 (100.0)

*Figures in parentheses represent percentages

Table 4 represents the distribution of the respondents by their opinion on care, support, encouragement and recognition provided by their organization. This is the third dimension of the employee engagement construct.

Majority of the respondents (80.6%) believed that did have the opportunity to do their best at work every day. There is mixed opinion with respect to having been recognized during the past week – less than half of the respondents (47.8%) opined so, almost two-fifth of the respondents (38.9%) did not have any opinion regarding it and the rest categorically expressed that they were not recognized in the recent past. As regards the sense of being

cared for by any person in the work milieu, be it a peer or a supervisor, a little more than two-third of the respondents (64.5%) agreed to it. Only less than one-tenth of the respondents (8.9%) have stated that they did not feel cared for in the work place. It is heartening to note that majority of the respondents (80.0%) have stated that there is someone at work to encourage their development. Further, 80.0% of the respondents have stated that they get to directly communicate with their boss. There is mixed opinion with respect to the boss being a motivator. While 75.6% of the respondents agree that their boss motivate them at work, 34.4% of the respondents neither agree nor disagree and 10% of the respondents disagree to the same. Similarly, there is mixed opinion with respect to all employees in the organization being treated equally. While 60.0% of the respondents agree that their boss motivate them at work, 20% of the respondents neither agree nor disagree and 20% of the respondents disagree to the same. While, almost two-third of the respondents (61.2%) agree that they can trust their colleagues and senior management, less than one-third of the respondents (30%) neither agree nor disagree and less than one-tenth of the respondents (8.9%) disagree to the same.

From the above interpretations we can infer that a majority of respondents feel that the care, support, encouragement and recognition provided by their organization are adequate.

Table 5: Respondents by their opinions on the ‘Inputs to perform’ dimension of employee engagement

S. No.	Employee Engagement Dimension 4 – Inputs to perform	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1.	I know what is expected of me at work	34 (37.8)*	50 (55.6)	6 (6.7)	-	-	90 (100.0)
2.	I have the materials and equipment I need to do my work right	27 (30.0)	53 (58.9)	8 (8.9)	2 (2.2)	-	90 (100.0)
3.	The compensation and benefits in my organization are satisfactory	10 (11.1)	30 (33.3)	24 (32.2)	11 (12.2)	10 (11.1)	90 (100.0)
4.	I feel my working conditions are safe and secure	22 (24.4)	54 (60.0)	7 (7.8)	6 (6.7)	1 (1.1)	90 (100.0)

S. No.	Employee Engagement Dimension 4 – Inputs to perform	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
5.	My work responsibilities are reasonable	14 (15.6)	54 (60.0)	16 (17.8)	6 (6.7)	-	90 (100.0)
6.	I am satisfied with the rewards and recognitions	8 (8.9)	34 (37.8)	30 (33.3)	13 (14.4)	5 (5.6)	90 (100.0)
7.	My job makes me feel important	20 (22.2)	42 (46.7)	22 (24.4)	5 (5.6)	1 (1.1)	90 (100.0)

*Figures in parentheses represent percentages

Table 5 represents the distribution of the respondents by their opinion on inputs they get from the organization for doing their work properly and how compensation-benefits and reward systems plays a vital role leading to employee engagement.

Very great majority of the respondents (93.4%) have opined that they know what is expected of them at work. Almost nine-tenth of the respondents (88.9%) have stated that they have the materials and equipments necessary to do their work right. There is mixed opinion when it comes to satisfaction with compensation and benefits received. While only 44.4% of the respondents have expressed their satisfaction in this regard, 23.3% of the respondents have expressed their dissatisfaction. Great majority of respondents have stated that they feel safe and secure in their organizations. Less than one-fifth of the respondents (15.6%) strongly agree that their work responsibilities are reasonable. There is mixed opinion regarding satisfaction with rewards and recognitions received. While 8.9% of the respondents are highly satisfied with the rewards and recognition provided by their organizations, 5.6% of the respondents are highly dissatisfied with the same. Majority of the respondents (68.9%) have stated that their job makes them feel noteworthy.

From the above interpretations it can be inferred that a majority of the respondents have reported the adequacy of work expectations, materials and equipment, working conditions, work responsibilities and job worth as inputs to perform. However, there is some mixed opinion as regards compensation and benefits and rewards and recognition.

Table 6 : Respondents by their levels of Employee Engagement

Level	Frequency	Percentage
Low	1	1.1
Moderate	42	46.7
High	47	52.2
Total	90	100.0

Table 6 presents the distribution of respondents based on their levels of engagement in their organizations classified as Low, Medium and High. The employee engagement scale is a 25-item inventory on a 5-point Likert type response pattern. The scores could range between 25 and 125. Accordingly, the respondents were classified as ‘Low’ for scores ranging from 25 to 58, ‘Moderate’ for scores ranging from 59 to 92 and as ‘High’ for scores above 92. It is heartening to note that only one respondent has low level of employee engagement. While a little more than half of the respondents (52.2%) have high levels of employee engagement, 46.7% have moderate level of employee engagement.

Employees with high levels of employee engagement work with passion and feel a profound connection to their companies. They drive innovation and move the organization forward. Organisations should take appropriate initiatives to move the employees with low and moderate levels of employee engagement to the high category and also continuously strive to sustain the engagement of those in high category.

Section – III: Organizational Citizenship Behavior

This section on Organizational Citizenship Behaviour shows the distribution of the respondents by their opinion on the five dimensions of OCB given by the Organ (1988) namely (i) Altruism, (ii) Conscientiousness, (iii) Courtesy, (iv) Civic Virtues and (v) Sportsmanship.

Table 7: Respondents by their opinions on 'Altruism' dimension of OCB

S. No.	Indicators of Altruism	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	I adjust my work schedule to accommodate other employees' requests for time off.	19 (21.2)*	58 (64.4)	12 (13.3)	1 (1.1)	-	90 (100.0)
2	I show genuine concern and courtesy toward coworkers, even under the most tiring business or personal situations	17 (18.9)	65 (72.2)	6 (6.7)	2 (2.2)	-	90 (100.0)
3	I took time to advice, coach, or mentor a co-worker.	15 (16.7)	58 (64.4)	16 (17.8)	1 (1.1)	-	90 (100.0)
4	I willingly spare my time to help colleagues who have work-related problems	25 (27.8)	56 (62.2)	8 (8.9)	1 (1.1)	-	90 (100.0)
5	I help co-workers with heavy work load	24 (26.7)	57 (63.3)	7 (7.8)	2 (2.2)	-	90 (100.0)
6	I help new employees get oriented to their job	20 (22.2)	65 (72.2)	4 (4.4)	1 (1.1)	-	90 (100.0)

*Figures in parentheses represent percentages

Table 7 presents the distribution of the respondents by their opinion on helping behaviours. This character is compared to that of a good citizen who shows genuine interest and consideration toward other employees.

Great majority of the respondents (85.7%) have stated that they have adjusted their work schedule to help other employees who are taking off. Very great majority of the respondents (91.1%) have expressed that they had shown genuine concern towards their colleagues even in most tiring business and personal situations. 81.1% of the respondents have stated that they have taken time to advice or mentor a co-worker. More than one-fourth of the respondents (27.8%) strongly agreed that they willingly helped their colleagues with their work-related problems. Very great majority of the respondents (90.0%) have stated that they did help to ease their co-workers heavy work load. Almost all respondents (94.4%) have mentioned that they helped new employees get oriented to their job.

Thus it can be inferred that predominantly majority of respondents are altruistic and exhibit helping behaviors at the work place.

Table 8: Respondents by their opinions on ‘Conscientiousness’ dimension of OCB

S. No.	Indicators of Conscientiousness	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	I do not take long lunches or breaks.	15 (16.7)*	53 (58.9)	17 (18.9)	4 (4.4)	1 (1.1)	90 (100.0)
2	I work beyond office hours even though not being asked so.	21 (23.3)	53 (58.9)	13 (14.4)	3 (3.3)	-	90 (100.0)
3	I have taken the initiative to troubleshoot and solve technical problems before requesting help from a supervisor.	16 (17.8)	53 (58.9)	15 (16.7)	6 (6.7)	-	90 (100.0)
4	I express loyalty toward the organization.	21 (23.3)	55 (61.1)	11 (12.2)	2 (2.2)	1 (1.1)	90 (100.0)
5	I am concerned about the image of the organization.	20 (22.2)	57 (63.3)	11 (12.2)	1 (1.1)	1 (1.1)	90 (100.0)

*Figures in parentheses represent percentages

Table 8 presents the distribution of the respondents by their opinion on the various indicators of conscientiousness. This dimension throws lights on aspects like employees’ initiative and loyalty towards the organization which in turn are vital for enhancement.

Majority of the respondents (75.6%) have stated that they do not engage in social loafing by taking long breaks and the like. On the other hand, great majority of the respondents (82.2%) have mentioned that they stretch and work beyond the stipulated work hours. Majority of the respondents (76.6%) have contended that they engage in self-initiated problem solving before escalating matters to higher authorities. Only less than one-fourth of the respondents (23.3%) have admitted that they have a strong sense of commitment towards the organization. Great majority of the respondents (85.5%) are concerned about the image of their organization.

From the above interpretations it can be inferred that most respondents make a constructive use time and are loyal to the organization.

Table 9: Respondents by their opinions on ‘Courtesy’ dimension of OCB

S. No.	Indicators of Courtesy	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	My attendance at work is above the norm	31 (34.4)*	54 (60.0)	5 (5.6)	-	-	90 (100.0)
2	I fulfill responsibilities stated in my job description	25 (27.8)	54 (60.0)	10 (11.1)	-	1 (1.1)	90 (100.0)
3	I fulfill performance requirements of my job	21 (23.3)	57 (63.3)	11 (12.2)	-	1 (1.1)	90 (100.0)
4	I offer ideas to improve the functioning of the organization.	19 (21.1)	45 (50.0)	18 (20.0)	6 (6.7)	2 (2.2)	90 (100.0)
5	I obey company rules and regulations even when no one is watching.	22 (24.4)	52 (57.8)	12 (13.3)	3 (3.3)	1 (1.1)	90 (100.0)

*Figures in parentheses represent percentages

Table 9 presents the distribution of the respondents by their opinion on compliance with general rules, norms, and expectations. This dimension is compared to the attributes of that of a good soldier, meaning abiding by rules and contributing towards betterment.

Almost all respondents (94.4%) have contended that their attendance at work is above normal requirements. Great majority of the respondents (87.8%) have stated that they always fulfill their responsibilities as stated in their job description. Needless to say, great majority of the respondents (86.6%) have stated that they fulfill their performance requirements. A little less than one-tenth of the respondents (9.9%) have admitted that they do not offer ideas to improve the functioning of the organization. Great majority of the respondents (82.2%) have mentioned that they obey rules and regulations even in the absence of authorities.

From the above data, it can be inferred that a majority of the respondents comply with general rules, norms, and expectations i.e., most respondents are courteous and possess attributes of that of a good soldier.

Table 10: Respondents by their opinions on ‘Civic Virtues’ dimension of OCB

S. No.	Indicators of Civic Virtue	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
1	I attend functions that are not required but help the company's image.	31 (34.4)	54 (60.0)	5 (5.6)	-	-	90 (100.0)
2	I attend training / information sessions that I am encouraged to, but not required to attend.	25 (27.8)	54 (60.0)	10 (11.1)	-	1 (1.1)	90 (100.0)
3	I attend and actively participate in company meetings.	21 (23.3)	57 (63.3)	11 (12.2)	-	1 (1.1)	90 (100.0)
4	I always read and follow all the notices, announcements and others given out by the organization	19 (21.1)	45 (50.0)	18 (20.0)	6 (6.7)	2 (2.2)	90 (100.0)
5	I keep myself updated with changes in the organization	22 (24.4)	52 (57.8)	12 (13.3)	3 (3.3)	1 (1.1)	90 (100.0)

*Figures in parentheses represent percentages

Table 10 presents the distribution of the respondents by their opinion on promoting the interests of the organization. This dimension elicits the voluntary participation of employees for the betterment of the organization.

Almost all respondents (94.4%) have stated that they attend functions that build the image of their organization. Great majority of the respondents (87.8%) have mentioned that they engage in professional development by voluntarily attending training or information sessions that are not mandatory. 86.6% of the respondents have opined that they actively participate in company meetings. Only less than three-fourth of the respondents (71.1%) have admitted that they regularly follow organisational notices and announcements. Great majority of the respondents (82.2%) have stated that they update themselves with the changes in the organization.

Thus it can be inferred that a majority of respondents voluntarily participate in meetings and or training sessions that contribute to organizational development.

Table 11: Respondents by their opinions on ‘Sportsmanship’ dimension of OCB

S. No.	Indicators of sportsmanship	Strongly Agree	Agree	Neither Agree nor	Disagree	Strongly Disagree	Total
1	I always complain about things which are not important	2 (2.2)	4 (4.4)	26 (28.9)	41 (45.6)	17 (18.9)	90 (100.0)
2	I always find fault with what the organization is doing	1 (1.1)	4 (4.4)	24 (26.7)	45 (50.0)	16 (17.8)	90 (100.0)
3	I always pay attention to matters that are negative rather than matters that are positive	1 (1.1)	8 (8.9)	21 (23.3)	43 (47.8)	17 (18.9)	90 (100.0)
4	I always complain about work	1 (1.1)	3 (3.3)	15 (16.7)	44 (48.9)	27 (30.0)	90 (100.0)

*Figures in parentheses represent percentages

The above table presents the distribution of the respondents by their opinion on avoiding complaining and thereby improving the amount of time spent on constructive endeavors in the organization.

Only less than one-tenth of the respondents (6.6%) have admitted that they do complain about unimportant aspects. Besides, only a handful of respondents (5.5%) have mentioned that they always find fault with the functioning of their organization. One-tenth of the respondents (10%) have stated that they always pay attention to matters that are negative rather than matters that are positive. Only four respondents have expressed that they complain about work.

Thus it can be inferred that a majority of respondents avoid complaining about their work and organization. This positive indicator helps to keep the morale of the employees as towering as possible and improve the amount of time spent on constructive endeavors in the organization.

Table 12: Respondents by their levels of Organizational Citizenship Behavior

Level	Frequency	Percentage
Low	-	-
Medium	21	23.3
High	69	76.7
Total	90	100.0

Table 12 presents the distribution of respondents based on their levels of Organizational Citizenship Behavior classified as Low, Medium and High. The OCB scale is a 25 item instrument on a 5-point Likert type scale. Accordingly, the respondents with scores between 25 to 58 constituted the low category, while those with scores between 59 and 92 constituted the moderate category and those with scores between 93 and 125 constituted the high category.

The data reveals that none of the respondents fell under the low category. Majority of the respondents (76.7%) were classified under high levels of Organizational Citizenship Behaviour.

Thus it can be inferred that a majority of respondents (76.7%) engage in high level of OCB and are willing to go above and beyond their prescribed role requirements. This contributes positively to overall organizational effectiveness.

Section – IV: Interplay of Variables

Table 13 is the inter-correlation matrix presenting the relationship between the variables ‘Engagement’ and its dimensions and OCB and its dimensions.

To test the statistical significance of the data, Pearson correlation was applied and the results of the same are discussed below. To facilitate the statistical testing, NH1 (Null Hypothesis) was framed as under.

NH-1: There is no relationship between Employee Engagement and its Dimensions and Organizational Citizenship Behaviour and its dimensions.

This null hypothesis may be broken down as under:

NH-1.1: There is no relationship between Employee Engagement and OCB

NH-1.2: There is no relationship between the Growth dimension of Employee Engagement and OCB

NH-1.3: There is no relationship between the Belongingness dimension of Employee Engagement and OCB

NH-1.4: There is no relationship between the care and support dimension of Employee Engagement and OCB

NH-1.5: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and OCB

NH-1.6: There is no relationship between Employee Engagement and Altruism dimension of OCB

NH-1.7: There is no relationship between the Growth dimension of Employee Engagement and Altruism dimension of OCB

NH-1.8: There is no relationship between the Belongingness dimension of Employee Engagement and Altruism dimension of OCB

NH-1.9: There is no relationship between the care and support dimension of Employee Engagement and Altruism dimension of OCB

NH-1.10: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and Altruism dimension of OCB

NH-1.11: There is no relationship between Employee Engagement and Conscientiousness dimension of OCB

NH-1.12: There is no relationship between the Growth dimension of Employee Engagement and Conscientiousness dimension of OCB

NH-1.13: There is no relationship between the Belongingness dimension of Employee Engagement and Conscientiousness dimension of OCB

NH-1.14: There is no relationship between the care and support dimension of Employee Engagement and Conscientiousness dimension of OCB

NH-1.15: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and Conscientiousness dimension of OCB

NH-1.16: There is no relationship between Employee Engagement and Courtesy dimension of OCB

NH-1.17: There is no relationship between the Growth dimension of Employee Engagement and Courtesy dimension of OCB

NH-1.18: There is no relationship between the Belongingness dimension of Employee Engagement and Courtesy dimension of OCB

NH-1.19: There is no relationship between the care and support dimension of Employee Engagement and Courtesy dimension of OCB

NH-1.20: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and Courtesy dimension of OCB

NH-1.21: There is no relationship between Employee Engagement and Civic Virtue dimension of OCB

NH-1.22: There is no relationship between the Growth dimension of Employee Engagement and Civic Virtue dimension of OCB

NH-1.23: There is no relationship between the Belongingness dimension of Employee Engagement and Civic Virtue dimension of OCB

NH-1.24: There is no relationship between the care and support dimension of Employee Engagement and Civic Virtue dimension of OCB

NH-1.25: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and Civic Virtue dimension of OCB

NH-1.26: There is no relationship between Employee Engagement and Sportsmanship dimension of OCB

NH-1.27: There is no relationship between the Growth dimension of Employee Engagement and Sportsmanship dimension of OCB

NH-1.28: There is no relationship between the Belongingness dimension of Employee Engagement and Sportsmanship dimension of OCB

NH-1.29: There is no relationship between the care and support dimension of Employee Engagement and Sportsmanship dimension of OCB

NH-1.30: There is no relationship between the inputs to perform work properly dimension of Employee Engagement and Sportsmanship dimension of OCB

Table 13: Relationship between Engagement and its dimensions and Organisation Citizenship Behavior and its dimensions

Variable	Values	Variable										
		E E	EE_D 1	EE_D 2	EE_D 3	EE_D 4	OC B	OCB_D 1	OCB_D 2	OCB_D 3	OCB_D 4	OCB_D 5
EE	r	1	.892**	.877**	.936**	.928**	.596*	.314**	.460**	.472**	.493**	.398**
	p		.000	.000	.000	.000	.000	.003	.000	.000	.000	.000
EE_D1	r		1	.723**	.780**	.796**	.468*	.142	.352**	.312**	.450**	.389**
	p			.000	.000	.000	.000	.182	.001	.003	.000	.000
EE_D2	r			1	.751**	.751**	.583*	.347**	.506**	.411**	.490**	.339**
	p				.000	.000	.000	.001	.000	.000	.000	.001
EE_D3	r				1	.815**	.514*	.264*	.345**	.451**	.440**	.338**
	p					.000	.000	.012	.001	.000	.000	.001
EE_D4	r					1	.604*	.369**	.489**	.508**	.429**	.394**
	p						.000	.000	.000	.000	.000	.000
OCB	r						1	.728**	.740**	.821**	.763**	.568**
	p							.000	.000	.000	.000	.000
OCB_D 1	r							1	.519**	.592**	.409**	.201
	p								.000	.000	.000	.057
OCB_D 2	r								1	.556**	.463**	.211*
	p									.000	.000	.046
OCB_D 3	r									1	.536**	.338**
	p										.000	.001
OCB_D 4	r										1	.251*
	p											.017
OCB_D 5	r											1
	p											

Note:

r value denotes Pearson Correlation

p value denotes Sig. (2-tailed)

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

* . Correlation is significant at the 0.05 level (2-tailed).

Legend:

EE	-	Employee Engagement
EE_D1	-	Employee Engagement Dimension 1 - Growth
EE_D2	-	Employee Engagement Dimension 2 - Belongingness
EE_D3	-	Employee Engagement Dimension 3 - care and support
EE_D4	-	Employee Engagement Dimension 4 - Inputs to perform work
OCB	-	Organizational Citizenship Behaviour
OCB_D1	-	Organizational Citizenship Behaviour Dimension 1- Altruism
OCB_D2	-	Organizational Citizenship Behaviour Dimension 2 - Conscientiousness
OCB_D3	-	Organizational Citizenship Behaviour Dimension 3 - courtesy
OCB_D4	-	Organizational Citizenship Behaviour Dimension 4 - civic virtue
OCB_D5	-	Organizational Citizenship Behaviour Dimension 5 - sportsmanship

As regards to the correlation between Employee Engagement and OCB, there is a moderate positive correlation (r value = 0.596) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.1) is rejected and it is concluded that there is a statistically significant relationship between EE and OCB.

There is moderate degree of positive correlation between each of the dimensions of employee engagement (namely 'growth', 'belongingness', 'care and support' and 'inputs to perform') and OCB. Further, these Pearson correlation coefficients are statistically significant at 0.01 level. Hence, the null hypotheses (NH1.2, NH1.3, NH1.4 and NH1.5) are rejected and it may be concluded that there is a statistically significant relationship between each of the dimensions of EE and OCB.

As regards to the correlation between Employee Engagement and the 'Altruism' dimension of OCB, there is a low, direct correlation (r value = 0.314) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.6) is rejected. There is low degree of positive correlation that is statistically significant at 0.01 level between dimensions two and dimension four of employee engagement (namely 'belongingness' and 'inputs to perform') and the altruism dimension of OCB. Further, while the low degree of positive correlation between 'care and support' dimension of employee engagement and altruism is statistically

significant at 0.05 level, the low degree of positive correlation between growth dimension of employee engagement and altruism is not statistically significant. Hence, the null hypotheses (NH1.8, NH1.9, and NH1.10) are rejected and it may be concluded that there is a statistically significant relationship between 'belongingness', 'care and support' and 'inputs to perform' dimensions of EE and 'altruism' dimension of OCB.

As regards to the correlation between Employee Engagement and the 'Conscientiousness' dimension of OCB, there is moderate, direct correlation (r value = 0.460) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.11) is rejected and it is concluded that there is a statistically significant relationship between EE and 'Conscientiousness' dimension of OCB.

There is low degree of positive correlation that is statistically significant at 0.01 level between dimensions one and dimension three of employee engagement (namely 'growth' and 'care and support') and the conscientiousness dimension of OCB. Also, there is moderate degree of positive correlation between 'belongingness' and 'inputs to perform' dimensions of employee engagement and conscientiousness that are statistically significant at 0.01 level. Hence, the null hypotheses (NH1.12, NH1.13, NH1.14, and NH1.15) are rejected and it may be concluded that there is a statistically significant relationship between 'growth', 'belongingness', 'care and support' and 'inputs to perform' dimensions of EE and 'conscientiousness' dimension of OCB.

As regards to the correlation between Employee Engagement and the 'Courtesy' dimension of OCB, there is moderate degree of positive correlation (r value = 0.472) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.16) is rejected and it is concluded that there is a statistically significant relationship between EE and 'Courtesy' dimension of OCB.

There is low degree of positive correlation that is statistically significant at 0.01 level between dimensions one and dimension two of employee engagement (namely 'growth' and 'belongingness') and the courtesy dimension of OCB. Also, there is moderate degree of positive correlation between 'care and support' and 'inputs to perform' dimensions of employee engagement and courtesy that are statistically significant at 0.01 level. Hence, the null hypotheses (NH1.17, NH1.18, NH1.19, and NH1.20) are rejected and it may be concluded that there is a statistically significant relationship between 'growth',

‘belongingness’, ‘care and support’ and ‘inputs to perform’ dimensions of EE and ‘courtesy’ dimension of OCB.

As regards to the correlation between Employee Engagement and the ‘Civic Virtue’ dimension of OCB, there is moderate, direct correlation (r value = 0.493) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.21) is rejected and it is concluded that there is a statistically significant relationship between EE and ‘Civic Virtue’ dimension of OCB.

There is low degree of positive correlation that is statistically significant at 0.01 level between dimensions three and dimension four of employee engagement (namely ‘care and support’ and ‘inputs to perform’) and the civic virtue dimension of OCB. Also, there is moderate degree of positive correlation between ‘growth’ and ‘belongingness’ dimensions of employee engagement and civic virtue that are statistically significant at 0.01 level. Hence, the null hypotheses (NH1.22, NH1.23, NH1.24, and NH1.25) are rejected and it may be concluded that there is a statistically significant relationship between ‘growth’, ‘belongingness’, ‘care and support’ and ‘inputs to perform’ dimensions of EE and ‘civic virtue’ dimension of OCB.

As regards to the correlation between Employee Engagement and the ‘Sportsmanship’ dimension of OCB, there is low degree of direct correlation (r value = 0.398) which is statistically significant at 0.01 level. Hence, the null hypothesis (NH1.26) is rejected and it is concluded that there is a statistically significant relationship between EE and ‘Sportsmanship’ dimension of OCB. There is low degree of positive correlation that is statistically significant at 0.01 level between all the four dimensions of employee engagement (namely ‘growth’, ‘belongingness’, ‘care and support’ and ‘inputs to perform’) and the sportsmanship dimension of OCB. Hence, the null hypotheses (NH1.27, NH1.28, NH1.29, and NH1.30) are rejected and it may be concluded that there is a statistically significant relationship between ‘growth’, ‘belongingness’, ‘care and support’ and ‘inputs to perform’ dimensions of EE and ‘sportsmanship’ dimension of OCB. Hence it may be concluded that there is a statistically significant relationship between employee engagement and its dimensions on the one hand and OCB and its dimensions on the other except for the correlation between ‘growth’ and ‘altruism’. Thus, only NH 1.7 is accepted.

Chi-Square test was applied to test the associations between the personal variables of the respondents (in terms of age, gender, education, department and experience) and the level OCB.

Table 14: Chi-square results for personal variables and OCB level

S.No.	Personal Variable Studied	Category	OCB Level		Total	Chi-square results
			Moderate	High		
1	Age	21-25 years	10	40	50	Chi-square value = 0.70 degree of freedom= 1 p value = 0.40 (Not Significant)
			20.0%	80.0%	100.0%	
		26 years and above	11	29	40	
			27.5%	72.5%	100.0%	
		Total	21	69	90	
23.3%	76.7%	100.0%				
2	Gender	Male	15	35	50	Chi-square value = 2.79 degree of freedom= 1 p value = 0.09 (Not Significant)
			30.0%	70.0%	100.0%	
		Female	6	34	40	
			15.0%	85.0%	100.0%	
		Total	21	69	90	
23.3%	76.7%	100.0%				
3	Education	Under graduation	17	42	59	Chi-square value = 2.87 degree of freedom= 1 p value = 0.09 (Not Significant)
			28.8%	71.2%	100.0%	
		Post graduation	4	27	31	
			12.9%	87.1%	100.0%	
		Total	21	69	90	
23.3%	76.7%	100.0%				
4	Department	Technical	15	44	59	Chi-square value = 0.41 degree of freedom= 1 p value = 0.51 (Not Significant)
			25.4%	74.6%	100.0%	
		Support	6	25	31	
			19.4%	80.6%	100.0%	
		Total	21	69	90	
23.3%	76.7%	100.0%				
5	Experience	1-3 years	18	59	77	Chi-square value = 0.00 degree of freedom= 1 p value = 0.98 (Not Significant)
			23.4%	76.6%	100.0%	
		4 years and above	3	10	13	
			23.1%	76.9%	100.0%	
		Total	21	69	90	
23.3%	76.7%	100.0%				

To facilitate the statistical testing, the following null hypotheses were framed.

NH-2: There is no association between the personal variables and level of OCB

NH-2.1: There is no association between age and level of OCB

NH-2.2: There is no association between Gender and level of OCB

NH-2.3: There is no association between Education and level of OCB

NH-2.4: There is no association between Department and level of OCB

NH-2.5: There is no association between Experience and level of OCB

The results of the Chi-Square tests are discussed below.

Table 14 presents the bivariate analysis of each of the personal variables and OCB level. With respect to age, it can be deciphered that more percentage of respondents (80%) from the lower age group fall under high OCB compared to 72.5% of the respondents from the other age group (26 years and above). Chi-square test results indicate that the Chi-Square value of 0.70 is not significant as the p value (0.40) is more than 0.05. Hence the Null Hypothesis (NH 2.1) is accepted.

As regards gender, it is evident that more percentage of male respondents (30%) compared to female respondents (15%) fall under the moderate category of OCB. From the Chi-square test results (Chi-Square value = 2.79 and p value = 0.09), it can be concluded that there is no statistically significant association between gender and level of OCB. Hence the Null Hypothesis (NH 2.2) is accepted.

A larger proportion of post-graduate respondents (87.1%) have been categorized as those with high level of OCB compared to their under-graduate counterparts (71.2%). Chi-square test results indicate that the Chi-Square value of 2.87 is not significant as the p value (0.09) was more than 0.05. Hence the Null Hypothesis (NH 2.3) is accepted.

With respect to department, it can be deciphered that more percentage of respondents (80.6%) from the support function fall under high OCB compared to 74.6% of the respondents from the Technical function. Chi-square test results indicate that the Chi-Square value of 0.41 is not significant as the p value (0.51) is more than 0.05. Hence the Null Hypothesis (NH 2.4) is accepted.

As regards experience, the respondents are equally spread across the categories. Also, the chi-square results indicate that the distribution is not statistically significant.

Hence, based on the chi-square results, it may be concluded that there is no association between the personal variables and level of OCB, thereby accepting NH2.

DISCUSSION AND SUGGESTIONS

This study attempted to identify whether there exists any relationship between Employee Engagement and OCB. There is moderate degree of positive correlation that is statistically significant. This is in the lines of the findings of Schaufeli and Bakker (2004) and Sonnentag (2003). Further, none of the personal variables studied had any association with OCB.

Employees who are willing to go above and beyond the call of duties are absolute assets to any organization. The “WIFM” (what is in it for me) factor is minimalistic with a person exhibiting helping behaviours. Organizations must decipher this and try to boost the levels of OCB through various initiatives including employee engagement practices. The following are a few suggestions based on the understanding gained out of the results of the current study:

- A positive influence on the employees is created with promotions sans nepotism, well developed individual specific career plans, care, concern and encouragement from superiors to subordinates. All employees must be treated equally without any bias or prejudices as this has a direct effect on their morale.
- Develop a corporate culture characterized by openness, confrontation, trust, authenticity, proactivity, autonomy, collaboration and Experimentation. This would enable the employees to go the extra mile for their organization and exhibit citizenship behavior.
- Organizations must employ standard tested scales to measure personality traits of the individuals that propel them to engage in OCB. Such identified traits must be seriously considered and developed by the organization through rewards and recognition. This in a way might increase the levels to which employees engage in such helping behaviours.

CONCLUSION

Engagement has clear overlaps with the more exhaustively researched concepts of commitment and organizational citizenship behaviour, but there are also differences. In particular, engagement is two-way; organizations must work to engage the employee, who in turn has a choice about the level of engagement to offer the employer. The two-way nature of engagement has been stressed many times in this research. New recruits often arrive with high engagement levels and a sense of optimism about their future. Organizations cannot expect these levels of engagement to maintain themselves, but instead need to work to

nurture the all-important sense of feeling valued and involved. One thing that engagement has in common with the psychological contract is the ease and rapidity with which it can be shattered; a badly-thought-out, ill-timed or merely clumsy action by the organization can destroy years of patiently accumulated goodwill. For this reason, organizations should not embark on an attempt to raise engagement levels unless they are prepared to invest sufficiently into it – time, effort and money.

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PROACTIVE COPING AND STRESS AMONG THE MANAGERIAL PERSONNEL OF TEXTILE INDUSTRY

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ABSTRACT

Proactive coping consists of efforts undertaken in advance of a potentially stressful event to prevent it or to modify its form before it occurs. The purpose of this study was to study the relationship between proactive coping and stress among the managers of textile industry and differences in the research variables among the respondents of different age, gender and experience groups. Questionnaires were used to gather primary data in a non random field survey. Results showed that there was a significant negative correlation between proactive coping and health symptoms, between proactive coping and psychological symptoms and between proactive coping and somatic symptoms. Approximately sixty two percent of the variance of health symptoms was accounted for by proactive coping.

Keywords: Health, Proactive coping, Psychological Symptoms, Somatic Symptoms and Stress.

INTRODUCTION

Coping is the process of managing demands (external or internal) that are appraised as taxing or exceeding the resources of the person (Lazarus & Folkman, 1984). Coping consists of efforts both action oriented and intrapsychic, to manage (master, tolerate, reduce, minimize) environmental and internal demands and conflicts among them (Lazarus & Launier, 1978). Proactive coping is defined as the processes through which people anticipate or detect potential stressors and act in advance to prevent them. Proactive coping consists of efforts undertaken in advance of a potentially stressful event to prevent it or to modify its form before it occurs.

Proactive coping differs from traditional coping in three ways: First, traditional coping tends to be reactive in that it deals with stressful events that have already occurred. Second, reactive coping has been considered as risk management and proactive coping is goal management (Schwarzer, 1999). Third, motivation for proactive coping is more positive than in traditional coping because it comes from perceiving situations as challenging and stimulating whereas reactive coping derives from risk appraisal.

Proactive coping involves efforts to build up general resources that facilitate the achievement of challenging goals and promote personal growth (Greenglass, 2002). Individuals differ in the resources they bring to stressful situations. Personal resources include their coping strategies, personality traits such as self efficacy, and social support.

Proactive coping has at least four advantages over reactive coping. First, since proactive coping is directed at avoiding a future stressor or minimizing its effects, feelings of distress may decrease as well. Second, a related potential benefit is that chronic stress is kept under control. Since chronic stress is often the result of an accumulation of stressors, tackling stressful events at an early stage may prevent chronic stress from developing. Third, it is likely that the proportion of available coping resources to the strength of the stressor will be greater, because an emerging stressor is often modest and resources have not yet been used up. Finally, many coping options may still be present when proactive coping strategies are employed as stressors are confronted before they are fully developed (Aspinwall and Taylor, 1997).

For the purpose of this study, stress is defined as the response of the individual to stressful situations in terms of somatic and psychological symptoms. Somatic symptoms refer to physical responses of the body to stress which include headaches, cold, flu, allergies, loss of appetite, upset stomach, constipation, diarrhea, frequent urination, faster heart beat, breathing trouble, faintness, tics, trembling etc,. Psychological symptoms refer to the mental responses of a person to stress which include difficulty getting to sleep or staying asleep, frightening dreams, nervous habits like grinding teeth, difficulty concentrating, emotional outbursts, easily irritated, feeling self critical, withdrawing from others etc,. Stress can come from any situation or thought that makes you feel frustrated, angry, nervous, or anxious. Stress has emerged as one of the most acute problems, throughout the world and damaging the health and well being of employees and organization too (Cooper, Cooper & Eaker, 1988).

REVIEW OF LITERATURE

Uskul and Greenglass (2005) in a study found that proactive coping and optimism predicted depression among Turkish-Canadian immigrants. Greenglass, Fiksenbaum, and Eaton (2006) conducted a study among Chinese university students in which they investigated the use of proactive coping among the elderly and its relationship to depression and functionality. The results showed that proactive coping was negatively associated with functional disability and depression.

Christina Bode, Denise T D de Ridder, Roeline G Kuijer and Jozien M Bensing (2006) tested the effectiveness of a brief educational programme that is based on proactive coping theory. The programme was a four-session group intervention for people aged between fifty and seventy five years. It was intended to improve proactive coping competencies. They investigated the positive as well as negative side effects and differential effectiveness of the programme. A total of one hundred and fifty eight middle aged and older men and women participated in the study. In a prospective randomized control trial with an experimental group and a waiting control group, researchers collected questionnaire data at three points (baseline, after completion of the programme, and three months post intervention). The results showed that the programme improved proactive coping competencies significantly. Three months after completion of the intervention, these results remained stable. Nearly all effect sizes in the experimental group were medium or higher. The programme did not have negative side effects in terms of worrying or negative mood, and it did not change levels of self-efficacy. Demographic characteristics of participants did not predict changes in proactive competencies. Participants who formulated personal goals in concrete terms also profited more from the intervention. Researchers concluded that competencies that facilitate future-oriented self-regulation can be improved by a brief educational programme in middle and late adulthood.

Yiqun Gan, Yueqin Hu, and Yiwen Zhang (2010) compared the relative importance of proactive coping and preventive coping in the adjustment to university life among 403 freshmen at a Chinese university and evaluated the function of proactive coping in the stress process. Participants completed the Future-Oriented Coping Inventory (Gan, Yang, Zhou, & Zhang, 2007), the Student-Life Stress Inventory (Gadzella, 1994), and the College Maladjustment Scale (Kleinmuntz, 1960). The results suggested that stress has a mediating

effect between proactive coping and maladjustment but not between preventive coping and maladjustment. The results also suggested that only proactive coping plays an important role in university adjustment, and proactive coping is a dispositional trait rather than a coping strategy.

Hypotheses

The purpose of this study was to study the relationship between proactive coping and stress (health symptoms). To achieve the research objective the following hypotheses were formulated:

Hypothesis 1: There will be no significant difference in proactive coping among the respondents of different age groups.

Hypothesis 2: There will be no significant difference in psychological symptoms among the respondents of different age groups.

Hypothesis 3: There will be no significant difference in somatic symptoms among the respondents of different age groups.

Hypothesis 4: There will be no significant difference in proactive coping among the male and female respondents.

Hypothesis 5: There will be no significant difference in psychological symptoms among the male and female respondents.

Hypothesis 6: There will be no significant difference in somatic symptoms among the male and female respondents.

Hypothesis 7: There will be no significant difference in proactive coping among the respondents of different experience groups.

Hypothesis 8: There will be no significant difference in psychological symptoms among the respondents of different experience groups.

Hypothesis 9: There will be no significant difference in somatic symptoms among the respondents of different experience groups.

Hypothesis 10: There will be no significant negative correlation between proactive coping and psychological symptoms.

Hypothesis 11: There will be no significant negative correlation between proactive coping and somatic symptoms.

Hypothesis 12: There will be no significant positive correlation between psychological symptoms and somatic symptoms.

Hypothesis 13: Proactive coping will not explain health symptoms.

Research Design

A survey design was used. This design is suitable to study the relationships between different variables. Questionnaires were used to gather primary data in a non random field survey.

Method:

A convenience sample consisting of 60 Managers working in textile industry participated in the study. By administering questionnaires Proactive coping and stress among the managers were assessed. The collected data was analysed with Mean, Standard Deviation, Correlation, regression and ANOVA tests.

Tools used:

Proactive Coping Scale (Esther Greenglass et al, 1999)

This scale consists of 14 items. Respondents are presented with four alternatives : “not at all true”, “barely true”, “somewhat true”, “completely true.” In scoring responses, 1 is assigned to “not at all true, 2 to “barely true”, 3 to “somewhat true” and 4 to “completely true”. Scores were obtained by reversing responses (e.g., 1 = 4, 2 = 3, 3 = 2, 4 = 1) to the three negatively stated items (items 2, 9, and 14) and then summing across all scale items.

Kindler’s Personal Stress Inventory:

Kindler’s Personal Stress Inventory (1981) was used to study health symptoms. Health symptoms were divided into two major categories: somatic symptoms and psychological symptoms. The somatic and psychological symptoms inventories consisted of 19 items each, rated on a 4-point scale frequently, occasionally, rarely and never. They were scored as 4, 2, 1, and 0 respectively.

Scoring: Subject’s responses to somatic and psychological symptoms were scored using the scale. Total scores for all the items in somatic symptoms inventory and psychological symptoms inventory were found out separately. These two scores were summed up to get the individual’s total score on health symptoms. A higher somatic, psychological or health symptoms score indicates a high level of stress.

RESULTS AND DISCUSSION

The collected data was analyzed with Mean and Standard Deviation, ANOVA, Correlation and Regression tests. Table 1 shows the Mean and Standard Deviation of research variables in different age groups.

Table 1 Showing the Mean And Standard Deviation Of Research Variables In Different Age Groups

Age		PSYCHO	SOMATIC	HEALTH	PROACTIVE
20-30	Mean	12.07	10.43	22.50	38.93
	N	28	28	28	28
	Std. Deviation	1.303	1.476	1.915	3.018
30-40	Mean	15.11	12.83	27.94	36.67
	N	18	18	18	18
	Std. Deviation	2.083	1.543	3.506	4.640
40-50	Mean	14.29	10.79	25.07	39.86
	N	14	14	14	14
	Std. Deviation	2.920	2.833	5.553	5.517
Total	Mean	13.50	11.23	24.73	38.47
	N	60	60	60	60
	Std. Deviation	2.411	2.142	4.190	4.316

A high level of psychological symptoms (Mean=15.11) was seen in the age group 30-40 and a low level of psychological symptoms (Mean=12.07) in the age group 20-30. A high level of health symptoms (Mean=27.94) was seen in the age group 30-40 and a low level of health

symptoms (Mean=22.50) in the age group 20-30. A high level of proactive coping (Mean=39.86) was seen in the age group 40-50.

Table: 2 Showing the Mean and Standard Deviation Of Research Variables In Different Gender Groups.

Gender		PSYCHO	SOMATIC	HEALTH	PROACTIVE
MALE	Mean	14.36	11.73	26.09	37.00
	N	22	22	22	22
	Std. Deviation	2.105	2.354	4.196	3.352
FEMALE	Mean	13.00	10.95	23.95	39.32
	N	38	38	38	38
	Std. Deviation	2.460	1.986	4.033	4.616
Total	Mean	13.50	11.23	24.73	38.47
	N	60	60	60	60
	Std. Deviation	2.411	2.142	4.190	4.316

A high level of psychological symptoms (Mean=14.36) and somatic symptoms (Mean=11.73) was observed among the male respondents. A high level of proactive coping (Mean=39.32) was seen among the female respondents.

Table: 3 Showing the Mean and Standard Deviation of Research Variables in Different Experience Groups

Experience		PSYCHO	SOMATIC	HEALTH	PROACTIVE
<5	Mean	13.00	11.75	24.75	36.75
	N	8	8	8	8
	Std. Deviation	2.000	2.435	4.166	2.765
5-10	Mean	12.90	10.59	23.48	39.48
	N	29	29	29	29
	Std. Deviation	1.633	1.615	2.707	3.334
>10	Mean	14.43	11.87	26.30	37.78
	N	23	23	23	23
	Std. Deviation	3.072	2.455	5.252	5.518
Total	Mean	13.50	11.23	24.73	38.47
	N	60	60	60	60
	Std. Deviation	2.411	2.142	4.190	4.316

A high level of psychological symptoms (Mean=14.43) and somatic symptoms (Mean=11.87) was observed in the above 10 years experience group. A high level of proactive coping (Mean=39.48) was seen in the 5-10 years experience group and a low level (Mean=36.75) in the less than 5 years experience group

Table: 4 Showing the Results of Anova Test of Research Variables and Age.

		Sum of Squares	df	Mean Square	F	Sig.
PSYCHO	Between Groups	112.508	2	56.254	13.911	.000
	Within Groups	230.492	57	4.044		
	Total	343.000	59			
SOMATIC	Between Groups	67.019	2	33.510	9.376	.000
	Within Groups	203.714	57	3.574		
	Total	270.733	59			
HEALTH	Between Groups	326.860	2	163.430	13.141	.000
	Within Groups	708.873	57	12.436		
	Total	1035.733	59			
PROACTIVE	Between Groups	91.362	2	45.681	2.584	.084
	Within Groups	1007.571	57	17.677		
	Total	1098.933	59			

Hypothesis 1 stating that there will be no significant difference in proactive coping among the respondents of different age groups was supported. Hypothesis 2 stating that there will be no significant difference in psychological symptoms among the respondents of different age groups was not supported. Hypothesis 3 stating that there will be no significant difference in somatic symptoms among the respondents of different age groups was not supported. Results of the ANOVA test revealed that there was a significant difference in psychological symptoms and somatic symptoms among the respondents of different age groups.

Table: 5 Showing the Results of ANOVAs Test Of Research Variables and Gender

		Sum of Squares	df	Mean Square	F	Sig.
PSYCHO	Between Groups	25.909	1	25.909	4.739	.034
	Within Groups	317.091	58	5.467		
	Total	343.000	59			
SOMATIC	Between Groups	8.475	1	8.475	1.874	.176
	Within Groups	262.258	58	4.522		
	Total	270.733	59			
HEALTH	Between Groups	64.020	1	64.020	3.821	.055
	Within Groups	971.713	58	16.754		
	Total	1035.733	59			
PROACTIVE	Between Groups	74.723	1	74.723	4.231	.044
	Within Groups	1024.211	58	17.659		
	Total	1098.933	59			

Hypothesis 4 stating that there will be no significant difference in proactive coping among the male and female respondents was not supported. Hypothesis 5 stating that there will be no significant difference in psychological symptoms among the male and female respondents was not supported. Hypothesis 6 stating that there will be no significant difference in somatic symptoms among the male and female respondents was supported. Results of the ANOVA test revealed that there was a significant difference in psychological symptoms and proactive coping among the male and female respondents.

Table 6: showing the results of ANOVAs test of research variables and experience

		Sum of Squares	df	Mean Square	F	Sig.
PSYCHO	Between Groups	32.658	2	16.329	2.999	.058
	Within Groups	310.342	57	5.445		
	Total	343.000	59			
SOMATIC	Between Groups	23.590	2	11.795	2.720	.074
	Within Groups	247.143	57	4.336		
	Total	270.733	59			
HEALTH	Between Groups	102.122	2	51.061	3.117	.052
	Within Groups	933.611	57	16.379		
	Total	1035.733	59			
PROACTIVE	Between Groups	64.279	2	32.139	1.771	.179
	Within Groups	1034.654	57	18.152		
	Total	1098.933	59			

Hypothesis 7 stating that there will be no significant difference in proactive coping among the respondents of different experience groups was supported. Hypothesis 8 stating that there will be no significant difference in psychological symptoms among the respondents of different experience groups was supported. Hypothesis 9 stating that there will be no significant difference in somatic symptoms among the respondents of different experience groups was supported. There was no significant difference in psychological symptoms, somatic symptoms, and proactive coping among the respondents of different experience groups.

Table 7: Showing the Correlation among the Research Variables

		HEALTH	PROACTIVE	PSYCHO	SOMATIC
HEALTH	Pearson Correlation	1	-.788**	.929**	.910**
	Sig. (2-tailed)		.000	.000	.000
	N	60	60	60	60
PROACTIVE	Pearson Correlation	-.788**	1	-.756**	-.690**
	Sig. (2-tailed)	.000		.000	.000
	N	60	60	60	60
PSYCHO	Pearson Correlation	.929**	-.756**	1	.692**
	Sig. (2-tailed)	.000	.000		.000
	N	60	60	60	60
SOMATIC	Pearson Correlation	.910**	-.690**	.692**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	60	60	60	60
**.		Correlation is significant at the 0.01 level (2-tailed).			

Hypothesis 10 stating that there will be no significant negative correlation between proactive coping and psychological symptoms was not supported. Hypothesis 11 stating that there will be no significant negative correlation between proactive coping and somatic symptoms was not supported. Hypothesis 12 stating that there will be no significant positive correlation between psychological symptoms and somatic symptoms was not supported. Correlation analysis revealed that there was a significant negative correlation between proactive coping and psychological symptoms and between proactive coping and somatic symptoms. There

was a significant positive correlation between psychological symptoms and somatic symptoms.

Table: 8 Showing Regression Analysis With Health Symptoms (Stress) As Dependent Variable

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.788 ^a	.621	.614	2.603		
ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	642.893	1	642.893	94.918	.000 ^a
	Residual	392.841	58	6.773		
	Total	1035.733	59			
a. Predictors: (Constant), PROACTIVE						
b. Dependent Variable: HEALTH						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	54.155	3.039		17.823	.000
	PROACTIVE	-.765	.079	-.788	-9.743	.000
a. Dependent Variable: HEALTH						

Hypothesis 13 stating that proactive coping will not explain health symptoms was not supported. Regression analysis was done to investigate the relationship between proactive

coping and health symptoms. F-Test was statistically significant, which means that the model was statistically significant. The R-Squared was .621 which means that approximately 62% of the variance of health symptoms was accounted for by the model, in this case, proactive coping. The t-test for proactive coping equals -9.743, and was statistically significant, meaning that the regression coefficient for proactive coping was significantly different from zero.

CONCLUSION

The purpose of this research was to study the relationship between proactive coping and stress response and differences in the research variables among the respondents of different age, gender and experience groups. A convenience sample consisting of 60 managers working in textile units participated in the study. By administering questionnaires, the level of proactive coping and stress among the managers were assessed. For assessing proactive coping, questionnaire developed by Esther GreenGlass et al was used and for assessing stress response Kindler's Personal Stress Inventory (1981) was used. The collected data was analysed with Mean, Standard Deviation, ANOVA, Correlation and Regression tests. A high level of psychological symptoms was seen in the age group 30-40 and a low level of psychological symptoms in the age group 20-30. A high level of health symptoms was seen in the age group 30-40 and a low level of health symptoms in the age group 20-30. A high level of proactive coping was seen in the age group 40-50. A high level of psychological symptoms and somatic symptoms was observed among the male respondents. A high level of proactive coping was seen among the female respondents. A high level of psychological symptoms and somatic symptoms was observed in the above 10 years experience group. There was a significant difference in psychological symptoms, somatic symptoms and health symptoms among the respondents of different age groups. There was a significant difference in psychological symptoms and proactive coping among the male and female respondents. There was no significant difference in psychological symptoms, somatic symptoms, health symptoms and proactive coping among the respondents of different experience groups. There was a significant negative correlation between proactive coping and health symptoms, between proactive coping and psychological symptoms and between proactive coping and somatic symptoms. Approximately sixty two percent of the variance of health symptoms was accounted for by proactive coping.

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E-BANKING SERVICES: THEIR FUTURE IN THE ERA OF IT AND GLOBALIZATION

Dr. R.K. Uppal*

Abstract:

In the present study, based on survey of perceptions of e-bank employees regarding e-banking services in urban areas, an attempt is made to determine the future of e-banks in our country. On the basis of the responses of 60 respondents, study concludes that the future of e-banks is bright but public sector banks have to modify their services and adopt e-banking system otherwise they will be out of the race in this emerging IT scenario.

Keywords: *e-bank, public sector bank, IT*

INTRODUCTION

The global financial scene is witnessing a substantial change and Indian financial sector is influenced by these developments. Banks are on the urge of major changes where the single largest force behind this transformation is information technology (IT) which further intensify competition, better efficiency of operations, risk management etc. In India, technology is at its infant stage in banks that need to be upgraded with the integration of technology with general banking functions. The first and foremost set of application of IT that could benefit from technology advances, relates to payment system. Traditionally, payments were made in cash but now various electronic based payments through ATMs, Cards, EFTs, and ECS etc have been slowly making their appearance. In e-banks, the whole business is conducted electronically but most of our PSBs are still not using technology at optimum level. Due to the technology advancements efficiency of the banks have improved especially with quality improvement, timely delivery of services at affordable cost. In a study it is examined that retail banking and ATMs are improving the efficiency of banks (Justin Paul & Mukherjee Will).

Therefore, the forces of globalization and technology have resulted in increasing integration of economies across the world and customers have become more aware and hence expect more. Due to this, banks are facing much competition to survive in the market. Now only the

customers determine your business value in the market. So, if the banks are concerned with what the customers' want, when they want and how, use of technology becomes inevitable. Therefore, banks should serve the customers according to their needs. Again, it depends upon the employees because employees reinforce customer's satisfaction, which in turn reinforce employee satisfaction. Evidently, employee satisfaction is vital and demands greater attention if client satisfaction is to be engendered and reinforced (Akter & Ghosh, 2006).

Moreover, employees should be so well trained, well dressed, experienced that they can make their customers satisfied. Here, it is important to make the employees satisfied so that goals can be achieved with their optimum utilization. The future of every organization is totally dependent upon the employee's efficiency and only they can provide efficient services if they are satisfied with their job. Hence, only they can narrate the true picture of the organization. That's why, this paper focused on employee's perceptions regarding e-banking services to know the better results about the future of e-banking services. The banking sector reforms have increased the role clarity of employees (Deepak, Umesh & Naval Bajpai).

From various studies, it is observed that with the more and better use of technology along with the efficient employees, the efficiency of the banks going better and they started to compete successfully in the foreign markets too. We may said that future of e-banking is bright but still there are some difficulties that interrupt the working of the banks. But with the use of brilliant brains and efficient services, these problems can be solved and we need to do something positively in this direction so that e-banking can be made popular and familiarize among the employees and then in customers. For timely action, there is need to study e-banking related issues thoroughly.

The present paper is concerned with the analysis of future of e-banking services in the urban Punjab through employee's views. In general, most of the studies on banking sector deals with an analysis of financial aspects such as profitability, productivity, customer's satisfaction level, etc but rarely on this new dimension of IT especially related with employee's perceptions. So, it is hoped that this study makes a humble contribution in this area, which will assess the future of e-banking from employee's point of view.

Organization of the Paper

The whole paper is divided into five parts. After the brief introduction of the theme, the second part describes the objectives and methodology of the study. Third part narrates the results of the study where last part concludes the paper with some suggestions and future areas of intensive research.

OBJECTIVES

- To study the perceptions of e-bank employees regarding e-services.
- The major objective of the study is to analyze the future of e-banking services in the urban areas.

METHODOLOGY

To achieve the objective of the study, the required information was collected from selected 60 e-bank employees of urban Punjab especially from Ludhiana, Jalandhar, Patiala, Bathinda and Sangrur. The 60 employees were selected on the basis of their knowledge about e-banking services. The data was collected through well-structured questionnaire. The study was conducted during the first half of the year 2006.

Then the data was statistically analyzed with the help of percentage, weighted average score (WAS) and ranking methods. The WAS is used in the questions demanding responses in five-point Likert scale as strongly agree, agree, undecided, disagree, strongly disagree with weights of 2, 1, 0, -1, -2 respectively. The weights were multiplied with the number of responses for each level of the scale for each statement separately and then total score is divided by the total number of respondents to get WAS. WAS reveals that a statement with WAS above 1 is significant where others are not. In ranking method, firstly total numbers of responses were calculated for every statement against each rank. Then weights were given such as in case of five ranks weights given as 5 to rank 1, 4 to rank 2 and so on Then the numbers of responses were multiplied with the corresponding scores/weights and sum of all these resulted in total score for each statement separately. In the last, overall ranks were assigned on the basis of total score values as first rank to the statement with the highest score and so on....

RESULTS AND DISCUSSION

Indian banking industry is engaged in fight of technology advancement to compete in the global market and to large extent it has covered the path and currently is under developing stage. With this success it has resulted in improved efficiency and enhanced customer satisfaction and hence earns more profits through fee-based activities and venturing into e-banking business. Therefore, it is observed that future of e-banking will be bright. But the time will tell the real story of its success. Here, an attempt is made to collect employee's perceptions regarding the future of e-banking.

(A) Socio-Economic Background of the Respondents

The socio-economic background of the employees affects their perceptions deeply. The results in table-I (a) & (b) reveals that out of 60 respondents, 32 pc are under the age of 26 years, 27 pc are between the age of 26 to 35 years where others are above the age of 36 years. 82 pc are males and 58 pc are having master degree as well qualified. 42 pc are working in banks for less than 3 years where 40 pc are working with the banks for more than 7 years. On the other hand, majority of the respondents i.e. 55 pc are at manager scale and only 17 pc are clerks.

Table: I (a) Socio-Economic Background of the Respondents

Age			Annual Income			Educational Qualification		
Range	Responses	%age	Range (Lakhs)	Responses	%age	Range	Responses	%age
Less than 26	19	32	Less than 1	8	13	High School	3	5
26 to 35	16	27	1 to 2	25	42	Bachelor Degree	22	37
36 to 45	11	18	2 and above 2	27	45	Master Degree	35	58
Above 45	14	23				Doctorate Degree	0	0

Source: Computed from Data Collected through Survey

Table: I (b) Socio-Economic Background of the Respondents

Job Duration			Category of Job		
Range (Years)	Responses	Percentage	Category	Responses	Percentage
Less than 3	25	42	Manager	33	55
3 to 4	6	10	Executives	17	28
5 to 6	5	3	Clerks	10	17
Above 6	24	40			

(B) Employee's Perceptions Regarding E-Banking Aspects

1. Table-II reveals that the factor cost reduction is the most dominating to motivate the banks to go for e-banking where time and place utility, more quality services are in succession. But revenue enhancement and management by exception are not much important as observed by the employees.

Table: II- Responses Regarding Motivational Factors for Venturing into E-Banking

Factors	R-1	R-2	R-3	R-4	R-5	R-6	R-7	R-8	Total Score	Overall Rank
(i) Cost reduction	19	8	13	7	4	2	3	4	353	1
(ii) Database management improvement	6	8	6	8	10	8	10	4	268	4
(iii) Improvement of personal efficiency	8	3	6	2	12	11	10	8	240	6
(iv) Response to competitive pressure	6	7	7	9	7	9	10	5	264	5
(v) Revenue enhancement	1	6	4	10	10	13	8	8	227	7
(vi) Benefits of 'Management By Exception'	1	3	5	8	4	10	7	22	181	8
(vii) Time and place utility	11	12	13	6	5	3	8	2	327	2
(viii) More quality services	8	14	6	10	8	4	3	7	305	3

2. Table-III exhibits that ATM is the most preferred e-channel among the banks as awarded with first rank by majority of the respondents whereas debit cards, credit cards, Internet-banking are in succession.

Table: III- Responses Regarding Preferences for Different E-Channels

Factors	R-1	R-2	R-3	R-4	R-5	R-6	R-7	Total Score	Overall Rank
(i) ATMs	43	9	2	1	4	1	0	383	1
(ii) Mobile-Banking	0	6	1	8	18	19	8	173	6
(iii) Internet-Banking	4	6	7	18	9	6	10	220	4
(iv) Tele-Banking	2	2	7	9	15	18	7	185	5
(v) Credit Cards	9	18	19	4	7	2	1	308	2
(vi) Debit Cards	2	19	20	9	5	3	2	287	3
(vii) Smart Cards	0	0	3	12	2	11	32	123	7

3. Table-III (a) highlights the factors due to which banks preferred an e-channel to another. Cost effective is the most dominating factor and easy availability, competitive advantage, suitable to banks environment are in succession and all these factors are the most significant as their WAS is above 1.

Table: III (a) - Responses Regarding Reasons to Prefer E-Channels

Reasons	SA	A	UD	DA	SDA	WAS
(i) Cost effective	39	20	0	1	0	1.61
(ii) Easily available	22	27	3	8	0	1.05
(iii) More knowledge to the customers	13	25	10	12	0	0.65
(iv) More flexible	14	33	11	2	0	0.98
(v) Provide competitive advantage	25	30	2	2	1	1.27
(vi) Suitable to bank environment	24	33	2	0	1	1.31

4. Table-IV shows that banker-customer relations have been improved to large extent as opines by the 40 pc of the respondents but 5 pc said that these relations are not improving as customer's interaction with the bank employees has been reduced due to these e-channels.

Table – IV: Responses Regarding Improvement in the Banker - Customer Relations Due to E-Channels

Very Much	Some What	A Little	Very Little	Not at all
24	26	5	2	3
(40.00)	(43.33)	(8.33)	(3.33)	(5.00)

5. Table-V shows that 83 pc of the respondents experienced the users of e-channels are more of male category and only 27 pc are in favour of females.

Table – V: Responses Regarding the Category Using Maximum E-channels

Category	Number of Responses	Percentage
Male	50	83.33
Female	10	16.67

6. Table-VI exhibits that only three excuses such as lack of knowledge to operate, lack of knowledge about e-channels and lack of demonstration regarding e-channels are the most dominating ones given by the customers for not using e-channels as their WAS is above 1. Whereas poor network, hidden cost, lack of privacy, security and many more are not significant having WAS less than 1.

Table – VI: Responses Regarding Excuses Given by the Customers for Not Using E-channels

Reasons	SA	A	UD	DA	SDA	WAS
(i) Hidden cost is very high	12	34	4	7	3	0.75
(ii) Lack of privacy	11	24	8	13	4	0.41
(iii) Lack of security	14	28	4	12	2	0.67

(iv) Lack of knowledge to operate	26	30	3	1	0	1.33
(v) Lack of knowledge about new e-channels	20	34	5	0	1	1.20
(vi) Location of ATMs is not convenient	10	18	12	18	2	0.27
(vii) No proper demonstration regarding e-channels	14	37	6	2	1	1.01
(viii) Poor network	9	29	7	9	6	0.43
(ix) Time consuming	4	22	4	25	5	-0.08

7. In table-VII it is observed that majority of the respondents are satisfied from the customers behaviour while they deal with them.

Table – VII: Responses Regarding Customer’s Behaviour Towards Bank Employees

Statements	SA	A	UD	DA	SDA	WAS
(i) Customers behave properly while using e-channels	17	36	4	3	0	1.12
(ii) Customers complaint to higher authorities without any reason	6	17	11	25	1	0.03
(iii) Customers are honest and loyal towards e-banks	10	33	10	5	2	0.73
(iv) Customers consider themselves as king whereas employees as servants only	16	15	18	7	4	0.53

8. Table-VIII shows that according to the 37 pc of the respondents, in Indian traditional banks will be replaced with e-banks in 6 to 10 years while 27 pc said it will take 11 to 15 years. Overall, it can be said that it will take 10 to 15 years to convert the whole banking system into e-banking in India.

Table – VIII: Responses Regarding the Time Period to Replace Traditional Banks with E-banks (approx.)

Range	Number of Responses	Percentage
0 – 5	15	25.00
6 – 10	22	36.67
11 – 15	16	26.67
16 – 20	5	8.33
More than 20	2	3.33

9. Table-IX exhibits that majority of the respondents are strongly agree with the dimensions of future of e-banking such as IT will help to manage transformation, provide competitive advantages, manage the whole business efficiently etc as their WAS is above 1 whereas against some other dimensions such as all customers will not accept e-channels, e-banks will not be able to convert challenges into opportunities, they are strongly disagree as their WAS is negative but below 1. Overall, respondents are in favour of e-banking that its future will be bright as also examined in another table-IX (a) where its WAS is 1.40 above 1.

Table – IX: Responses Regarding the Future of IT in Banking Sector

Statements	SA	A	UD	DA	SDA	WAS
(i) All customers will not accept e-channels in future	6	21	2	18	13	-0.18
(ii) E-banks will not be able to convert new global challenges into opportunities	4	14	13	23	6	-0.22
(iii) Information technology will help to manage transformation in the banks	21	32	6	1	0	1.22
(iv) Information technology will make our banks more competitive in e-age	29	25	5	1	0	1.37
(v) Information technology will manage whole business efficiently	33	17	4	5	1	1.27
(vi) Information technology will improve the employee's work efficiency but reduce personnel efficiency	17	27	9	7	0	0.90
(vii) Information technology will create more opportunities to compete in the global market	25	28	5	2	0	1.27
(viii) Optimum balance between productivity and cost	21	25	10	4	0	1.05
(ix) Per transaction cost will be decreased	22	28	6	3	1	1.12

Table – IX (a): Responses Regarding the Statement “Future of E-banking is Bright”

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	WAS
30	26	2	2	0	1.40

Overall, it may be concluded that as only ATMs and Debit Cards are much popular, others like internet-banking, mobile banking, smart cards etc should also be make popularize among the masses with some attractive facilities. From the study, it is observed that not even 50 pc of the customers are using e-channels and less than 20 pc transactions are made through e-channels, but this habit to use e-channels among the customers should be increased by adopting some effective strategies as suggested in this study. On the other side, use of e-channels is least preferred among the female customers mainly due to lack of awareness and knowledge about how to use. Efforts should be made to make these channels more popular among the females by giving them special offers. If the proper steps are not to be taken, we can never stand with the foreign competitors and can't avail the global opportunities.

CONCLUSION

The paper has tried to explain important factors that determine the future of e-banking services of the banks. As most of the employees are satisfied with the electronic ways of working even some problems are there they have to face. They opines that future of e-banking is bright and it will definitely help the banks to perform best in the global market if they try to utilize the IT to their best and optimum. Today, almost all the banks are providing almost similar services, what differentiate others, is the way in which the services are delivered and the responsiveness of service provider. Hence, it becomes pertinent for the public sector banks those are not using technology, to opt technological advances to perform efficiently and to survive in the emerging competitive market, scenario.

FUTURE AREAS OF INTENSIVE RESEARCH

1. A comprehensive study to explore the possibilities of e-banking in all the public sector banks.
2. A comprehensive study to explore the future of e-banking in all the rural and semi-urban areas.

3. An intensive research to examine the future of all public sector banks that are still not engaged in e-banking.
4. Detailed studies of shifting of customers from one bank to another separately for all the banks with factor study those are responsible for this shifting.

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**FINANCIAL PERFORMANCE OF DISTRICT CENTRAL
CO-OPERATIVE BANKS: A COMPARATIVE STUDY OF
HISAR AND GURGAON DIVISIONS IN HARYANA (INDIA)**

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Abstract

The co-operatives credit institutions have been playing fundamental role in the Indian financial system for more than a century with their number and reach to the extreme corner in the country by fulfilling the needs of urban and rural vicinities. Since their inception these have been serving all sections of the society and are engaged in production, marketing, distribution, servicing, processing and banking with vast and powerful superstructure. These institutions having a lead, proved their worth at various stances, particularly in the rural sector. But in recent times, the failure and closure of various co-operative banks due to heavy losses and scams have put their operations in qualms. The closing of these banks have cost dearly (in crores) to the RBI, NABARD and DICGC which gives a reason to examine their financial affairs deeply. Out of total 372 District Central Co-operative Banks (DCCBs) in the country, the 19 DCCBs have been operating in Haryana only with approximately one lakh beneficiary PACS. In this paper an attempt is made to identify, examine, analyze and compare the financial performance of eight DCCBs under the Hisar and the Gurgaon divisions for a period of twelve years (1997-98 to 2008-09). The financial parameters hereby taken are profitability, liquidity, solvency, efficiency and risk which are tested with statistical tools. The end results reveal that these banks have been in shocking situation as one bank performed well on one criterion and deteriorated on another financial parameter. The government should take immediate steps to eradicate these problems and for the revitalization of these banks.

Keywords: *Co-operative Credit Institutions, Efficiency, Liquidity, Profitability, Risk and Solvency*

INTRODUCTION

The Republic of India occupies 2.4% of the world's land area and has over 17.5% of the world's population. Famed as an agrarian economy world over, the Indian life revolves around agriculture and allied activities in small villages, where the overwhelming majority of Indians live. As per the 2001 census, 72.2% of the population lives in about 6,38,000 villages. For meeting the specific financial requirements of the people in these vicinities, the co-operative credit institutions (CCI) have been playing vital role even before our independence (1947). The co-operative banks being key constituent of CCI operate at the state, district and village level.

The main functions of District Central Co-operative Banks (DCCBs) are to provide finance to the primary credit societies, acceptance of deposits, granting of loans/advances, fixed deposit receipts, collection of bills, safe custody of valuables, agency services and work as balancing center for PACS. Due to recent insolvency and closure of a large number of co-operative banks in India, the financial position of these banks cannot be claimed well. Various scams surfaced in co-operative sector, particularly in 2001-02 which had given a big jolt to the banking sector. The Deposit Insurance and Credit Guarantee Corporation (DICGC), which is a wholly-owned subsidiary and credit insurance arm of RBI, pays a maximum of Rs 1 lakh per depositor in case a bank becomes insolvent.

In 2005-06, the RBI cancelled licenses of 14 Urban Co-operative Banks and DICGC made a payment of Rs. 565 crore towards the settlement of depositor's claims. During 2006-07, 25 co-operative banks closed operations resulting into a payout of Rs. 438 crore by the insurer towards settlement of depositors' claims. In the year 2007-08, failing co-operative banks have cost Reserve Bank's credit insurance arm dearly as it had to pay over Rs. 123.37 crore towards payment to depositors of 17 insolvent banks. It has paid over Rs. 142 crore to the depositors of 19 co-operative banks that have gone bankrupt till March 2009. As 32 Co-operative Banks failed between January and December 2009, Rs. 482 crore has been paid by DICGC to settle the dues of the depositors.

Keeping in mind the vulnerable situation of the co-operative banks, many committees formed and presented their recommendations. The government implemented the financial package of Rs. 14,839-crore for revitalization of co-operative banks as suggested by A.Vaidyanathan panel. The NABARD has been the implementing agency for the Revival

package for the Short Term Co-operative Credit Structure. However the co-operative banks have made a commendable progress in extending its geographical spread and functional reach, but there has been continuous decline in productivity and efficiency, erosion of profitability, unrealizable debts and many unviable branches of these banks. To be in the tough competition from commercial and foreign banks, the co-operative banks need to be more challenging. Apprehension and cynicism are expressed on their creditworthiness and viability in various studies.

In view of these facts, inquiring into the financial aspects of these institutions becomes significant. In the present study it is tried to investigate into the financial affairs of Eight Central Co-operative Banks operating at district level in the Hisar and Gurgaon divisions in Haryana emphasizing on five financial parameters, viz. Profitability, Liquidity, Solvency, Efficiency and Risk for twelve year period (1997-98 to 2008-09). The present study is divided into four sections. First section covers brief review of the relevant literature. Objectives of the study and Research methodology are covered in second section. Third section covers Results and Discussion part and in the fourth section Conclusion is made.

SECTION-I: REVIEW OF LITERATURE

A variety of studies have been conducted on the financial and operational affairs of the banks. Various committees appointed by the Government to present their recommendations to strengthen the operations of the banks. The Narsimham Committee (1991), Padamanabhan Committee (1995), Tarapore Committee (1997), Kannan Committee (1998), Basel committee (1998 and revised in 2001), Kapoor Committee (1998) Verma Committee (1999) and several other committees constituted by Reserve Bank of India to bring reforms in the banking sector by emphasizing on the improvement in the financial health of the banks.

Similarly various scholars, academicians and analysts have presented their expertise to assess the performance of the banks. **Urs and Chitambaram (2000)** studied performance of 14 District Central Co-operative Banks (DCCBs) in Kerala on 23 parameters and found inefficiency in their operations with lower capital and poor deployment of funds in the DCCBs. **Jain (2001)** has done a comparative performance analysis of District Central Co-operative Banks (DCCBs) of Western India, namely Maharashtra, Gujarat and Rajasthan and

found that DCCBs of Rajasthan have performed better in profitability and liquidity as compared to Gujarat and Maharashtra. **Singh and Singh (2006)** studied the funds management in the District Central Co-operative Banks (DCCBs) of Punjab with specific reference to the analysis of financial margin. It noted that a higher proportion of own funds and the recovery concerns have resulted in the increased margin of the Central Co-operative Banks and thus had a larger provision for non-performing assets.

Singla (2008) emphasized on financial management and examined the financial position of sixteen banks by considering profitability, capital adequacy, debt-equity and NPA. **Dutta and Basak (2008)** suggested that Co-operative banks should improve their recovery performance, adopt new system of computerized monitoring of loans, implement proper prudential norms and organize regular workshops to sustain in the competitive banking environment. **Chandel and Chander (2010)** found the financial position the HARCO Bank Ltd. in terms of capital adequacy, liquidity, earning quality and management efficiency parameters was very lackadaisical necessitating immediate intervention. **Chandel and Chander (2011)** found six DCCBs in Ambala division have been deficient on different financial parameters and made the situation more vulnerable on bankruptcy parameter. These studies emphasized on the comparative performance, recovery performance, cost reduction, productivity and efficiency.

SECTION-II: OBJECTIVES AND RESEARCH METHODOLOGY

Objectives of the Study:

The study under consideration proposes to achieve the following objectives:

- i) To examine the financial performance of District Central Co-operative Banks (DCCBs) operating in Hisar, Bhiwani, Fatehabad and Sirsa in the Hisar division of Haryana.
- ii) To examine the financial performance of District Central Co-operative Banks (DCCBs) operating in Gurgaon, Faridabad, Mahendergarh and Rewari in the Gurgaon division of Haryana.
- iii) To make comparative performance analysis of the DCCBs operating in Hisar and Gurgaon divisions.
- iv) To suggest measures for effectiveness in the performance of these DCCBs.

RESEARCH METHODOLOGY

The Haryana state came in existence (separated from Punjab) as 17th state of India on 1st November, 1966, Tuesday and for proper administration, it was divided into four divisions, A) Ambala division, which covers six districts, B) Rohtak division, which covers five districts, C) Hisar division, which covers four districts and D) Gurgaon division, which covers four districts (now five). In the present study eight districts central co-operative banks operating in Hisar and Gurgaon divisions have been covered. The study encompasses twelve year period from the financial year 1997-98 to 2008-09. The requisite data obtained from the published financial statements of all district central co-operative banks.

An attempt is made to cover five key financial areas (profitability, liquidity, solvency, efficiency and risk) to make analysis of financial statements and to gain in-depth knowledge of financial performance and efficiency of these DCCBs. Under each of these five categories of analysis four ratios are taken. The calculated values are tested with test values taken for t-test. These test values have been taken from various studies conducted on the banks and the specifications made by the RBI in respect of these ratios.

Test values for five financial parameters

Serial No.	Profitability	Liquidity	Solvency	Efficiency	Risk
1	NWR=15	CAR=7	DER=300	OER=0.5	EAR=30
2	ROCE=5	CDR=15	OLTA=50	BR=35	GNPS=5
3	PM=10	CDD=25	FATC=65	IPPE=2	GNPA=6
4	NIM=5	WFAR=40	CGR=35	COF=7	NNPS=3

Hypothesis of the study: Following are the hypothesis made in the present study:

H₀₁: The profitability position of the DCCBs was poor during the study period.

H₀₂: The liquidity position of the DCCBs was poor during the study period.

H₀₃: The solvency position of the DCCBs was poor during the study period.

H₀₄: The efficiency position of the DCCBs was poor during the study period.

H₀₅: The risk management in the DCCBs was poor during the study period.

Profitability Analysis- In the present study the profitability of DCCBs is tested with four profitability ratios. These are I) Net worth ratio (Net Profit after Tax to Total Shareholders' funds), II) Return on Capital Employed (Net Profit after Tax to Total Assets), III) Profit Margin (Net Profit to Total Income) and IV) Net Interest Margin (Interest margin to Total Assets).

Liquidity Analysis- The liquidity of DCCBs is tested with four liquidity ratios. These are I) Cash-Assets ratio (Cash to Total Assets), II) Cash-Deposit ratio (Cash to Total Deposit), III) Cash-Demand ratio (Cash to Demand Deposit) and IV) Working funds to Assets ratio (Net Working Capital to Total Assets).

Solvency Analysis- The solvency of DCCBs is tested with four solvency ratios. These are I) Debt-Equity Ratio (Outsiders funds to shareholders funds), II) Capital Gearing Ratio (Owner's funds to Total fixed interest bearing liabilities), III) Outside Liabilities to Total Assets (Total Borrowings to Total Assets), IV) Fixed Assets to Total Net worth ratio (Fixed Assets to Total Capital).

Efficiency Analysis- To measure the efficiency of DCCBs four ratios are calculated, viz. I) Operating Efficiency (Total Operating Expenses to Total Assets), II) Cost of funds (Total Interest Expenses to Total Borrowings), III) Income productivity per employee (Net Income after tax to Total Employees), IV) Overhead Efficiency (Burden) ratio (Non-Interest Income to Non-Interest Expenses)

Risk Analysis- Four key ratios are applied to test risk level in DCCBs, these are- I) Equity Ratio (Total Equity to Total Assets), II) NNPA to Sales (Net Non Performing Assets to Total Advances), III) GNPA to Sales (Gross Non Performing Assets to Total Advances) and IV) GNPA to Asset Ratio (Gross Non Performing Assets to Total Assets).

t-test- In this study one sample t-test is used to compare the mean of a single sample with the population mean. All the calculations were done through the SPSS software. First of all the ratios were calculated for the period of 12 years, then the calculated ratios were compared with the test values. This exercise was done separately for each ratio and each bank and thus t-values were calculated in this study.

SECTION-III: RESULTS AND DISCUSSION

Both the divisions, viz. Hisar and Gurgaon have interconnected districts in Haryana and share common practices and culture covering agriculture, services, industry and working attitude of people. However, the similarity of these practices supports lesser probability of deviations in

the financial results yet these differ from one bank to another and visible in the subsequent discussion.

A) Profitability analysis

Profit earning is essential for the survival of every business entity. However, the co-operative banks do not pursue the goal of profit making yet profit earning is obvious in order to conduct their banking operations properly. In fact profits are a measure of creditworthiness or worth of investment for owners, source of fringe benefits for employees and a measure of tax-paying capacity for the Government.

Table 1 Profitability Position of DCCBs, 1997-98 to 2008-09

DIVISION	RATIO →	Net worth ratio (NWR)		Return on Capital Employed (ROCE)		Profit Margin (PM)		Net Interest Margin (NIM)	
		DCCB ↓	Mean Value	t-value	Mean Value	t-value	Mean Value	t-value	Mean Value
Hisar	Hisar	-0.2	-7.144 (0.000)**	0.01	-32.870 (0.000)**	-1	-5.116 (0.000)**	2.41	-11.149 (0.000)**
	Bhiwani	4.56	-5.208 (0.000)**	0.23	-50.077 (0.000)**	2.7	-6.710 (0.000)**	2.14	-9.778 (0.000)**
	Fatehabad	7.16	-2.677 (0.028)*	0.54	-22.004 (0.000)**	4.32	-2.454 (0.040)*	2.51	-9.320 (0.000)**
	Sirsa	7.09	-2.986 (0.022)*	0.65	-12.006 (0.000)**	8.35	-0.301 (0.769)	3.12	-9.143 (0.000)**
	Average of the division	4.65	-5.992 (0.009)**	0.35	-31.793 (0.000)**	3.59	-3.307 (0.045)*	2.54	-11.861 (0.001)**
Gurgaon	Gurgaon	3.83	-8.007 (0.000)**	0.33	-60.944 (0.000)**	4.33	-3.381 (0.006)**	2.32	-7.567 (0.000)**
	Faridabad	8.32	-3.788 (0.003)**	0.78	-19.069 (0.000)**	9.44	-0.228 (0.824)	2.72	-7.957 (0.000)**
	Mahendergarh	10.6	-2.783 (0.018)*	0.98	-25.822 (0.000)**	11.3	0.772 (0.457)	3.07	-8.775 (0.000)**
	Rewari	7.59	-7.781 (0.000)**	0.60	-51.567 (0.000)**	8.1	-1.565 (0.146)	1.71	-21.054 (0.000)**
	Average of the division	7.58	-5.273 (0.013)*	0.67	-31.349 (0.000)**	8.29	-1.158 (0.331)	2.45	-8.722 (0.003)**

** indicates significant at 0.01 level and * indicates significant at 0.05 level

The Net Worth Ratio (NWR) depicts the return earned on invested funds. It can be construed from the table 1 that NWR was the highest in the DCCBs Fatehabad (7.16) and Mahendergarh (10.6) in the Hisar and Gurgaon divisions respectively. The average of NWR was better being 7.58 percent in the Gurgaon division in comparison to Hisar division. It was negative due to the losses incurred in different years in the Hisar DCCB. The t-values were significant either at 0.05 or 0.01 level in all the DCCBs. The average Return on Capital Employed (ROCE) was better in the Gurgaon division and was the highest in Mahendergarh 0.98 which shows better utilization of assets in generating income in comparison to other DCCBs under study. The t-values were significant at 0.01 in all the DCCBs which in fact prove the poor ROCE in all the banks. The performance of these DCCBs was meager in comparison to the investments made in assets.

The ratio of profit margin was the highest in Mahendergarh DCCB (11.3) and the Gurgaon division (8.29) which shows that adequate percent of amounts were available to the owners out of total income earned. But the situation of PM was poor in all the DCCBs (except Sirsa) in Hisar division and even negative in the Hisar DCCB which proves the poor situation of the bank as the amount of expenditure was higher than the income and nothing available to the owners out of total income. The t-values were significant at 0.01 or 0.05 in all the DCCBs (except Sirsa DCCB) of Hisar division and in the Gurgaon DCCB. Net interest margin is the difference between total interest income and total interest expenses. The average NIM was higher (2.54) in the Hisar division than the Gurgaon division (2.45) but not adequate in any of the DCCBs or divisions which signifies that the proportion of core income to the income producing assets was very less. The banks were unable to make a check on the increasing costs of interest expenditures. The t-values were significant at 0.01 in all the eight DCCBs.

It can be summarized from the above discussion that the profitability situation was poor in all the DCCBs and the t-values were significant at 0.01 or 0.05 level which evident the acceptance of the first hypothesis (H_{01}). But it was comparatively better in the Gurgaon division due to better performance of the DCCBs Mahendergarh and Faridabad. The profitability position was critical in the Hisar CCB.

B) Liquidity Analysis

The liquidity refers to the ability to meet current obligations as and when these become due. The short term obligations are met by realizing amount from current, floating or circulating assets. The current assets should either be liquid or near liquidity.

Table 2 Liquidity Positions of DCCBs, 1997-98 to 2008-09

DIVISION	RATIO	Cash Assets Ratio (CAR)		Cash Deposit Ratio (CDR)		Cash Demand Ratio (CDD)		Working funds to Assets Ratio (WFAR)	
		Mean Value	t-value	Mean Value	t-value	Mean Value	t-value	Mean Value	t-value
Hisar	Hisar	1.99	-28.376 (0.000)**	4.08	-35.373 (0.000)**	10.9	-13.991 (0.000)**	30.2	-4.202 (0.001)**
	Bhiwani	2.89	-19.365 (0.000)**	5.20	-24.807 (0.000)**	16.9	-5.476 (0.000)**	31	-4.548 (0.001)**
	Fatehabad	1.72	-17.287 (0.000)**	7.17	-6.202 (0.000)**	12.9	-5.003 (0.001)**	16.8	-10.948 (0.000)**
	Sirsa	1.75	-17.708 (0.000)**	6.05	-8.082 (0.000)**	10.5	-7.288 (0.000)**	28.5	-11.238 (0.000)**
	Average of the division	2.39	-17.913 (0.000)**	2.08	-14.331 (0.001)**	5.62	-8.333 (0.004)**	26.62	-4.033 (0.027)*
Gurgaon	Gurgaon	3.65	-15.273 (0.000)**	5.83	-30.492 (0.000)**	12.4	-11.057 (0.000)**	41.1	-0.370 (0.718)
	Faridabad	1.18	-60.944 (0.000)**	2.51	-77.260 (0.000)**	3.21	-89.678 (0.000)**	33.4	-3.867 (0.003)**
	Mahendergarh	2.99	-12.088 (0.000)**	7.32	-12.233 (0.000)**	17	-4.766 (0.001)**	34.3	-2.085 (0.061)
	Rewari	3.81	-7.600 (0.000)**	6.97	-10.349 (0.000)**	12.2	-9.348 (0.000)**	37	-1.494 (0.163)
	Average of the division	2.91	-6.792 (0.007)**	5.65	-8.522 (0.003)**	11.2	-4.782 (0.017)*	36.45	-2.054 (0.132)

** indicates significant at 0.01 level and * indicates significant at 0.05 level

The Cash Asset Ratio (CAR) reflects the liquidity level against the asset base of the bank. It is evident from table 2 that CAR was the highest in the DCCBs Bhiwani (2.89) and Rewari (3.81) in their respective divisions. But the performance was not adequate and was very less in comparison to the stipulated 7 percent CAR for the banks. The t-values were

significant at 0.01 in all the DCCBs. The banks had lesser proportion of liquidity in the asset portfolio. Lower liquidity generally impacts negatively the creditworthiness of an institution. These banks should add more cash in the current assets portfolio in order to maintain a significant proportion and meet current obligations.

The payment capacity of all the DCCBs was very weak due to lesser CDR. The Cash-Deposit ratio (CDR) was the highest in the Mahendergarh CCB (7.32) and Fatehabad CCB (7.17) in their respective divisions. The banks with lower CDR faced the hindrances in making the payments to the depositors due to shortage of cash and had adversely affected the creditworthiness and profitability of the banks. The ratio attained by these banks was not satisfactory and less than stipulated 15 percent in all the banks under study. The t-values were significant at 0.01 in all the DCCBs which proved the poor performance on this parameter.

The availability of cash in proportion to the demand deposits was the highest in Bhiwani (16.9) and Mahendergarh (17) in their respective divisions but these too were inadequate. The probability of defaulting on payment obligations was high in these banks due to lower CDD and susceptible liquidity situation. The WFAR was the highest in the Bhiwani (31) and Gurgaon (41.1) in their respective divisions. It was inadequate in the Fatehabad and Sirsa CCBs which reflected weak liquidity position in these banks in terms of working capital. These banks were required either to increase the liquid assets or decrease the current liabilities. For proper and effective operations of the banks, the working capital works as a blood and make the flow of transactions smooth.

It can be inferred that average CAR, CDR, CDD and WFAR were higher in the Gurgaon division in comparison to the Hisar division. The t-values were significant at 0.01 for all the ratios and in all the DCCBs (except WFAR) which proved the second hypothesis (H_{02}) that there was poor liquidity position in all the DCCBs. But the liquidity position of the Gurgaon division was comparatively better. The cash position in relation to total assets, total deposits and demand deposits was decisive. The working capital situation was also dismal in few banks. The banks should increase the proportion of cash in the asset portfolio.

C) Solvency Analysis

The solvency refers to the ability of a bank to meet its long term obligations. The long term creditors of firm are primarily interested in knowing the bank's ability to pay regular interest on long-term borrowings, repayment of the principal amount at the maturity and the security

of their loans. Thus, solvency ratios indicate a bank's ability to meet the fixed interest, costs and repayment schedules associated with its long term borrowings.

Table 3 Solvency Positions of DCCBs, 1997-98 to 2008-09

DIVISION	RATIO	Debt Equity Ratio (DER)300		Outside Liabilities to Assets (OLTA)50		Fixed Assets to Total Capital (FATC)65		Capital Gearing Ratio (CGR)35	
		DCCB ↓	Mean Value	t-value	Mean Value	t-value	Mean Value	t-value	Mean Value
Hisar	Hisar	556.6	6.829 (0.000)**	38.5	-6.297 (0.000)**	393.9	12.808 (0.000)**	18.9	-12.140 (0.000)**
	Bhiwani	698.1	9.560 (0.000)**	32.37	-18.372 (0.000)**	859.2	11.718 (0.000)**	14.9	-21.636 (0.000)**
	Fatehabad	866.5	8.554 (0.000)**	61.69	5.385 (0.001)**	313.6	7.673 (0.000)**	12.15	-22.299 (0.000)**
	Sirsa	686.3	11.668 (0.000)**	56.78	5.225 (0.000)**	226.2	14.958 (0.000)**	14.91	-30.458 (0.000)**
	Average of the division	701.87	6.324 (0.008)**	47.33	-0.378 (0.731)	448.22	2.714 (0.073)	15.21	-14.240 (0.001)**
Gurgaon	Gurgaon	245.9	-1.865 (0.089)	17.73	-29.841 (0.000)**	521.8	5.055 (0.000)**	46.46	2.465 (0.031)*
	Faridabad	437.7	4.438 (0.001)**	35.81	-12.059 (0.000)**	310.7	8.962 (0.000)**	24.54	-4.530 (0.001)**
	Mahendergarh	500	4.162 (0.002)**	44.8	-2.119 (0.058)	222.4	11.977 (0.000)**	21.79	-7.590 (0.000)**
	Rewari	403.4	2.258 (0.045)*	30.03	-10.175 (0.000)**	385.9	12.198 (0.000)**	28.51	-2.085 (0.061)
	Average of the division	396.75	1.788 (0.172)	32.09	-3.158 (0.051)*	360.2	4.657 (0.019)*	30.32	-0.842 (0.462)

** indicates significant at 0.01 level and * indicates significant at 0.05 level

However, the proportion of debt to equity has been an issue of discussion since several years and no confirmation on the ratio is made till now yet considering various studies and guidelines from apex institutions it should be around three times in banks. It is interpreted from the table 3 that the DER was more than 300 in all the DCCBs except in Gurgaon CCB. The t-values were significant at 0.01 in all the DCCBs in Hisar division and similarly for Gurgaon division. There was a lower margin of safety for the creditors and the owners were enjoying the financial leverage which can be fatal for the banks in the coming future. The

ratios depicted by all the banks were not favorable for the long term creditors because high ratio might give a lesser margin of safety to them at the time of liquidation. On the other side the owners were paying more to the creditors in the form of interest and very less fraction of profit was available to them in the form of dividends. This policy not only increased the cost of debt but also decreased the income of the owners. The OLTA was more than 50 percent in the Fatehabad and Sirsa which should be lower down to make the situation more comfortable and for better solvency conditions. But the banks with lower ratio signified their comfortable solvency situation and invited lesser supervision. The average OLTA was higher in Hisar division (47.33) in comparison to Gurgaon division (32.09). The t-values were significant in all the DCCBs.

The FATC was more than 220 percent in the Hisar and Gurgaon division which exemplify that the value of fixed assets was much higher than the capital available and the assets probably purchased from the borrowed amount also. Relying high on borrowed funds made the situation more critical not only for owners but also for creditors. The average ratio was the highest in the Bhiwani CCB (859.2) and in the Hisar division (448.23). The t-values were significant in all the DCCBs. The fixed interest bearing securities were much higher than the owner's funds and the banks were highly geared. The capital gearing ratio (CGR) ranged in 12-19 percent in Hisar division and 21-47 percent in Gurgaon division which imitated the transfer of maximum profits into interest payments and lesser availability for dividends. This status can be fatal for the solvency of the banks in the near future as there should be optimum capital structure in any business concern for long term sustenance. The CGR was the highest in the Gurgaon CCB (46.46) and the lowest in Fatehabad CCB (12.15) in all DCCBs. The t-values were significant in all the DCCBs (except the Rewari CCB). The solvency situation of all the DCCBs was very grave which supports the third hypothesis (H_{03}). But the solvency was little better in the Gurgaon division in comparison to the Hisar division.

D) Efficiency Analysis

The effectiveness with which funds are utilized in the business, how well the institution controls expenses relative to producing revenues, and how productive employees are in terms of generating income, managing assets and handling operations; all these areas are analyzed with the help of efficiency ratios.

Table 4 Efficiency Position of DCCBs, 1997-98 to 2008-09

DIVISION	RATIO	Operating Efficiency Ratio (OER)0.5		Burden Ratio (BR)35		Income Productivity per Employee (IPPE)2		Cost of Funds (COF)7	
		Mean Value	t-value	Mean Value	t-value	Mean Value	t-value	Mean Value	t-value
Hisar	Hisar	2.5	13.070 (0.000)**	8.35	-7.496 (0.000)**	0.01	-12.300 (0.000)**	16.3	5.909 (0.000)**
	Bhiwani	2.09	7.461 (0.000)**	11.6	-6.076 (0.000)**	0.25	-15.889 (0.000)**	18.1	9.430 (0.000)**
	Fatehabad	2.07	11.463 (0.000)**	5.59	-23.991 (0.000)**	0.51	-7.432 (0.000)**	11.7	3.222 (0.012)*
	Sirsa	2.92	21.441 (0.000)**	5.5	-33.472 (0.000)**	0.6	-3.884 (0.003)**	9.17	3.994 (0.002)**
	Average of the division	2.39	9.423 (0.003)**	7.76	-18.906 (0.000)**	0.34	-12.427 (0.001)**	13.81	3.320 (0.045)*
Gurgaon	Gurgaon	2.15	4.965 (0.000)**	6.19	-10.984 (0.000)**	0.4	-9.239 (0.000)**	25.8	9.921 (0.000)**
	Faridabad	2.14	7.823 (0.000)**	9.63	-6.963 (0.000)**	1.16	-1.518 (0.157)	13.5	8.932 (0.000)**
	Mahendergarh	2.28	8.364(0.000)**	7.93	-9.577 (0.000)**	0.61	-12.965 (0.000)**	11.6	6.656 (0.000)**
	Rewari	2.54	19.374(0.000)**	57.8	-8.856 (0.000)**	0.25	-48.472 (0.000)**	14.8	20.006 (0.000)**
	Average of the division	2.27	19.087 (0.000)**	20.38	-1.170 (0.327)	0.60	-7.004 (0.006)**	16.42	2.951 (0.060)

** indicates significant at 0.01 level and * indicates significant at 0.05 level

The lesser proportion of operating expenditure to total assets leads to better efficiency to meet other expenditures and ultimately ensure availability of more earnings to the banks. As construed from table 4, the proportion of operating expenditure was very high in all the DCCBs under consideration with the highest OER in the Sirsa CCB (2.92). It was more than 4 times than the standardized proportion (2) in all the banks. The t-values were significant at 0.01 in all the banks. Burden Ratio reflects the efficiency of an institution to pay non-interest expenditure out of non-interest income. Higher ratio means lesser burden on interest income and the bank is earning more through fee based services. This ratio was highest in the Rewari CCB with 57 percent and rest of the banks was having less than 12 percent which prove heavy burden on interest income and it was not only bearing the burden of interest

expenditure but also of non-interest expenditure. The t-values were significant at 0.01 in all the DCCBs.

The amount of income productivity per employee was very negligible and corroborated the poor efficiency of the employees and management. The ratio being in the range of 0.1 to 1.16 percent connoted the poor efficiency of the employees to earn/maximize income in all the DCCBs. The t-values were significant at 0.01 in all the DCCBs (except Faridabad) which indicated the poor performance of these DCCBs on this financial parameter. However, cost of funds depends upon the interest rates prevailing in the market, yet the banks can minimize it with efficient financial management. The DCCBs Bhiwani (18.1) and Gurgaon (25.8) had the highest COF in their respective divisions and thus proved these banks were least efficient in financial management. The t-values were significant at 0.01 in all the DCCBs which proved that the performance of these banks was not satisfactory on this parameter.

The efficiency of all the DCCBs was perilous and there was a need to make improvements in their operations. Due to lesser OER, higher BR and IPPE, the Gurgaon division performed comparatively better than the Hisar division. The fourth hypothesis was also accepted due to poor efficiency of all the DCCBs of two divisions.

E) Risk Analysis

Banks face many risks including losses on loans and losses on investments. Financial managers must limit these risks in order to avoid failure of the banks (bankruptcy). Basel Committee on Banking Supervision (BCBS) in both the accords (Basel accord I and II) have given weight to capital adequacy and risk in banks.

Table 5 Risk Position of DCCBs, 1997-98 to 2008-09

DIVISION	RATIO →	Equity Asset Ratio (EAR)30		Gross NPA to Sales (GNPS)5		Gross NPA to Assets (GNPA)6		Net NPA to Sales (NNPS)3	
		DCCB ↓	Mean Value	t-value	Mean Value	t-value	Mean Value	t-value	Mean Value
Hisar	Hisar	7.06	-82.122 (0.000)**	7.51	5.078 (0.000)**	5.87	-0.409 (0.690)	5.1	5.580 (0.000)**
	Bhiwani	4.75	-125.078 (0.000)**	8.45	3.583 (0.004)**	6.23	0.328 (0.749)	6.39	3.699 (0.004)**
	Fatehabad	7.38	-48.523 (0.000)**	5.38	0.282 (0.785)	4.87	-0.917 (0.386)	3.24	0.185 (0.858)
	Sirsa	8.38	-100.618 (0.000)**	4.84	-0.406 (0.693)	4.05	-6.582 (0.000)**	2.74	-0.540 (0.600)
	Average of the division	6.89	-30.107 (0.000)**	6.54	1.802 (0.169)	5.25	-1.508 (0.229)	4.36	1.620 (0.204)
Gurgaon	Gurgaon	7.94	-28.678 (0.000)**	6.64	1.657 (0.126)	4.25	-2.583 (0.025)*	2.7	-0.317 (0.757)
	Faridabad	8.53	-45.006 (0.000)**	6.83	1.784 (0.102)	5.11	-1.203 (0.254)	3.82	1.009 (0.335)
	Mahendergarh	9.48	-45.683 (0.000)**	3.75	-1.926 (0.080)	3.05	-5.859 (0.000)**	2.25	-1.417 (0.184)
	Rewari	7.97	-44.931 (0.000)**	4.55	-1.548 (0.150)	3.29	-14.932 (0.000)**	3.15	0.495 (0.631)
	Average of the division	8.48	-59.797 (0.000)**	5.44	0.579 (0.603)	3.92	-4.392 (0.022)*	2.98	-0.060 (0.956)

** indicates significant at 0.01 level and * indicates significant at 0.05 level

It can be inferred from table 5 that the equity asset ratio (EAR) was very low (ranged between 4 and 10 percent only) in all the DCCBs which signified lower capitalization in the banks in comparison to the assets and was a risky situation. The total assets being 10 times greater than total capital, demonstrated that the maximum amount invested in the assets was the borrowed one and adversely affected the creditworthiness of the banks. The average EAR was the highest in the Sirsa CCB (8.38) in Hisar division and the Mahendergarh CCB (9.48) in the Gurgaon division. The t-values were significant at 0.01 in all the DCCBs which proved the poor performance of these banks on EAR risk parameter.

According to the latest guidelines issued by Reserve Bank of India (RBI), the GNPS should be less than 5 percent in any bank. It was below this level in the DCCBs Sirsa,

Mahendergarh and Rewari only. Due to the implementation of loan waiver scheme by the Government of India in the year 2007-08, the NPA increased tremendously in 2008-09 and affected adversely all the banks. The t-values were significant at 0.01 in Hisar and Bhiwani CCBs only which prove the GNPS status adequate in these banks.

Similar to the GNPS ratio, the GNPA of the banks was also quite well (except in Bhiwani CCB). The proportion of gross NPA in total assets was less and hence led to lesser risk and better asset utilization by these banks. The ratio of Net Non Performing Assets (NNPA) to Total Advances should not be greater than 3 as per the RBI guidelines. It was the very higher than the stipulated in the DCCBs Hisar and Bhiwani which indicate the signal of danger to the bank. The banks should emphasize more on better provisioning and careful lending in order to decrease the loss assets. The risk level in the banks was quite low due to the lower non-performing assets in relation to sales and assets of the banks. The Gurgaon division performed better on this parameter in comparison to the Hisar division. The fifth hypothesis (H_{05}) was partially accepted as the risk level in most of the banks was less.

It is visible from the financial performance analysis of eight DCCBs in two divisions that all the DCCBs were in precarious and dicey situation due to their poor performance on all the financial parameters except on risk management. One bank performed well on one parameter but worst on other which prove that the overall financial performance of the banks was not quite well and all the banks were required to make improvements on different fronts. Performing adequately on risk parameter raise doubts and suspicion on the financial figures provided by the banks and window dressing was inevitable in such a situation. Comparing the two divisions, the DCCBs in the Gurgaon division performed better on all the financial parameters, viz. profitability, liquidity, efficiency, solvency and risk. The Mahendergarh CCB was the best amongst all the eight DCCBs considering its average financial performance.

SECTION-IV CONCLUSION AND SUGGESTIONS

The role of co-operative credit institutions in Indian economy is inevitable due to satisfying the financing needs of the people particularly residing in the rural and remote areas. It is due to these institutions that India still claim itself a rural economy in the world. The co-operative banks being key component of these institutions had laudable success in the past but have been suffering with various lacunae which have led these institutions towards bankruptcy or exit from competition. All the nineteen district central co-operative banks

(DCCBs) have been divided into four divisions in Haryana. After testing the eight DCCBs (two divisions) on five financial parameters, viz. profitability, liquidity, efficiency, solvency and risk, it is concluded that all the DCCBs were the poor performers on these parameters. The risk management was adequate in most of the banks but created suspicion due to the recovery level and doubt on window dressing in the accounts. Considering the overall performance, the DCCBs in the Gurgaon division performed better in comparison to the DCCBs in Hisar division. The worst performer was the Hisar CCB and the best performer was the Mahendergarh CCB. These DCCBs cater to the needs of thousands of societies and lakh of account holders, so better performance is expected. These banks required to make improvements on all five financial parameters taken in the study otherwise these may be a great failure in the near future. If India wish to maintain its status of being a self-sustained economy at least from the viewpoint of agriculture sector and if the gains of the development have to be made available to the poor then the co-operative banks should be given weight by the Government and effective steps are required to be taken by the Government besides introspection by the banks themselves.

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RESEARCH OF REGION

CHANGING PARADIGM OF ONLINE BANKING

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Abstract

Indian banking sector have changed dramatically in last two decades. Conventional banking system remains no more. Technology adoption introduced banking at anytime, anywhere. Therefore limited hour banking services becomes bank services and transactions at conveniences of account holders. The cell phone with Internet access banking gives high convenience to accounts holder as per his convenience. However some policy issues remain unanswered, security aspects, use and application of technology particularly electronic technology is not within purview of large number of bank customers. The changing face of banking industry may certainly boost up saving pattern and economy.

Keywords: *Internet banking, Online Banking, Tele Banking, Telephone Banking, Electronic Banking, Technology Adoption, Smart card, Debit Card. Credit Card*

INTRODUCTION: BANKING SECTOR

Banks have played a critical role in the economic development of some developed countries such as Japan and Germany. It also played significant role in most of the emerging economies including India. Banks today are important not just from the point of view of economic growth, but also financial stability. In emerging economies, banks are special for three important reasons (i) a leading role in developing other financial intermediaries and markets, (ii) the corporate sector depends heavily on banks to meet its financing needs and (iii) banks cater to the needs of a large number of savers from the household sector. The households prefer assured income and liquidity and safety of funds, because of their inadequate capacity to manage financial risks. The banking forms have changed over the years and evolved with the needs of the economy. The transformation of the banking system has been brought about

by deregulation, technological innovation and globalization. Banks have been expanding into areas which were traditionally out of bounds for them. Non-bank intermediaries have begun to perform many of the functions of banks. Therefore banks not only compete among themselves, but also with nonbank financial intermediaries, and over the years, this competition has only grown in intensity.

Banking – Concept, Definition and Evolution

In India, the definition of the business of banking has been given in the Banking Regulation Act, (BR Act), 1949. According to Section 5(c) of the BR Act, 'a banking company is a company which transacts the business of banking in India.' Further, Section 5(b) of the BR Act defines banking as, 'accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdraw able, by cheque, draft, and order or otherwise.' This definition points to the three primary activities of a commercial bank which distinguish it from the other financial institutions. These are: (i) maintaining deposit accounts including current accounts, (ii) issue and pay cheques, and (iii) collect cheques for the bank's customers.

The commercial banking industry in India started in 1786 with the establishment of the Bank of Bengal in Calcutta. The Indian Government at the time established three Presidency banks, viz., the Bank of Bengal (established in 1809), the Bank of Bombay (established in 1840) and the Bank of Madras (established in 1843). In 1921, the three Presidency banks were amalgamated to form the Imperial Bank of India. It took up the role of a commercial bank, a bankers' bank and a banker to the Government. The Imperial Bank of India was established with mainly European shareholders. The Reserve Bank of India (RBI) was established as the central bank of the country in 1935. The quasi-central banking role of the Imperial Bank of India came to an end. In 1860, the concept of limited liability was introduced in Indian banking, resulting in the establishment of joint-stock banks. In 1865, the Allahabad Bank was established with purely Indian shareholders. Punjab National Bank came into being in 1895. Between 1906 and 1913, other banks like Bank of India, Central Bank of India, Bank of Baroda, Canara Bank, Indian Bank, and Bank of Mysore were set up. After independence, the Government of India started taking steps to encourage the spread of banking in India. The All India Rural Credit Survey Committee recommended the creation of a state-partnered and state-sponsored bank. The purpose was to serve the economy in general and the rural sector

in particular. The government took over the Imperial Bank of India and integrating with it, the former state-owned and state-associate banks to fulfill the purpose. Accordingly, State Bank of India (SBI) was constituted in 1955. Subsequently in 1959, the State Bank of India (subsidiary bank) Act was passed. It enabled enabling the SBI to take over eight former state-associate banks as its subsidiaries. It was considered necessary to have social control over banks to better align the banking system to cater the needs of planning and economic policy. The government of India nationalized 14 major private sector banks on July 19, 1969. This was an important milestone in the history of Indian banking. This was followed by the nationalization of another six private banks in 1980. The major segment of the banking sector came under the control of the Government with the nationalization of these banks. The nationalization of banks imparted major impetus to branch expansion in un-banked rural and semi-urban areas. This resulted in huge deposit mobilization and boosted to the overall savings rate of the economy. It also resulted in scaling up of lending to agriculture and its allied sectors. However, this arrangement also saw some weaknesses like reduced bank profitability, weak capital bases, and banks getting burdened with large non-performing assets.

A number of reform measures were initiated in early 1990s to create a strong and competitive banking system. The thrust of the reforms was on increasing operational efficiency, strengthening supervision over banks, creating competitive conditions and developing technological and institutional infrastructure. These measures led to the improvement in the financial health, soundness and efficiency of the banking system. One important feature of the reforms of the 1990s was that the entry of new private sector banks was permitted. In regards to this decision, new banks such as ICICI Bank, HDFC Bank, IDBI Bank and UTI Bank were set up. Commercial banks in India have traditionally focused on meeting the short-term financial needs of industry, trade and agriculture. However, given the increasing sophistication and diversification of the Indian economy, the range of services extended by commercial banks has increased significantly. It started leading to an overlap with the functions performed by other financial institutions. Further, the share of long-term financing (in total bank financing) to meet capital goods and project-financing needs of industry has also increased over the years.

Functions of Commercial Banks

The main functions of a commercial bank can be segregated into three main areas:

- **Payment System**

Banks are at the core of the payments system in an economy. A payment refers to the means by which financial transactions are settled. A fundamental method by which banks help in settling the financial transaction process is by issuing and paying cheques issued on behalf of customers. In modern banking, the payments system also involves electronic banking, wire transfers, settlement of credit card transactions, etc. In all such transactions, banks play a critical role.

- **Financial Intermediation**

The second principal function of a bank is to take different types of deposits from customers and then lend these funds to borrowers, in other words, financial intermediation. In financial terms, bank deposits represent the banks' liabilities, while loans disbursed, and investments made by banks are their assets. On the other hand, bank loans and investments made by banks play an important function in channeling funds into profitable as well as socially productive uses.

- **Financial Services**

In addition to acting as financial intermediaries, banks today are increasingly involved with offering customers a wide variety of financial services. It includes investment banking, insurance-related services, government-related business, foreign exchange businesses, wealth management services, etc. Income from providing such services improves a bank's profitability.

Banking Structure in India

Scheduled Banks in India

Scheduled banks comprise scheduled commercial banks and scheduled co-operative banks. Scheduled commercial banks (SCBs) form the bedrock of the Indian financial system, currently accounting for more than three-fourths of all financial institutions' assets. SCBs are present throughout India, and their branches, having grown more than four-fold in the last 40 years now number more than 80,500 across the country.

Public Sector Banks

Public sector banks are those in which the majority stake is held by the Government of India (GoI). Public sector banks together make up the largest category in the Indian banking

system. There are currently 27 public sector banks in India. They include the SBI and its six associate banks (such as State Bank of Indore, State Bank of Bikaner and Jaipur etc.), 19 nationalized banks (such as Allahabad Bank, Canara Bank etc.) and IDBI Bank Ltd. Public sector banks have taken the lead role in branch expansion, particularly in the rural areas.

Private Sector Banks

The majority of share capital is held by private individuals and corporate in these banks. Not all private sector banks were nationalized in in 1969, and 1980. The private banks which were not nationalized are collectively known as the old private sector banks. It include banks such as The Jammu and Kashmir Bank Ltd., Lord Krishna Bank Ltd etc. Entry of five private sector banks was however prohibited during the post-nationalization period. In July 1993, as part of the banking reform process and as a measure to induce competition in the banking sector, RBI permitted the private sector to enter into the banking system. This resulted in the creation of a new set of private sector banks, which are collectively known as the new private sector banks. There were seven new private sector banks and 15 old private sector banks operating in India at the end of March 2009.

Foreign Banks

Foreign banks have their registered and head offices in a foreign country but operate their Branches in India. The RBI permits these banks to operate either through branches; or through wholly-owned subsidiaries. The primary activity of most foreign banks in India has been in the corporate segment. However, some of the larger foreign banks have also made consumer financing a significant part of their portfolios. These banks offer products such as automobile finance, home loans, credit cards, household consumer finance etc. Foreign banks in India are required to adhere to all banking regulations, including priority-sector lending norms as applicable to domestic banks. In addition to the entry of the new private banks in the mid- 90s, the increased presence of foreign banks in India has also contributed to boosting competition in the banking sector.

Co-operative Banks

Co-operative banks cater to the financing needs of agriculture, retail trade, small industry and self-employed businessmen in urban, semi-urban and rural areas of India. A distinctive feature of the co-operative credit structure in India is its heterogeneity. The structure differs across urban and rural areas, across states and loan maturities. Urban areas are served by urban cooperative banks (UCBs), whose operations are either limited to one state or stretch across states. The rural co-operative banks comprise State co-operative banks, district central

cooperative banks, SCARDBs and PCARDBs. The co-operative banking sector is the oldest segment of the Indian banking system. The network of UCBs in India consisted of 1721 banks as at end-March 2009. The number of rural co-operative banks was 1119 as at end-March 2008. Cooperative banks have the potential to become an important instrument for large-scale financial inclusion. These banks have their widespread geographical penetration. The other side is all banks may not have financial strength to serve the needy. The RBI and the National Agriculture and Rural Development Bank (NABARD) have taken a number of measures in recent years to improve financial soundness of co-operative banks.

Regional Rural Banks

Regional Rural Banks (RRBs) were established during 1976-1987 with a view to develop the rural economy. Each RRB is owned jointly by the Central Government, concerned State Government and a sponsoring public sector commercial bank. RRBs provide credit to small farmers, artisans, small entrepreneurs and agricultural labour. Over the years, the Government has introduced a number of measures to improve viability and profitability of RRBs. The major measure was the amalgamation of the RRBs of the same sponsored bank within a State. This process of consolidation has resulted in a steep decline in the total number of RRBs to 86 as on March 31, 2009, as compared to 196 at the end of March 2005.

Technological Adoption in Banking Sector

The IT revolution had a great impact in the Indian banking system. The use of computers had led to introduction of online banking in India. The use of the modern innovation and computerization of the banking sector of India has increased many folds. After the economic liberalization of 1991 as the country's banking sector has been exposed to the world's market. The Indian banks were finding it difficult to compete with the international banks in terms of the customer service without the use of the information technology and computers.

The RBI in 1984 formed Committee on Mechanization in the Banking Industry (1984). The chairman was Dr. C. Rangarajan, Deputy Governor, Reserve Bank of India. The major recommendations of this committee was introducing MICR Technology in the all the banks in the metropolis in India. This provided use of standardized cheque forms and encoders. In 1988, the RBI set up Committee on Computerization in Banks (1988) headed by Dr. C.R. Rangarajan. It emphasized that settlement operation must be computerized in the clearing houses of RBI in Bhubaneswar, Guwahati, Jaipur, Patna and Thiruvananthapuram. It further stated that there should be National Clearing of inter-city cheques at Kolkata, Mumbai, Delhi, Chennai and MICR should be made Operational. It also focused on computerization of

branches and increasing connectivity among branches through computers. It also suggested modalities for implementing on-line banking. The committee submitted its reports in 1989 and computerization began from 1993 with the settlement between IBA and bank employees' association. In 1994, Committee on Technology Issues relating to Payments System, Cheque Clearing and Securities Settlement in the Banking Industry (1994) was set up. The chairman was Shri. W. S. Saraf, Executive Director, Reserve Bank of India. It emphasized on Electronic Funds Transfer (EFT) system, with the BANKNET communications network as its carrier. It also said that MICR clearing should be set up in all branches of all banks with more than 100 branches. Committee for proposing Legislation on Electronic Funds Transfer and other Electronic Payments (1995) emphasized on EFT system. Electronic banking refers to DOING BANKING by using technologies like computers, internet and networking, MICR, EFT. The purpose was to increase efficiency, quick service, productivity and transparency in the transaction of banking sector.

The banks have been selling the third party products like Mutual Funds, insurances to its clients in modern role. Total numbers of ATMs installed in India by various banks as on end March 2005 were 17,642. The New Private Sector Banks in India is having the largest numbers of ATMs which is followed by SBI Group, Nationalized banks, Old private banks and foreign banks. The total off site ATM is highest for the SBI and its subsidiaries and then it is followed by New Private Banks, Nationalized banks and foreign banks. While on site is highest for the nationalized banks of India.

Reforming financial sector led to the opening of banking sector to various players like private sector banks and foreign banks. It increased the level of competition in Indian banking industry. Increasing globalization in the Indian economy since 1991 contributed to the integration of Indian banks particularly public sector banks into the world financial services. The immediate impact of such services has given rise to adoption of a new technological work culture. It computes in the market-driven competitive environment in the financial sector of the country.

Improved customer service has become very important for survival and growth in the emerging deregulated financial markets for banks. The banks are competing with each other to offer multifarious and diversified services to customers to widen their client base. Automation of various banking services using latest technology emphasizes to provide superior customer services. Some banks are utilizing some financial sector development loans of the World Bank to build competitive advantage through modernization. Some of the

modern technologies introduced in the banking industry are Core Banking, Automated Teller Machines, Internet Banking, and Mobile Banking etc.

The adoption of Technology provides competitive advantage to banks in their operations. However, banks have to depend on outsourcing for most of their IT applications and infrastructure. The outsourcing does not relate to the domain of banking operations.

Electronic Banking

Electronic banking is also known as electronic fund transfer (EFT). It is simply the use of electronic means to transfer funds directly from one account to another, rather than by cheque or cash. One can use electronic fund transfer to:

- Have paycheck deposited directly into bank or credit union checking account.
- Withdraw money from checking account from an ATM machine with a personal identification number (PIN), at convenience, day or night.
- Instruct bank or credit union to automatically pay certain monthly bills from account, such as auto loan or mortgage payment.
- Have the bank or credit union transfer funds each month from checking account to mutual fund account
- Have government social security benefits cheque or tax refund deposited directly into checking account.
- Buy groceries, gasoline and other purchases at the point-of-sale, using a check card rather than cash, credit or personal cheque.
- Use a smart card with a prepaid amount of money embedded in it for use instead of cash at a pay phone, express way road toll, or on college campuses at the library's photocopy machine or book stores.
- Use computer or personal finance software to co-ordinate total financial management process, integrating data and activities related to income, spending, saving, investing, record keeping, bill-paying and taxes, along with basic financial analysis and decision making.

Types of Electronic Banking

These are the various types of e-banking. In Electronic banking transactions are done electronically with the help of above mentioned types.

Telephone Banking

The customer can access his account and by following the user friendly menu, entire banking can be done through Interactive Voice Response (IVR) system through telebanking. With sufficient numbers of hunting lines made available, customer call will hardly fail. The system is bi-lingual and has following facilities offered

- Statements of account by Fax, e-mail or ordinary mail
- Balance inquiry and transaction inquiry in all
- Inquiry of all term deposit accounts
- Cheque book request
- Stop payment which is On-line and instantaneous
- Utility bill payments
- Renewal of term deposit which is automatic and instantaneous
- Voice out last five transactions.

The online banking system also introduced Other Electronic Delivery Channels in conveniences of customers. These have been narrated here

Automated Teller Machines (ATM)

It is an unattended electronic machine in a public place, connected to a data system and related equipment and activated by bank. A customer can obtain cash withdrawals and other banking services of the machine. It is also called automatic teller machine, cash machine, and also called money machine. An automated teller machine or automatic teller machine (ATM) is an electronic computerized telecommunications device. It allows a financial institution's customers to directly use a secure method of communication. It gives access to customer for their bank accounts, order or makes cash withdrawals and check their account balances without the need for a human bank teller. Many ATMs also allow people to deposit cash or cheques, transfer money between their bank accounts, top up their mobile phones prepaid accounts or even buy post stamps.

Smart Card

A smart card usually contains an embedded 8-Bit microprocessor (a kind of computer chip). The microprocessor is under a contact pad on one side of the card. Think of the microprocessor as replacing the usual magnetic stripe present on a credit card or debit card. The microprocessor on the smart card is there for security. The host computer and card reader actually "talk" to the microprocessor. The microprocessor enforces access to the data on the card. The chips in these cards are capable of many kinds of transactions. For example, an

account holder could make purchases from their credit account, debit account or from stored account value that's reloadable. The enhanced memory and processing capacity of the smart card is many times that of traditional magnetic-stripe cards. It can accommodate several different applications on a single card. It can also hold identification information, which means no more shuffling through cards in the wallet to find the right one – the smart card will be the only one needed. Smart card can also be used with a smart card reader attachment to the personal computer to authenticate a user.

Debit Card

Debit cards are also known as check cards. Debit cards look like a credit cards or ATM cards, but operate like cash or personal check. Debit cards are different from credit cards. While credit card is a way to “pay later”, a debit card is a way to “pay now”. When card holders use a debit card, his money is quickly deducted from his checking or saving account. Debit cards are accepted at many locations, including grocery stores, retail stores, gasoline stations and restaurants. Debit card holder can use his card anywhere merchants display your card's brand name or logo. They offer an alternative to carrying a checkbook or cash.

E-Cheque

An E-cheque is the electronic version or representation of paper cheque. The information and legal framework on the E-cheque is same as that of the paper cheque's. It can now be used in place of paper cheques to do any and all remote transactions. An E- cheque work the same way a cheque does. The cheque writer “writes” the e-cheque using one of many types of electronic devices and “gives” the e-cheque to the payee electronically. The payee “deposits” the Electronic cheque receives credit, and the payee's bank “clears” the e-cheque to the paying bank. The paying bank validates the e-cheque and then “charges” the check writer's account for the check.

Banking over the Internet has attracted increasing attention from bankers and other financial services, industry participants, the business press, regulators, and law makers. Among the reasons for Internet banking's audience are the notions that electronic banking and payments will grow rapidly. Internet banking started cut banks 'costs, increase banks' revenue growth, and make banking more convenient for customers. Therefore it started proliferating electronic commerce, industry projections, trade etc. However it started vexing some public issues. There is a dearth of systematic information on the nature and scope of Internet banking. Bankers and public policymakers alike have had to plan using largely anecdotal evidence and conjecture.

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RESEARCH OF REGION

NGO OF NGOS – DOES THAT MAKE A BLUE OCEAN MOVE?

Dr. Sujit Metre*

INTRODUCTION:

Most corporate strategies are developed using military models involving direct confrontations. When business is planned keeping competitors in mind, the battlefield becomes crowded and the competitors suffer from reduced market share, growth and profits. Blue ocean strategy (BOS) tries to create a new business where none existed. This means that the new markets are created and the new entrants don't harm you much. Actually you make competition irrelevant. W Chan Kim and Renee Mauborgne in their famous book have suggested six steps of blue ocean implementation i.e. Reconstruct market boundaries, focus on the big picture, reach beyond existing demand, get the strategic sequence right, overcome key organizational hurdles and build execution in to strategy.

What is true for a commercial venture focusing profits, the same must be true for a Non-Government Organisation (NGO) not focusing on profits. It would be revolutionize the NGO space if one can implement Blue Ocean in relation to NGOs. Off course the parameters of performance shall be different.

NGO Definition and Importance

The NGO literature has tended to see NGOs as one of a number of key actors in processes of development alongside the state, local government, foreign donors and private corporations. In contrast to this relatively 'integrated' approach, the non-profit literature has to a greater extent focused on the organizations themselves and on the concept of the 'sector' as a distinctive subject for research. Non-profit has concentrated on service delivery and welfare organizations more than advocacy and social change organizations (Lewis, 2006). 'Non-governmental', 'third sector' or 'not-for profit' organizations have in recent years become high profile actors within public policy landscapes at local, national and global levels. Around the world, there is an increasing commitment to the delivery of social services through involving voluntary organizations which are neither government agencies directed by

the state nor organizations committed to the 'for-profit' ethos of the business world (Lewis, 2003). The World Bank defines NGOs as "private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development" In wider usage, the term NGO can be applied to any non-profit organization which is independent from government. NGOs are typically value-based organizations, which depend, in whole or in part, on charitable donations and voluntary service. Although the NGO sector has become increasingly professionalised over the last two decades, principles of altruism and voluntarism remain key defining characteristics (United Nations Economic Commission for Europe, 2006).

Despite all efforts by the governments at various levels, national and international, through the adoption of their sound development policies, planning and programmes aiming at alleviation of poverty, improving the quality of life, there has been little impact on the lives of people particularly, on the lives of the deprived, marginalized and under-privileged sections of the society. A large section of the society is by-passed by the process of development. The models of 'development from above' with the basic assumption that the benefits of economic growth would trickle down to the poorer sections of the society did not succeed in achieving expected goals. Similarly, the models of 'development from below' with an equitable, need-based approach could not achieve the desired results. The recognition of the dehumanizing, inequitable and environmentally unsustainable consequences of these conventional production-centered development models stimulated a search for an alternative development paradigm and strategy. The quest for alternative approaches to development is also the result of continuing global economic crisis that has put financial constraints on governments for pursuing the developmental and social welfare endeavors. The economic crisis called for innovative, new opportunities and alternative sources of financial mobilization. With increasing globalisation, liberalization and de-regulation, the international forces have influenced the economic and social forces at the national and local levels, thus resulting in an increasing disempowerment and powerlessness of the people particularly, among the poor and marginalized sections of the society. There is a greater need for empowerment of these groups economically, socially and politically. Development of people's organisations, i.e. the organisations, which are controlled by the people, is an effective means of the process of empowerment.

NGOs Involved in the Study

There are three NGOs involved in the study viz. Sandhya Sanwardhan Sanstha (SSS) and Research & Development Association of India (RDAI) from Nagpur and a Mumbai based NGO Karmayog.

A] **Sandhya Sanwardhan Sanstha** has sixteen trustees which includes people like ophthalmologist, dentist, homeopath, veterinary doctor, professor, architect, teacher, bank officer, businessman and housewives as well. All of them have implicit faith in honesty, sincerity and have aspiration to pursue the goal. No managing committee member or trustee takes any remuneration from the organization in any form. They show a commitment to philanthropy by providing a support in the form of money, care or their valuable time or all of them. All of them are associated with this noble cause of mentally challenged since its inception i.e. 1993. It is an organization with a difference. It is promoted and managed by a group of committed, dedicated, honest, sincere and educated trustee members. The technically sound people take care of the working of this organization with full devotion. The entire financial and administrative affair is absolutely transparent. Every coinage received is accounted for, and is judiciously spent only for the benefit of the mentally challenged children within the constitutional framework. The core working philosophy revolves around eternal principle of Shiv Bhave Jiva Seva. Accounts are regularly audited by chartered accountant and returns are filed to Income Tax Dept., FCRA Dept. and to Charity Commissioner Office. Financial statements are available on their website. Annual Report for every year is published regularly and is distributed amongst donors, well wishers, and staff members also. SSS is registered with Give India Foundation, a charitable portal for on line donations, since they fulfill credibility criteria.

B] **Research and Development Association of India (RDAI)** has been founded by a group of ex-students of Baba Amte's Anand Niketan College (Anadnvan, Warora) & Vidyarthi Sahayak Samiti (Warora), under the leadership of Dr. Dadarao Bankar (Chief functionary and founder secretary). It is providing selfless and committed service for the noble cause of providing basic facilities like lodging, meals, books, etc. for higher education of poor and meritorious students from the rural and tribal areas sections of the society. Additional facilities such as state-of-the-art computer lab with Internet facility, workshops, career guidance, civic value & social skills education, etc. are also provided to aid in the holistic development of these students. The service delivery is done via the KVG platform. Currently

we have 3 hostels (1 rented in Nagpur, 1 benefactor-owned in Kamptee and 1 self-owned in Butibori). A total of 30 students are living in these hostels and are pursuing higher education courses such as Engineering, Pharmacy, Business Administration, Nursing and ICWA among others. Till date over 250 students have benefited from the KVG platform. RDAI has not taken any Government aid as yet nor is any remuneration paid to any trustee on account of Travel or local conveyance. .

C] Karmayog

It's a NGO for managing and promoting other NGOs. It doesn't engage in to any specific project requiring funding. NGOs can list themselves, put their proposals, and reports and also receive donations both in cash and kind, Volunteers, job seekers and donors can also list and search for jobs and likeminded people. A desire to understand the concept of Karmayog as per the Bhagavad Gita led Vinay Somani to begin www.karmayog.com on 25th June 2004. Karmayog is, however, not a site on spirituality. All of us have the ability and desire to help others. The problem is how to find who we can support or how to enable them to find us. www.karmayog.org / karmayog.com are free platforms for the Indian nonprofit sector, & for addressing civic issues in Mumbai. Nonprofits can provide information about themselves & their needs through an individual, free 'website' that is formed on registration. Through this, NGOs can display their profiles, events & job vacancies & ask for volunteers, materials, services and funds. Citizens & corporates can list the availability of their time, talent, materials, services, money, & indicate their interest in supporting particular types of projects & nonprofits. Karmayog lists 1000+ nonprofits in Mumbai & 3000+ in the rest of India. Karmayog also provides a platform for you to share your work, ideas and concerns via a discussion group of 5500+ members, and a 28000 email group. Since January 2005, Karmayog also carefully selects a "Nonprofit of the Month". The idea is to facilitate people to make small donations to good NGOs identified by a credible, neutral, third-party. This also helps small NGOs in finding new supporters.

Karmayog has also begun a sector-mapping exercise. The idea is to map the capacity and capability of each sector in Mumbai and Navi Mumbai with a brief note on their capacity, activities and services. We will also put together a Resource list for each sector. We hope this would help beneficiaries and their families, volunteers, funding agencies, policy makers, and NGOs themselves to use Karmayog as a starting base for their various initiatives. Karmayog

began with the hearing-challenged sector. It's people visited most of the deaf schools and connected NGOs to profile them and put their data on the website for free access by parents, beneficiaries, donors, etc. Lists of material providers e.g. hearing aid suppliers, and of service providers e.g. ENT hospitals, surgeons & doctors, were also compiled and posted on the website. A well-attended meeting was organised for everyone connected with the sector. Many interacted for the first time! Karmayog also holds networking meetings of NGOs and supporters in various areas. Meetings have been held at Byculla and Fort. When the tremendous rains hit Mumbai on 26th July, Karmayog played a very valuable role in helping relief and rehabilitation efforts. On 27th July itself, Karmayog set up a flood resource website which included needs and offers of materials, services, volunteers and money. The flooding crisis in Mumbai showed that there is no established way for the Government authorities (or for anyone else, including NGOs themselves,) to interact easily with a group through which information to and from NGOs could be conveyed. Karmayog took the lead in forming an NGO-coordination committee duly recognised by and working with the BMC. And the website became the nodal point for flood reports and feedback from & to NGOs. Karmayog then took the initiative to set up a formal NGO Council comprising more than 60 leading NGOs representing the breadth and depth of the NGO sector. The objective is for NGOs to be included in Government program and policy planning, as well as implementation and delivery of Government services to the public. This initiative is being well received. Karmayog.com is thus evolving into two broad directions:

- a) An internet platform for nonprofits and supporters to inform about themselves and their needs / offers
- b) A NGO - citizen - government interface which can enable a holistic view of the various problems that society faces Karmayog.com is an initiative of the Shri R. O. Somani Charitable Trust which is a trust duly registered with the Charities Commissioner, having 80 G registration. Vinay's personal resources currently fund it.

RESEARCH QUESTIONS AND OBJECTIVES

The paper tries to answer few vital questions in reference to *Karmayog*- an NGO taking care of other NGOs, helping others to grow without any personal agenda. Traveling through the concepts and matrices suggested in the blue ocean literature, an attempt is made to answer following questions:

- How can we differentiate various NGOs?
- Does NGO for NGOs constitute a blue ocean move?
- How do we device performance measures for NGO?
- Does NGO of NGOs create altogether new business?
- Can it be beyond boundaries? And finally
- Will one love to have others in this business?

The objective of this paper is to explore the key problems and their solutions in reference to BOS.

RESEARCH METHODOLOGY:

- I. Being a work of exploratory nature, survey of volunteers, focus group interviews of office bearers and researcher's interactions and observation form the tools of data collection. The objective of this exercise was to understand the AIDAS process in relation to NGOs.
- II. Study of existing literature primarily available in www was studied in order to get insights into BOS tools and matrices.
- III. Delphi method was used to understand the nuances of application of BOS tools to NGOs. Here a 5 member panel of faculty members with SMFI-MTP exposure was used.

STUDY OF EXISTING LITERATURE:

The study of literature mostly revolves around the BOS. A brief of these studies is presented below

Sr. No.	Studies	Findings
1	W. C. Kim and R Mauborgne (2004)	The authors believe is the high growth and profits an organization can generate by creating new demand in an uncontested market space, or a "Blue Ocean", rather than by competing head-to-head with other suppliers for known customers in an existing industry.
2	Vargo and Lusch (2004, 2006)	Successful Blue ocean strategies manifest as applications of service-dominant logic.
3	<i>Analysis of the Use of the Blue Ocean Strategy; Case Study Analysis on 14 Different Agencies</i> , Zainal Abidin Mohamed (2004)	The exploratory analysis was an attempt to understand deeper the practise of (Blue Ocean Strategy) BOS principles. As the BOS framework does go into details on how they are to be implemented, the data that were shared were confined only to the ERRC Grid component. It has to be assumed that they all practised and implement with full understanding of the principles as proposed by BOS.
4	Möller et al. (2007)	Business model transformations are assumed to take place in a networked context, in which transforming business models both needs and causes changes in network structures.
5	<i>Blue Ocean Strategy: A Preliminary Literature Review and Research Questions Arising</i> , Alex Ng Hou Hong, Dominic Lau Hoe Chai and Wan Khairuzzaman bin Wan Ismail (2011)	This paper is concerned with providing an initial literature review based mainly on the management literature particularly in the field of strategy. The main objective of the paper is to revisit and review the previous and current literature on strategy research with the intention of identifying a theme for further Research.
6	<i>An Exploratory Empirical Verification of Blue Ocean Strategies: Findings from Sales Strategy</i> , Jaakko Aspara, Joel Hietanen, Petri Parvinen and Henriikki Tikkanen	The conceptualization and subsequent operationalisation of the blue ocean strategy perspective is naturally a source of uncertainty in terms of the research and, realistically, the research design in its entirety.
7	<i>Transforming the nature and scope of new product development</i> , Dennis Pitta and Elizabeth Pitta (2012)	The paper reveals that there are no unvarnished panaceas in product development. Applying a blue ocean strategy to avoid competition early in the product life cycle promises to reduce dangerous competition to allow the product to succeed. However, the gains will probably not extend indefinitely. It requires constant improvement and application of the concepts to gain a measure of sustainability. If firms are successful early, they may be able to defend gains in some areas to retain profitability, while seeking new blue oceans.

DISCUSSIONS AND FINDINGS:

❖ **Differentiating NGOs:** This can be done on the basis of scope of operation as regional, national and international. Similarly they can be differentiated based on their cause but the biggest differentiating factor is the aid from government. The study mainly considers the NGOs that do not accept aid from government and relies more on the philanthropic contributions from citizens.

❖ **NGO problems and solutions:** Most NGOs being small face multiple problems. Following *nine* problems can be identified:

- 1) Economies of scale - Difficult to access specialist knowledge like training and development of staff. Limited Financial and managerial expertise, low level of self-sustainability lack of communication and lack of coordination are few of the problems arising out of the small scale of operations.
- 2) Getting quality and quantity of volunteers
- 3) Mismatch between the expectations from staff and senior members most of the times the staff also have the social inclination and expect to have say in decision-making process.
- 4) The promoters /trustees do have concern but lack managerial expertise and time to match it. Most of the office bearers are part timers.
- 5) HR problems related to recruitment compensation, evaluation/appraisal are common. Most employees are underpaid and lack professional skills.
- 6) Fund raising processes and events do causes tensions as they tend to take away of NGO from their basic work. Also the beneficiaries are projected as victims/underprivileged and most of the times donors are approached with an emotional appeal.
- 7) Problems of growth-Most NGO find it difficult to grow after initial success at small scale. The shift of institutional structure from small group/family/organisation often missed. As one grows the problem of accountability also surface out.
- 8) Performance measurement –This is multifaceted problem for NGOS. Measurement often involves experimental action and outcomes are mainly intangibles. Also

reporting the performance and comparing such performance with peers or standards is even more difficult.

9) Vision, mission statements and clear-cut strategy –Lack of vision and mission statements and clear-cut strategy of growth is often missing in NGO.

One of the solutions to tackle the small scale is to unite. NGOs could form voluntary national professional associations, like associations of engineers, accountants, or insurance companies, aimed at promoting the sector, partly through self-policing of standards. A standard code of conduct can be formulated in relation to Timeliness of issuing of annual reports; Format of annual reports; Employment, recruitment and staff development policies and practices; Arrangements for internal or external scrutiny of financial transactions, employment practices, organizational policies, etc; and Arrangements for the evaluation of organizational performance.

- ❖ **AIDAS for NGOs:** *Awareness* creation effort is mostly traditional. Mouth to mouth communication, annual events, monthly magazines, special fund rising events become the tools for communication. *Interest* is generated through display of rehabilitation activities and products. Creating a sense of urgency, greatness of cause, and peer pressure that others belonging to same city, work place or social strata are helping creates *desire*. *Action* refers to actual act of donation, commitment to volunteer or buying the products. Satisfaction is derived immediately by edifying the action of donor or by recognizing the donor as donor of the month/week etc. The continuous communication on the utility of the donation money or commodity and list of beneficiaries along with their experience sharing provides the *satisfaction*.
- ❖ **Measuring performance of NGOs:** This is very tricky! The qualitative component involved makes the task difficult. Majority of the NGOs have the onus to change the mindset and level of acceptability towards the cause or the underprivileged. Usually number of donors, number of repeat donors, number of new donors added per year, number of beneficiaries and their growth. Geographical distribution of beneficiaries and donors, size of balance sheet, and finally the level of awareness using DAGMAR like approach can be thought of. Number of volunteers and staff can also be included as a measure of performance.

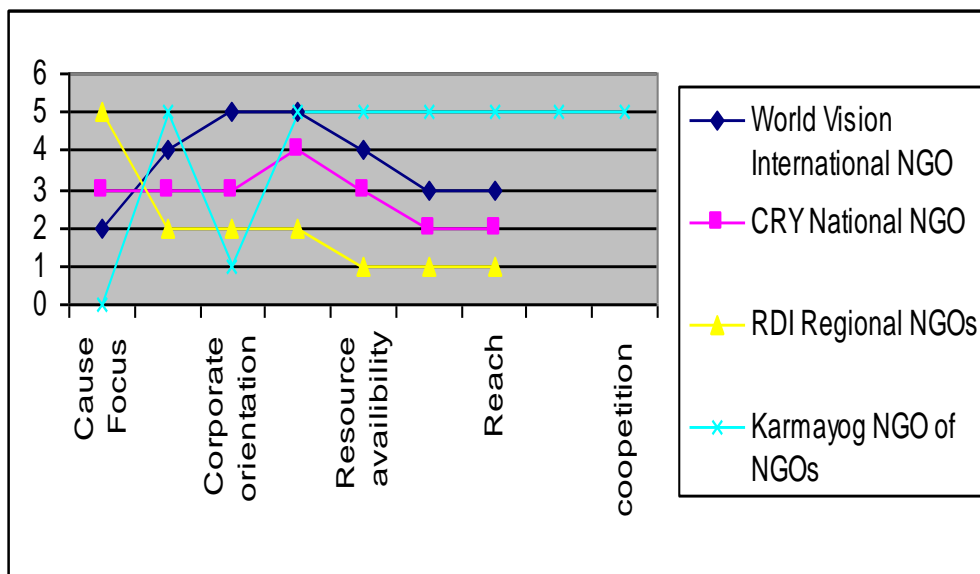
- ❖ **BOS tools and their implications for NGO of NGOs:** One can think BOS when the firm's resource position is weak and the structural conditions are unfavorable. This also means that the company/organisation is facing problems in achieving their goals. Such organisations are faced with dilemma of this or that and cannot think about this and that. BOS formulation includes:

1) Reconstructing Market Boundaries: This calls for applying the Six-path framework. This in turn requires finding solutions to following questions.

- ✓ What are the alternative industries? (Govt, corporates' CSR).
- ✓ Why do you trade across them? (Trading with government may be because of the compulsion or because of the history of accomplishment of large projects. Also corporate CSR for the professional approach and value addition)
- ✓ Look Across Strategic Groups within industries. What are the strategic groups in our industry? (International NGOs, National NGOs, Regional NGOs. Why do customers trade up for the higher group, why do they trade down for the lower one? (Authenticity is the main reason for trading up, and emotional attachment, Part of problem & visibility are the reasons for trade down)
- ✓ What is the path to Blue Ocean? What is the chain of buyers in our industry? (donor – individuals and corporates/institutions from India and abroad)
- ✓ Which buyer group does industry typically focus on? (Corporate)
- ✓ If we shift the buyer group of our industry, how could we unlock new value? (Number. is very huge and multiplier effect will make it bigger)
- ✓ What is the path to Blue Ocean? (May be Influence individuals through institutions)
- ✓ Look Across Complementary Products and Service Offering. What is the context in which product or service is used? (Charity/donation)
- ✓ Which happens before during and after? (Authenticity check, expected tax benefit before and nothing after!)
- ✓ What are the pain points? (The donor is circumspect about the right usage of money donated.)
- ✓ How can we eliminate the pain points through a complementary product or service offering? (sending A/c statements, progress report and keeping in touch)

- ✓ What is the path to Blue Ocean? Look Across Functional or Emotional appeal to Buyers. Does our industry compete on functional or emotional appeal? (It competes on emotional appeal). If it is emotional, what elements can we strip to make it functional? (May be the NGO can focus more on the tax benefits and the overall value added to society’s wealth)
- ✓ Looking Across Time, What trends have a high probability of impacting our industry, are irreversible and are evolving a clear trajectory? (Digital connectivity, funds transfer, e documentation). How will these trends impact our industry? (easy and convenient transactions). Given this, how can we open up unprecedented customer utility? (More reliability of NGO, credit debit card transaction, access to NGO from any where any time)

2. Focus on Big Picture, Not Numbers: *Strategy Canvas* is the first tool here; it is both a diagnostic and an action framework for building a compelling BOS. Following is a strategy canvas for NGOs. One can clearly see that Karmayog has not only extended the reach but it has created the element of cooperation.



The four action Eliminate, Reduce, Raise and Create (ERRC) framework is next in the row. ERRC framework when applied to Karmayog – the NGO of NGOs, has revealed many interesting facts. The same are represented in following figure:

Eliminate	Raise
<ul style="list-style-type: none"> •Middlemen and long procedures for fund receipts and volunteers. •Cost of creating and maintaining individual sites. 	<ul style="list-style-type: none"> •Awareness on NGO and Social issues •visibility and authenticity of NGO •Resources for NGO, volunteer and support. •Discussion quality and quantity on civic issues
Reduce	Create (Value)
<ul style="list-style-type: none"> •Cost of transactions •Time to track any NGO •Hiring costs for NGOs 	<ul style="list-style-type: none"> •Not being involved in or with any particular sector, Karmayog has a neutral and unbiased view of all sectors and areas that NGOs work in. •As Karmayog does not implement or execute projects itself, they are not competing with any organisation for projects and resources that are available. •As the meeting point and place for interaction of different types and persons with similar and complementary goals, Karmayog is in a position to identify the possible synergies and connections between these entities, and bring them together as a group with some common purpose.

The last tool here is a PMS map. PMS map talks about the Value innovation, Value improvement and value imitation. When it comes to Karmayog, the imitation can relate to Fund of Fund schemes of Mutual Fund industry. The improvements are already mentioned in ERRC grid. The innovation and really creative part is the competition part in NGO space. It is being observed that the NGOs working for similar cause fight for everything, as the resources that they can access are limited. Karmayog has increased the both the resources and the access.

3. Reach Beyond existing Demand: Uncovering the buyer experience cycle (BEC) along with the buyer utility map (BUM) is the next step. It outlines all the levers companies can pull to deliver utility to customers and the different experience customer can have of a product or service. The six stages of buyer/donor experience cycle (put across horizontally in row) and six ways the company/NGO unlocks utility for the customers/donors (put across vertically in column). Karmayog – the NGO of NGOs can be treated as a new service and by locating the new service on one of these 36 places shown below the manager can clearly see how the new idea creates a different utility preposition from existing products.

Table: BEC/BUM for Karmayog

	Purchase	Delivery	Use	Supplement	Maintain	Dispose
Customer Productivity	⊙				⊙	⊙
Simplicity	⊙	⊙				
Convenience	⊙		⊙			
Risk	X	X	X			
Fun & Image			⊙			
Environment Friendly	⊙					⊙

The purchase experience can be enhanced by improving the customer productivity by providing more choice, more information and more authenticity. The Purchase process being online improves convenience and simplicity. It is environment friendly too. It reduces the risk in the purchase, delivery and use as the same is covered by the listing arrangements on Karmayog. Customer productivity is also improved by giving new experience in maintaining and disposing (if required) the association. The image also improved by owning the rehabilitation products and by experiencing the judicious use of the donations.

Customer *pain points* and their removal is one important move towards Blue Ocean. The biggest pain point is the awareness and search of a good NGO. Next thing a donor or volunteer searches for is the purity of purpose and authenticity of the organisation. The consistency of communication also remained a pain point for most of the NGO donors. Karmayog targets these areas and improves the donor experience.

Finally, unlocking the three tiers of non-customers towards new product or service is essential for BOS. *First tier* is of “soon-to-be non customers”. They are some how associated with the NGOs but given a chance and better option they will be interested in leaving the NGO space. However when offered a leap in value, not only will they stay but increase their purchase frequency and bring in more associates through positive word of mouth. *Second-tier* non-customers do consider the offerings but don't go for them. *Third-tier* non-customers never think NGO as option and do not consider any offering from NGO side. By focusing on the commonalities across these three segments, NGOs can get insight into how to pull non-customers in to there industry. Needless to mention getting BOS Sequence right is the ultimate step.

CONCLUDING REMARKS:

The discussions so far may make us conclude that Karmayog – the NGO of NGOs can be considered as BOS subject to following:

- ✓ It may not be considered as creation of altogether new business as the NGO is still playing in the NGO space but definitely it has attracted first two tiers of non-customers.
- ✓ As NGO of NGOs there should not be any apprehension if some one tries to duplicate the concept. Thus one will love to have others in this business, but the same shall dilute the centralization and create confusion reducing the buyer utility.

Thus NGO of NGOs do not fully qualify to be called as a Blue Ocean Strategy.

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BOOK REVIEW

TARGET 3 BILLION

Prof Vijaya Hake*

Author: A.P.J. Abdul Kalam & Srijan Pal Singh

Publisher: Penguin books

There has been innovative ideas in the number of books published which try to bring out innovation. Book like Vision 2020 by Abdul Kalam, Ignited mind by Abdul Kalam, Micro – Enterprises Promotion in India by J.P. Sharma. This book is based on the first hand experience of the authors and bears testimony to the evolution and implementation of a sustainable development system in various regions that enjoy diversity in input condition and strategies. This book is conceptual book. The book is divided between the ideas of PURA, Implementation & Outcome of it. The objective of this book is how we can make this world better. This Book is basically based on how to eradicate poverty from world.

India has the largest rural population in the world. There are more than 3 billion people are live in villages .Often in a condition of underutilization of talent and resources, and of deprivation (pg. vii) Author has addressed here the opportunities that elude this half of the human population. These populations are important from the point of view of national governance, Policy making, & the corporate sector. So for ensuring the prosperity and peace of humanity will now be a task that will require sustainable models of growth with added focus on employment generation.

As compared to authors earlier book “Ignited Mind”, in this book author explained his vision with actual techniques, Plans & actual examples.

Today of every ten cases of extreme poverty, seven would live in villages and rural areas all over the world. Rural poverty is migrating to urban areas in the hope of getting a better opportunities but often ending in despair and destitution. Urban poor actually end up paying a ‘Poverty Penalty’ (Professor C.K. Prahlad pg 7.)

Author has given Indian examples of PURA (Providing urban Amenities in Rural Areas) –to uplift the rural poor not by subsidies but through entrepreneurship with community participation. Where in a limited period of time societal transformation has been achieved through the implementation of PURA. This book doesn't give an explanation of the sustainable development system PURA but is also an assessment of the challenges and the opportunities presented by the rural sector. Author have successfully generated and tapped into the potential of the rural masses.

As compared to authors earlier book "Ignited Mind "he explained about India main problem is Poverty & here author explained How we can eradicate poverty with focus vision with actual techniques & technology.

Fabia Luiz de Oliveira changed the face of the rural district of Palares Brazil, by acquiring for the farmers access to electricity and water, which effect combined with better agricultural methods, led to an increase in prosperity and stemmed the migration to cities.

Here Author has mentioned Swarnajaynti Gram Swarozgar Yojana through this Government support Micro enterprise. This Yojana is for Central & state. (Pg 227)

The 123 strong Magar clan owned Magarpatta, a 430 –acre plot on the outskirts of Pune, Maharashtra in the 1990's. Tthey organized and set up the Magarpatta city which is now home to over 35,000 residents and a working population of 65,000 and boasts of an IT park.(Pg 194)

Author also give example of Bihar –Paligang project, Tamil Nadu – Precision Farming project through these project farmer started produce 500 MT of brinjal from one hector in fifteen month. These project emphasis was on social capital through the strong themes of cluster level association & district level limited companies.(Pg 59)

Here author also suggests that Arrangements needs to be made for selecting eligible agricultural farmers from all over the country to go to foreign countries to study their methods & developments Farmers from various states can also be taken to state like Punjab to see the progress in the agricultural sector Author also mention the Project of Krishi Vigyan Kendra at Loni (Pune)(Pg 125 -126)(199) here trained farmers are in scientific farming practices. Arogyadham of Chitrakot, Bihar's Paliganj Project, Tamil Nadus Precision

farming Projects also mentioned in the book which are the good examples where the emphasis was on Social Capital .

Triple Bottom Line Approach is also discussed in the book which actually is real fact. So PURA complex will evaluate its enterprises based on the sum total of three contributions (P1) People, Planet (P2) and Profit (P3). Pg 208)

Author has mentioned Technology for low cost extension of health-care services. He mentioned example of Neurosynaptic Communications, that has the potential for bringing about a convergence of IT and health care, and which can act as a tool for extending health care services at marginal costs to remote regions. It means number of patient increase & technology used cost will reduce drastically.

The concept of a PURA is fully achieved only when there is a dynamic linkage between economic development and social and cultural transformation in real time and in a seamless manner. (Pg. 98)

1. All excess income generated by people can be invested for building a better life & hence for capacity building.
2. A capacity building occurs in term of knowledge & skill economic development has to evolve dynamically in order to provide employment or entrepreneurial opportunities for wale fare with a higher set of skill A accommodate the expansion of the existing set of skills.

Eg. Warana milk project in Maharashtra, where farmers cultivate sugarcane in their land, send it to sugar factory. Women and men both work and get job. women's run retail shop & so that their children study in better school. They take technology knowledge through engineering college. This happen through sustainable development. (Pg. 233)

Chapter No 8 - Enterprise creation leading to Empowerment: PURA enterprise Model mentioned by the author Only creating avenue is not important but Building avenues for quality employment for people in the PURA complex is one of the fundamental pillars of the PURA vision. The most effective path towards this goal is the creation of Job generators. Here author has mentioned Just- In-Time model & TOYOTAS example is given by author.

Chapter No 9 Realizing a PURA. Here author mentioned Who can set up a PURA: Government, Individual/NRI, Entrepreneurs, Industry, Village Cooperatives, Academic Institutions & International Organizations and NGOs. Here author gave idea about how we can generate the PURA Fund & Typical Investment and return targets on a PURA & Village level implementation is given in Pg 245.

Chapter no 10 PURA Corporation in this chapter author explained about the India Vision 2020 has inspired people particularly the Youth of India and has resulted in many taking up missions directed towards it. Because of that youth are prepared to take up the challenge through entrepreneurship, hard work and technological leadership. Here author also said he is working with few students towards objective missions for attaining Vision 2020 and Sustainable development systems.

At the end who can help to empower 3 billion is Citizens, students, retired and senior citizens, Academic Institutions and Universities, Private Sector-Large Industries, Small Scale Industries, Public Sector Units, Large Hospitals and Specialty health Care Centers, Non Government Organizations, Non Resident Nationals, Media, Government Ministries and Departments, Elected representatives , District Collector, Panchayat Boards.

Book is very good book however book should reach to initiators & initiators are required.

Through his books & missions like “What can I Give” for youth in 2011 & now PURA, he share his plans & Vision for a better brighter future for India.

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