

REVIEW OF SOCIAL SCIENCES

Peer Refereed Research Journal

ISSN 0974-9004

Vol. XVI

No. 1

January-June 2015

Published on 1st January, 2015

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Review of Social Sciences is published Bi-annual-January and July every year.
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VEDIC MATHEMATICS VERSUS REAL MATHEMATICS

It is a contemporary reality that a segment of intelligentsia supported by ruling dispensation has been continuously making hollow claims in the tradition of Indian spectrum of science and culture. They are making their claims by illogically and irrationally interpreting the Vedas and Upanishads to establish their false notions and cannotations. This approach and attitude by ignoring the realities and advancements in the world of science and culture will certainly negate the value of great Indian contribution and tradition to the world of science and culture. As always happen with the Hindutva brigade, they are not satisfied by claiming the real advances that took place in Indian science and mathematics instead of their false claims of Vedic science and mathematics. They also make fraudulent claims for the wisdom of Vedas and its advanced knowledge. Such claims have been made by Bharathikrishna Theerthaji, the late Sankaracharya of Puri, regarding what he called Vedic mathematics. This so-called Vedic mathematics is just a set of tricks or gimmicks for some specific calculations, it has little to do with mathematics as we know it today and in the age of calculators and computers, has virtually no value.

In this context it is imperative to see the scientific and real base of the growth and development of knowledge in the areas of real mathematics and original and scientific contribution of India. Aryabhatta marks the beginning of classical age of Indian mathematics. He was born in 476 AD, had clearly formulated the place value notation in his Magnum Opus Aryabhatiya. The major contribution of the Indian Mathematicians was to treat zero not as a null symbol, but as a number and provide the rules for its use in arithmetical operations. Varahamihira, the younger contemporary of Aryabhatta was the first to use Zero in mathematical operations. However Brahmagupta as the first to formulate the mathematical rules for using zero as a number. It is also interesting to note that the Indian Numbers system not only evolved the three major components of the system but also provided the current symbols of numbers themselves. These are derived from numerals used in the Brahmi script. Brahmi was widely used to write Prakrit in which major Jain mathematical text were composed. Unlike the Vedas, Jain Mathematical text were not based on Brahmanical rituals. Jains believed that mathematics itself was an exercise in reaching higher consciousness, much like that of the ancient mathematicians in Greece.

The history of India's development of the modern number system and zero is similar. Apart from the actual symbols of numbers; there are three important elements that constitute the modern number system-the place value notation, base 10 and use of zero as a number.

Babylon and India made major contributions in the development of the place value notation. In this notation, a number has value based on the position it occupies in the number. Example: In 77, though both the numbers are seven, the value of the first 7 is seventy and the value of the second 7 is seven. In roman numerals, it would be written as LXXVII, where L is 50, X is 10, V is 5, I is one and I is one, totaling 77.

It seems that in the Roman number system, computations are obviously extremely cumbersome. The place value notation makes the basic arithmetic operations- addition, subtraction, multiplication and division- much simpler, allowing for the complex calculations required in Commerce, Engineering, Astronomy and Physics. This is the real Indian contribution on mathematics.

This being the reality, it is high time to stop these gestures and come to reality for accepting the science of development with true spirit of value and universal acceptance.

Dr.J. Rajan
Chief Editor

THEME OF THE FORTHCOMING ISSUE

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RE-READING THE ECONOMIC ESSENCE OF THE HOLY QURAN

***Ampotti A.K.**

Abstract

The economic philosophy of Islam is a harmonious blending of the material and the moral. Islam urges the Muslims to strive for the natural effort on a footing of strong moral foundation. Though Islam declares that the absolute ownership of everything belongs to God, it recognises the holding of private property by Muslims but without sacrificing spiritual ideals. It prohibits acquiring private property through unlawful means. Tauhid forms the cornerstone of the Islamic system, and this means that no man has the right to claim a bigger share in the natural resources. Gross inequalities of income and wealth are repugnant to its spirit. What Islam emphasises is distributive justice by which every individual is guaranteed a good standard of living. The Quran does not provide inequality, and it upholds fair and equitable distribution of wealth and ensures that essentials of life are provided to all.

Introduction

The article Re-reading the economic essence of the Holy Quran attempts to state clearly the economic philosophy of the Holy Quran. It brings out the premises of an economic structure, if implemented, would be radically different from the existing economic systems in the world. In this regard, the Islamic economic system requires to be examined on

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purely rational grounds to bring out its close bearing on the complex economic and social problems that face us today. It would demarcate it from the major economic systems, viz. capitalism, socialism and fascism, which have left behind a series of bewildering problems unsolved. This article is intended to serve as a window on the various elements which constitute Islamic economics.

Objective

The objective of this article is to bring out the various aspects of the Islamic economic system and how it seeks to create an egalitarian society without restricting individual freedom and without giving individuals unlimited rights to endanger the social welfare of the community. Thus the article intends to make a comparison of the Islamic economic system with capitalism and communism.

Methodology

The methodology used in the article is analytical and, as the title of the article is Re-reading the economic essence of the Holy Quran, the primary source used is the Holy Quran. Besides the primary source, secondary source is also used.

Islamic economic system is a harmonious blending of the material and the moral in that it urges the Muslims to strive for the material effort on a footing of strong moral foundation. Economics has such a significant role in the social structure of Islam that it forms a subject of Revelation. The Quran offers peace and plenty to those who follow its economic code and scarcity to those who turn away from it.¹ Islamic economics stresses the creation of a social order in which justice, equity and benevolent conduct prevail in individual lives, permeate collective living and ensure the well-being of human kind. According to Islam, "mankind is one single nation",² universalism, brotherhood of man and the unity of the human race being its basic concepts. In this perspective, Islamic economics turns out to be coincidental with 'global economics' trying to bring about the welfare of all mankind in its diverse aspects. Islamic economic theory, it must be noted, is radically different from neo-classical Marxian economic theory in that Islamic man's nature is part man-made and part divinely-ordained. In Islamic system one can find a harmonious blending of real and ideal, human and divine, secular and sacred, worldly and other-worldly. This presents a problem in terms of predictable behaviour.³

The basic economic concept stressed in the Quran is that all natural means of production and resources which contributes to man's living are but the creations of God and it is he who put them at his disposal for his exploitation.⁴ The Quran unequivocally declares that the absolute ownership of everything belongs to God alone⁵ and He is the sole and only owner of all things in the heavens and the earth.⁶ These verses, however, do not imply that

the Quran does not recognise the right of holding private property and that it is in favour of nationalisation. In Islam private property is upheld as a principle, though restrictions are imposed upon it under certain conditions. Islam is not an ascetic religion, and it enjoins man to partake of good things that God has provided⁷ and enjoy the bounties of God, provided he does it within the framework of the values of righteous living through which Islam seeks to promote human welfare. Islam, in fact, stands for harmony between the material and the moral, and it urges the Muslims to provide a spiritual orientation to the material effort. The Prophet has said: “There is nothing wrong in wealth for him who fears God.” Thus while the Muslims could pursue an economically fuller and prosperous life, they should not ignore spiritual values and indulge in unfair means to achieve the same.⁸

In this regard, the Quran verse “The worldly possessions are but trifling, it is the Hereafter which is better for those who fear God”⁹ requires to be alluded to. The worldly possessions are trifling not in the absolute sense, but only when they are compared to spiritual values. That is to say, the worldly possessions could be acquired without sacrificing spiritual ideals. Islam prohibits only acquiring property through unlawful means as it in the long run brings about destruction of the people concerned.¹⁰

Islamic economic system is centered on Tauhid,¹¹ and the mere assertion that Allah is the creator of the Universe does not make a comprehensive concept. Tauhid is infact the cornerstone of the Islamic system, and it brings out how man is related to other men in the light of his relationship with Allah. In economic terms it means that no man has the right to claim a bigger share in the natural resources since he does not create natural resources independently. Islam is intensely committed to human brotherhood, and social and economic justice, and as such gross inequalities of income and wealth is repugnant to its spirit. Since all resources are “gifts of God to all human beings”¹² there is no logic in the concentration of the same in few hands. What Islam emphasises is distributive justice by which every individual is guaranteed a good standard of living. This is in tune with the Islamic regard for the dignity of man which finds expression when man is described as “God’s vicegerent on earth”¹³ That is why Islam makes it obligatory for every Muslim, the payment of the capital levy called the Zakat.¹⁴ Islam thus is opposed to giving individuals unlimited rights to endanger the social welfare of the community and at the same time preventing the individuals from enjoying the full benefits in the society. It takes a mid- way approach; it stands for the interests of the community, without denying the individuals the benefits in the society. The right of private property can be better understood only in relation to the community. Islam restricts right of ownership when it results in harm to the community.¹⁵

The Quran verse “He placed therein firm hills rising above it, and blessed it and measured therein its substance in four Days, alike for (all) who ask”¹⁶ has been interpreted

to mean that the Quran desires to distribute all the means of livelihood in the earth equally among men. Since this is possible under nationalization, it has been further interpreted that the Quran favours nationalisation. The fact of the matter is that this verse cannot be applied to human beings alone, and “those who ask” applies to animals also, as is their means of substances have also been placed by God in the earth. That is to say there is no point in restricting equality to human beings alone.¹⁷ Islam, in unequivocal terms, stresses the need of providing for the poor and the way suggested for attaining the objective is to spend for the poor and the needy by the well-to-do section of the society. For Allah has made it obligatory on all the producers of wealth to pass on to the needy and the poor some portion of their wealth. In doing so they are discharging their obligation to “the beggar and the destitute “who are entitled to share in wealth as a matter of right.¹⁸ The Quran also speaks of the need of the state collecting a fixed portion of it and spending it for the same purpose. All this would prevent the concentration of wealth in a few hands.

Islam which stands for universal brotherhood and equal treatment of all individuals in society and before the law tries to ensure for the realization of these things through economic justice. The Quran urges Muslims not to withhold things which are justly due to others¹⁹, which means that an individual should get what is really due to him, and there should be no exploitation of one individual by another. When it comes to the question of the relationship between the employer and the employee, Islam says that there should be justice between them and that the employee is entitled to get a just wage for the work he has done. Bukhari says that the Prophet has warned those employers who do not pay the employees their due wages of God’s displeasure on the Day of Judgment. Islam, because of its commitment to justice, protects the employer also by asking the employee to do his work honestly and conscientiously.²⁰

The Quran does not provide dead equality, and the natural equality is something which issues from His own dispensation. It upholds the fair and equitable distribution of wealth and ensures that essentials of life are provided to all. Men are born with different capacities, and as such inequalities of wealth are necessary to some extent. But the argument that equality is to be substituted by dead equality is something which is contrary to the teachings of the Quran. The Quran does not prescribe that men should not have anything to do with the bounties created by Him, and the only thing is that they should use and exploit what is pure and lawful, in which moderation should be observed. Wealth should not be amassed in a covetous way, and even the properly acquired wealth should not be used in wasteful pursuits. The properties, wealth and incomes that belong to the State should not be used for the welfare of the rich classes only but of all alike, and particularly to the poor.

Discussion

The degree of moral progress achieved by a society is reflected primarily in the economic field, and if a society suffers from gross inequalities, it is crystal clear that the society is at a low level of moral development. However, Islam is not directly concerned with economic matters, unless they affect the moral conduct of man. Marxism is directly concerned with economic matters, and it is based upon materialistic interpretation in which there is no room for spiritual aspects. On the other hand, Islam gives paramount importance to both the spiritual and the material. Islamic economic theory is radically different from Marxist economic theory in that Islamic man's nature is part man - made and part divinely - oriented. As for capitalism, it gives unlimited freedom to the individual so much so that it leads to a society where there is a wide gap between the rich and the poor. The capitalist system is, truly speaking, based upon exploitation of the poor by the rich. Islam thus discards both Marxism and capitalism, and tries to incorporate the good aspects of both.

Conclusion

The discussion on the economic aspect of the Quran shows that its basic feature is the material – well being of mankind based on the firm foundation of spiritual values. The Islamic system is based upon universal brotherhood, socio-economic justice, and individual freedom within the context of social welfare. Since man is the vicegerent of God on earth and the wealth he owns is a trust from Him, the wealth should be acquired rightfully. Tauhid which forms the common –stone of Islamic economic system shows how man is related to other men in the light of his relationship with Allah. Islam does not approve of giving individuals unlimited rights which would endanger the social welfare of the community. At the same time Islam is opposed to preventing individuals from enjoying the full benefits in the society. Islam recognizes the system of private property, but restricts it when it results harm to the community. Individuals could work and improve the economic system by their own efforts but for the good of the society this freedom has been curtailed within limits. Economic justice is secured in perfect concord with the principle of allowing the exercise of individual freedom in the economic field. Instead of producing class conflicts, it puts an end to the causes of such conflicts and produces a spirit of co-operation and comradeship among the different classes of society.

References:

1. Quran, 20: 124.
2. Ibid, 2: 213.
3. Fahad Nomani and Ali Rahnema, *Islamic Economic Systems*, Kuala Lumpur, 1995, p.21.

4. Quran, 2:29; 7:10; 13:3; 14:32-34.
5. Ibid, 3: 190.
6. Ibid, 2: 107; 2: 225; 2: 284; 5: 120.
7. Ibid, 7:32.
8. For instance the Quran says, "When the prayer is ended, then disperse in the land and seek God's bounty but remember God much so that you may be successful." (62:10) Here: remembering God much" means live a morally responsible life in accordance with the teachings of the Quran.
9. Quran, 4:77, See also 29:64 and 57: 20-21.
10. Ibid, 4: 30.
11. Tauhid is derived from *Wahdahu* or *Wahid* which means that God is one without a second, without any other co-eternal entity, of complete supremacy, unrivalled, unopposed, unequalled, and unchallenged. He is omnipotent whose authority and sovereignty are not to be questioned. The concept of *Tauhid* excludes all or any kind of duality or multiplicity form the divine essence. It is pure and simple oneness of the transcendental experience. *Quran* is the most formidable exponent of Tauhid. [See *Encyclopedic Survey of Islamic culture*, vol.1, Mohammed Taher (ed.)].
12. Quran, 2:29.
13. Ibid, 2:30.
14. Ibid, 22:79; 23:5 In its primitive sense the word 'Zakat' means *purification*, whence it is also used to expresses a portion of property bestowed in alms, as sanctification of the remainder to the proprietor. It is an institution of Islam, and is founded upon an express command in the Quran, being one of the five pillars of Islam [See *A Dictionary of Islam*, Vol.II, Thomas Patrick Hughes (ed.)].
15. Quran, 28, 77.
16. Ibid, 41: 10.
17. M.M. Sharif, *A History of Muslim Philosophy*, Vol.1, Karachi, 1983, p. 179.
18. Quran, 70: 24-25.
19. Ibid, 26, 183.
20. Ibid, 28, 26.

TRAINING NEEDS ASSESSMENT: A CASE STUDY OF HÜCO (MAHARASHTRA) IN INDIA

***Bahram Mahmoudi, **Prasad P.N.**

Abstract

The aim of this research is to study the nature of Training Needs Assessment within the context, Managers in company of HÜCO (Maharashtra) in India and the impact of TNA on organizational performance. According to the findings of this study in the field of theoretical arguments arising from them found that training needs assessment (TNA) using the dimensions of strategic competence, which is compatible with McGhee and Thayer's three-fold analysis. This study achieves in survey method with the use of a questionnaire to 25 Managers in company of HÜCO were regarded as the research samples to analyze the influential factors of TNA, and it was found that mastery of organizational development, mastery of problems and analyses, mastery of resource applications were significantly related to training performance, but capability for interference implementation, was the most significant variable related to training performance.

Keywords: Capability for interference implementation, Training performance, and Organizational performance.

Introduction

Company of HUCO was founded in 1965, and the first manufacturer to successfully adapt properties of engineering plastics in combination with metals, to create and market a

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range of innovative misalignment couplings. Existing literature regarding Training Needs Analysis (TNA) shows that most studies conducted on TNA practices were done overseas. Due to cultural differences, these findings might not reflect similar descriptions regarding TNA practiced in India.

Training is a method to increase the work performance of employees and maximize human capital. Training and organizational performance already interconnected, so employees have to successively learn new personal knowledge, obtain new skills, and continuously accept training to maintain the maximum work performance. A training need analysis is to understand what training employees really need (Cekada, 2010). Many enterprises, training has considered employee welfare, but their employees tend to think that participating in training is a burden or waste for them, so the effectiveness of training is always doubtful. Furthermore, too much training will result in degeneracy instead of benefit (Wilson, 1999). The effectiveness of training includes the application after training as well as the duration of the application which varies according to the relationship between the content of training and the position that an employee serves.

Training includes four stages, respectively training needs analysis, training program design, training program implementation, and training result assessment. A training practitioner usually focuses on training program design as well as training program implementation and often ignores training needs analysis and training result evaluation. Training needs analysis is the first step of training. When suitable training courses are provided according to needs, demand and supply are balanced, and training thus becomes effective. A training practitioner should have not only skills necessary in training, such as course design, learning theory, and teaching skills, but also the following capabilities: “capability for performance management and analysis” for identifying training gaps, “capability for reformation” for confirming the new knowledge and skills that employees should possess in the future, and “capability for strategy management” for distinguishing relevant capabilities that employees should have when implementing strategies.

Practical and pragmatic needs assessments provide a process for identifying and prioritizing gaps between current and desired results (Kaufman, 1998, Kaufman et al, 1993; Watkins and Kaufman, 1996).

Need Assessment is defined as an investigation, undertaken to determine the nature of performance problems in order to establish the underlying causes and the way in training can address this (Erasmus et al, 2000) Goldstein(1993) describes need assessment as the phase of the instructional process that provides the information necessary to design the entire programme. A training gap is defined as the difference between the required standard of the job and incumbent’s performance. Need identification is the starting point in any

training and development activity. Need identification or assessment is not a routine function, because it should conduct carefully and in a diagnostic manner (AlKhayyat & Elgamal, 1997).

In recent three decades, training theorists or researchers addressed that training needs analyses are not trusted by organizations and lack systematic applications (Taylor, O' Driscoll, & Bining, 1998). Even until the recent, survey is still the main approach used to understand training needs (Holden, 1991; Taylor, & O' Driscoll, 1992).

If TNA are not applied to the training of an organization, there will be overtraining, insufficient training, and incomplete training in the organization (Judith, 2002). Judith also addressed the four reasons for having TNA: (1) confirming the real problems in an organization, (2) obtaining the support of the management, (3) developing evaluation data, and (4) deciding training cost and benefit. Training needs are still learning needs, but learning is not training. Properly speaking, learning covers training, and training is one of many methods to facilitate teaching (Martin, 2009). Hence, more extensively, the needs should be learning needs, and the learning needs which can be fulfilled through training are then found out. A needs assessment is the first step to establish an effective training course. It can be used to decide learning goals, design training courses, and evaluate if training is effectively implemented. Meanwhile, it also provides managers and learners an opportunity to talk to each other and participate in organizational activities (Cekada, 2010)

Training Need Assessment

A Need Assessment is a systematic exploration of the way things are and the way they should be. These "things" are usually associated with organizational and/or individual performance (Stout, 1995). A need assessment should be designed to identify and prioritize needs, while a need analysis should break and identified need into its component parts and determine solution requirement (Watkins and Kaufman, 1996).

From the perspective of planning, it is necessary to conduct a training needs analysis before a course is designed in order to master the performance gap of the learners, confirm the current situation of the learners, and decide which resource and method should be applied to training for achieving goals (Martin, 2009). According to Rossett (1987), a training needs analysis should be conducted in order to find out the following information: (1) optimal performance or knowledge, (2) actual or current performance or knowledge, (3) necessary participants or obvious objects, (4) the causes of problems, and (5) solving problems.

If a training needs analysis is conducted in advanced, training will be an organization rewarding investment, and it will save money and time. Furthermore, correct solutions will

be adopted to solve problems (McArdle, 1998). The implementation of TNA in an organization is influenced by some factors, including organizational scale, management goals, resources, being governmental or private, globalization, and organizational culture. All of these factors influence the analysis methods and applications that an organization applies to TNA. However, an organization indeed should consider adopting the TNA tools which meet the needs (Hannum & Hansen, 1989).

Once the need analysis has been completed, the needs that were identified are translated into measurable objectives that can guide the training process. Training objectives should focus on the behaviour component, which describes in clear terms what a learner has to do to demonstrate that he or she has in fact learned. Behavioural training objectives state what the person will be able to do, under what conditions and how well he or she will be able to do it. (Erasmus et al, 2000; Van Dyk et al, 1997; Molenda et al 1996).

In addition, according to Phillips' return on investment (ROI) of training, training expenses can be estimated and included in the stage of training planning, and various post-training benefits and amounts can also be estimated to calculate the expected ROI for decision-makers to easily judge if a training program should be supported. When performing a TNA, a training practitioner follows certain procedures, finds out training needs, and links them with training courses and programs. A TNA includes five steps (Table 1).

Step 1 is "the origin of needs," namely confirming an organizational problem or gap. Step 2 is "specific objects with needs," namely identifying which department or who causes the problem or gap and deciding if the problem is caused by employees' lack of capability. Step 3 is to confirm the content of training needs. After confirming that the problem or gap is caused by employees, a training practitioner decides to solve the problem by training. The practitioner thus should clarify the training needs, training goals, and learning goals. Step 4 is solutions, which are the core of training course design. A planner should master Step 3 and bring up corresponding solutions. A syllabus is the summary of a solution. Step 5 is training effectiveness assessments. The post-training results should be estimated in training course design as the basis of deciding if training is worth adopting. That is, the ROI of training is estimated in the stage of training course planning.

In traditional training needs assessment, employees are queried or asked to list the training courses that they prefer, so the origin of assessment needs can be obtained promptly. However, this type of training is, at best, what employees prefer but not what they need. Training may bring only temporary satisfaction and increase in morale, and it may improve work performance very limitedly because the origin of the training needs is not performance based. In that case, how is a TNA carried out? How are dimensions evaluated systematically? Should proper analysis tools be used? These were the issues investigated in this study.

Table 1
The Procedures of TNA

Step	Issue	Contents
1	The origin of needs (Problems)	Training practitioners should establish fundamental dimensions the origin of an organizational problem to disciplined and systematically seek for the origin of a problem.
2	Specific objects With needs	After a problem is found out, it is necessary to make sure what caused the problem. Training interventions, for instance, can be applied to employees lacking or having insufficient capability.
3	Confirming the Content of needs	Training goals, purposes, and needs should be clarified after the causes of a problem are analyzed and confirmed, and training interventions are adopted.
4	Solution Effectiveness Evaluations	Aiming at the causes of a problem, the structure and content (syllabus) of training are brought up. The design of training content should fully connect with the problem. According to Kirkpatrick's four-level evaluations, a training practitioner can estimate the post-training effect while planning a training course and compare it with the actual effect after training. In addition, according to Phillips' ROI of training, training expenses can be estimated and included in the stage of training planning, and various post-training benefits and money can also be estimated to calculate the expected ROI for decision-makers to easily judge if a training program should be supported.

The Dimensions of Training Needs Assessment

McGhee and Thayer (1961) brought up a three-fold approach to analyze training needs. The approach, which is called the O-TP model in short, is the most common framework applied to TNA. It has always been used in literature or textbooks related to training in the past three decades (Taylor & O'Driscoll, 1998). According to McGhee and Thayer's and Goldstein's training needs dimensions, organizational-level analysis aims at the strategies that organizations employ to achieve the goals in order to find out the capability of accomplishing strategies that relevant departments and employees should possess, whose training will be provided by the organizations for ensuring that the strategies

will be effectively executed. Task-level analysis focuses on the gaps between tasks in terms of performance achievement indicator. If a performance gap results from employees' lack of capability, the organization will provide training to ensure that the performance meets the requirements. Individual-level analysis aims at the position that a person serves. When an employee lacks necessary skills for achieving individual performance requirements, the organization will provide related training to ensure that the individual performance meets the requirements. Although organizations carry out TNA before training, most of them only emphasize the training needs of a single dimension, and only few of them can multidimensional perform systematic TNA (Abdullah, 2009). In summary, organizations should construct systematic TNA and be able to systematically discover performance gaps and analyze if the gaps are caused by the employees' lack of capability so as to design training programs which meet their needs and ensure that the organizational goals are achieved successfully. In this study, three dimensions of TNA were brought up, respectively strategy, performance, and competency.

Levels of Training Need

Need assessments offer performance improvement initiatives as unique opportunities to approach performance improvement from a variety of assessment level: individual, organizational and societal levels. Conventional "business wisdom" usually only defines two levels or organizational planning and decision-making: organizational (macro) and individual/ small group (micro). Kaufman (1997) suggests that this limited frame-of-reference has kept business focused on a "conventional bottom line". But a new paradigm of societal value-added has emerged (Popcorn, 1991; Drucker, 1973; Kaufman, 1998) and with it a "societal bottom line" as well as societal (mega) level of planning and decision making.

Van Dyk et al (1997) refer to three levels of training needs: Macro (need of national and even international interest), Meso (organization's specific requirement) and Micro level (only one person's or a small population's need). Mathews, et al (2001) training needs assessment is dominated by senior management decision and supervisors' opinions. The skills inventory is the most widely applied formal technique. Organizations tend to pay more attention to customers and work groups when defining training needs. In general, objective and formal methods should be adopted more widely (e.g. training audits).

Methodology

The samples of this survey were managers, and purposive sampling was adopted. They participate in relevant occupational training courses were sampled and filled in the questionnaires. The samples were obtained from respectively different regions and different training courses to avoid too centralized samples and biases and in total, 31 samples were

obtained. There were totally 25 valid questionnaires after 6 invalid questionnaires were deducted. The questionnaire content included: whether your organization had TNA or not; whether or not the organizational problems are mastered, and the causes are confirmed before the training is designed; whether or not the performance and behavior that one should have are evaluated according to the job descriptions; whether or not the needs for the ability cultivation necessary in the future development of the organization are considered; the methods employed to analyze needs; whether or not the time is limited when a needs assessment is performed; whether or not the departments of the organization cooperates one another in needs assessments and provides assistance; whether or not training employees' are capable of needs assessments, etc. The managers' perception of TNA was understood, and the influential factors were analyzed through the investigations. Systematic needs assessment dimensions were applied to the disciplinary requirements of needs assessments.

Objectives of the Study

The objectives of the study were as following:

1. To understand the role of mastery of organizational development in Training Needs Assessment.
2. To understand the influence of mastery of problems analyses on Training Needs Assessment.
3. To understand the influence of mastery of resource application on Training Needs Assessment.
4. To understand the influence of capability for interference implantation on Training Needs Assessment.

Findings and Discussions

1. The Influential Factor Analysis of TNA

Totally, there were 17 variables in the questionnaire of this study. To understand their relation, exploratory factors analysis (EFA) was managers to reduce the variable dimensions. There were four items whose eigenvalue was greater than 1, so the 17 variables were condensed into 4 factors. The 1st factor explained 34.56% of the variables, the 2nd factor explained 14.63% of them, the 3rd factor explained 9.47% of them, and the 4th factor explained 6.89% of them. In total, the four factors explained 65.43% of the variables.

The influential factor of TNA consisted of highly correlated variables, respectively “finding problems,” “analyzing problems,” “job performance,” “organizational

problems,” “analyzing organizational problems,” “promoting involvement,” and “performance problems.” The factor loadings were between 0.615 and 0.804, the eigenvalue was 3.706, and the cumulative variance was 34.56%. The factor was named “mastery of problems and analyses.”

The second factor consisted of four highly correlated variables, namely “involvement in the organizational future,” “mastering the organizational future,” “mastering organizational goals,” and “mastering organizational changes.” The factor loadings were between 0.752 and 0.861, the eigenvalue was 3.011, and the cumulative variance was 14.63%. Since these variables were related to organizational development, they were named “mastery of organizational development.”

The third factor consisted of three highly correlated variables, including “sufficient time,” “sufficient information,” and “personnel cooperation.” The factor loadings were between 0.851 and 0.907, the Eigenvalue was 2.467, and the cumulative variance was

Table 2

The Result of the Principal Component Analysis of the Factors Influencing TNA

Factor	Item	Factor Loading	Eigenvalue	Cumulative Variance
Mastery of Problems And Analyses	Finding Problems	.804	3.706	34.56%
	Analyzing Problems	.656		
	Job Performance	.630		
	Org. Problems	.688		
	Analyzing Org. Problems	.735		
	Promoting Participation	.651		
	Performance Problems	.615		
Mastery of Organizational Development	Involvement Org. Future	.752	3.011	14.63%
	Mastering Org. Future	.780		
	Mastering Org. Goals	.861		
	Mastering Org. Changes	.800		
Mastery of Resource Applications	Sufficient Time	.866	2.467	9.47%
	Sufficient Information	.907		
	Personnel Cooperation	.851		
Capability for Interference Implementation	TNA Procedures	.823	1.939	6.89%
	TNA Methods	.879		
	TNA Implementation	.412		

9.47%. It was related to the resources invested in needs analyses, so it was named “mastery of resource applications.”

The fourth factor consisted of three highly correlated variables, respectively “TNA procedures,” “TNA methods,” and “TNA implementation.” The factor loadings were between 0.412 and 0.879, the Eigenvalue was 1.939, and the cumulative variance was 6.89%. Since the factor was related to needs analysis methods, it was named “capability for interference implementation.

2. The Influence of TNA Influential Factors on Training Performance

About the measure of training performance, a lot of scholars brought up different evaluation models. Training practitioners commonly use Kirkpatrick’s four-level evaluation model and Phillips’ ROI model (Griffin, 2010) and integrate the two models into a five-level evaluation model.

To understand the influence of TNA influential factors on training performance, one-way MANOVA was managers to analyze the influence of the four TNA influential factors, respectively “mastery of problems and analyses,” “mastery of organizational development,” “mastery of resource applications,” and “capability for interference implementation,” on training performance. The analysis result is shown in Table 3. The test statistics of TNA Factor 1- mastery of problems and analyses: $F=1.971$; $p>0.05$. The test statistics of Factor 2 – mastery of organizational development: $F=1.525$; $p>0.05$. The test statistics of Factor

Table 3

The influence of TNA factors on training performance

Influential Factor	Training Performance					F Value	Sig.
	1	2	3	4	5		
Mastery of Problems and Analyses	-0.30	0.09	0.28	-0.19	0.20	1.97	0.10
Mastery of Organizational Development	-0.29	0.09	-0.06	0.19	.60	1.53	0.20
Mastery of Resource Applications	0.07	0.11	-0.12	-0.42	-0.74	1.68	0.16
Capability for Interference Implementation	-0.36	0.02	0.13	0.45	0.43	2.82*	0.03

3 – mastery of resource applications: $F=1.678$; $p>0.05$. The test statistics of Factor 4 - capability for interference implementation: $F=2.823$; $p<0.05$. Among the four variables, “capability for interference implementation” reached significance. The training practitioners thought that their needs assessments and analysis ability will significantly influence training performance. Consequently, the managers should be capable of TNA and training program design. Otherwise, the training interventions designed by them will influence the training performance.

Remark: Performance 1 represents insignificant training performance. Performance 2 indicates partially significant training performance. Performance 3 represents fairly significant training performance. Performance 4 indicates mostly significant training performance. Performance 5 indicates significant training performance.

* $p<0.05$

Conclusion

Training Needs Assessment is a technique, in which analysis tools should be well applied, so managers should be capable to analyze needs. TNA are one type of management systems, and they are also the first procedure of training systems. Whether starting from the establishment of needs assessment procedures or proceeding needs analysis steps, it is necessary to construct Training Needs Assessment dimensions in order for managers to conduct systematic needs analyses according to the dimensions. The Training Needs Assessment dimensions include strategy, performance, and competency. If the three dimensions correspond to McGhee and Thayer’s three-fold analysis, organization-level analysis indicates strategy, task-level analysis indicates performance, and individual-level analysis indicates competency.

In this study, the necessity of Training Needs Assessment was explained, and managers were taught to master the factors influencing assessments, make good use of various analysis tools, and find out the real causes of organizational problems as well as optimal solutions in order to generate training performance and enable their organizations to obtain the investment benefit that the organizations should obtain. Among the four variables, “capability for interference implementation” reached significance. The training practitioners thought that their needs assessments and analysis ability will significantly influence training performance. Consequently, the managers should be capable of TNA and training program design. Otherwise, the training interventions designed by them will influence the training performance.

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HOME STAYS: A NEW AVENUE IN KERALA TOURISM

***Chitra V.G., **Rajan J.**

Abstract:

Hospitality is considered as one of the most remarkable values of Indian culture in general and Kerala, in particular. Kerala is one of the first states in India to initiate the concept of home stay accommodation for tourists. Home stay is a form of tourism experience which allows the visitor to live along with a host family to experience the real culture of the host. In home stays, the tourist resides with the host family for some part of his or her trip and enjoys the culture and tradition of the land. Many home stays deliver an extensive variety of activities to provide its visitors unique opportunity to experience the true culture & tradition of the local people. In Kerala there are more number of forthcoming home stays which bridge the gap between the demand and supply of accommodation facilities. But the present number of home stays is not sufficient to meet the upcoming demand for the tourist accommodation in Kerala. With the state's Responsible Tourism initiative the potentials of new tourism ventures like Home stays show a tremendous growth.

Key words: Home stays, Hospitality, Host, Responsible tourism, Tourism.

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Introduction

Kerala is located in the tropical Malabar Coast of southwestern India. It is one of the most accepted tourist destinations in the world. The treasure of cultural heritage extending over thousands of years, the natural beauty, monuments, the architectural masterpieces, the folks, music, paintings, traditions, culture, cuisine etc makes Kerala truly a tourist paradise. Kerala is well-known for its ecotourism initiatives and beautiful backwaters. Kerala proudly known as the “GOD’S OWN COUNTRY” is really comprehensive with its great tradition, culture and variety of natural resources. The historical landing of Vasco Da Gamma at Kappad beach lined way for the establishment of global spice route, and the flow of foreigners to the state began. With the state’s Responsible Tourism (RT) initiative the number of tourist arrivals and significance for new tourism ventures started to show a steady growth.

Kerala is a well established tourist destination for both domestic as well as foreign tourists. As per the statistics released by the Union tourism ministry of India, during 2014, Kerala sited 9,23,366 foreign tourist arrivals with an increased growth rate of 7.6%. There were 116,95,411 domestic guest visited Kerala during 2014 with an increase of 7.71%. But Kerala is not in a position to provide accommodation for all its visitors. These growing rates of tourist arrivals release a mounting demand for the accommodation facilities for all those who visit Kerala. At present accommodation facilities are not ample to meet the existing and forthcoming demand.

It is really appreciable for the Keralites that Kerala is one of the first states in India to initiate the concept of home stay accommodation system. In Kerala there are more number of forthcoming home stays which bridge the gap between the demand and supply of accommodation facilities. As holidaying becoming more challenging, home stays are more pertinent accommodation for the sharp-eyed and independent traveler. Home stays present a dazzling, affordable and secured lodging option for tourists. Home stays bridge the gap of quality accommodation in the state.

Home stays pave way for unique cultural exchange and penetration of the advantages of tourism straight to the common people in Kerala. It bridges the gap between the demand and supply of quality accommodation facility and also disposes unique cultural exchange between guest and host and decentralizes the benefits of tourism to the common man.

Objective of the Study

The objective of this study is to explore the significance of home stay accommodation facility followed in the tourism industry of Kerala. The study focuses to conduct a widespread

study on the Kerala home stays. More specifically this study is an attempt to study the potentials, significance, and various activities followed by Kerala home stays.

Significance of the Study

The major importance of this study lies in the gap between the supply and demand of tourist accommodation facility pointed in Kerala. As point out, in the introduction part, the number of tourists visiting Kerala is growing, so their accommodation becomes a question. At present the room availability with the hotels and resort in the tourist destinations in Kerala are not in a position meet the demand during peak season. There is a need for twenty thousand classified rooms during a tourist season in Kerala. However the star hotels and resorts can jointly provide about ten thousand rooms only. The rest of the tourists find accommodation in small hotels, inns and other forms of accommodation. Consequently the significance of parallel accommodation facilities like home stays is escalating in the recent years. But a few studies have been done in the field of home stay accommodation in Kerala tourism sector. It is very likely that an effort to explore home stays and its role in Kerala tourism sector will present a new insight which will be useful to everyone with a consideration in tourism development of Kerala.

Methodology of the Study

The methodology used for the study is exploratory in nature. Data was collected on a secondary basis. Materials available from journals, books, news papers, internet and statistical information available from state and central tourism ministry have been used for the study.

Review of Literature

A study conducted by Budhaththoki, Bharat on the Impact of home stay tourism on livelihood examines the tourism earnings of rural village 'Ghale guan of Lamjung district of Nepal. This study reveals that the tourism industry has played an important role in income distribution among rural households and any deduction in number of tourist arrivals in the village would seriously influence the welfare of the people and widen the income gap among households.

Kanoknon Seubsmrn on Tourist motivation to use home stays in Thailand was to explore demographic characteristics, tourist motivation, cultural and heritage attributes and identify the relationship between them and the tourists. The study exposed that three factors namely, location, attraction and information, have crucial relationship with tourist's overall satisfaction and attraction.

In the study by Clotilde Lugman regarding the tourist's perception about home stay in Subah analyzes the reactions for preferring home stay by tourist. He suggests the schemes for attracting tourists to home stay. He concludes that improving communication, training, networking and home stay itself would bring more visitors.

Anil Radhakrishnan in his study says that home-stay families in different areas of Kerala State has come as an assistance to the tourism industry Kerala which is facing severe scarcity of quality accommodation availability during the season. A study done by Helna K Paul titled "Home stays for the development of tourism in Thrissur district" argues that home stay is a new trend in the tourism industry to attract foreign as well as domestic tourists. But the number of home stays in Thrissur district is only 3% of the total home stays in Kerala. So there is need to increase the number of home stays in the district through mass publicity.

Home Stays

Home stay is a form of tourism experience which allows the guest to live along with a family to experience the real culture of the host country. This helps the guest to experience the local culture, tradition, lifestyle, food style etc. of the host. The modalities regarding the contract between the guest and host need to be established in advance for the smooth functioning of the home stay system. This essentially includes the terms and conditions in connection with food, recreation, family activities, travel policies, usage of electronic gadgets etc.

History of Home Stays

Bread and Breakfast (B&B) system has been popular in European countries since the twentieth century. It was in U K the term B&B came into existence. The United States also has a history of Home stays. During the great depression many people opened their doors to the visitors for earning an additional income. The term 'Boarding House' was used there in that time. After the depression this system disappeared. Hike in the number of Americans travelling to Europe again rediscovered this system in USA. There has been a steady growth in the number of B&Bs in USA. Now a days B&B is seems to be a very attractive alternative for tourist accommodation. Many B&B offer amenities like those offered by most luxurious hotels in the world.

Home Stay System

A home stay is not simply a mode of accommodation only. Many home stays offer a wide range of activities to give its visitors unique opportunities to experience the real culture and traditions of the local people. Home stay is about the tourist being part of a host family

and experiencing the comforts of a real home. Each home will have varied amenities which may include food, recreation, laundry facilities, computer/ internet access and even swimming pool in some cases. Most of the home stays are situated in villages away from the crowded cities and heavy traffic. They unveil the actual rural life and warmth of rural folk. The guest can also take part in various household activities along with the family members.

Home Stay Activities

Depending on the local conditions home stays offer varied number of activities like adventure pursuit, artistic performance etc. The main activities offered by most of the home stays in India are the following.

- ❖ Adventure trips
- ❖ Yoga classes
- ❖ Farm visit
- ❖ Ayurveda treatment
- ❖ Cooking classes
- ❖ Trekking
- ❖ Visit to local museum
- ❖ Elephant safari
- ❖ Back water cruise
- ❖ Visit to local markets
- ❖ Fishing
- ❖ Attending local festivals etc.
- ❖ Visit to bird sanctuary

Types of Home Stays

There are different types of home stays and it varies with location, facilities, and building types. Different types of home stays are the following:

- a) Modern home stay: Big cities have several home stays with all modular facilities like, modern conveniences, contemporary décor, and hosts with a global stance. Clubbed with Indian hospitality, these urban Indian home stays serve as amazing home away home for travelers.
- b) Heritage home stay: surprisingly large number of homestays in India is ancestral properties. Many of them old more than a century and are packed with artifacts

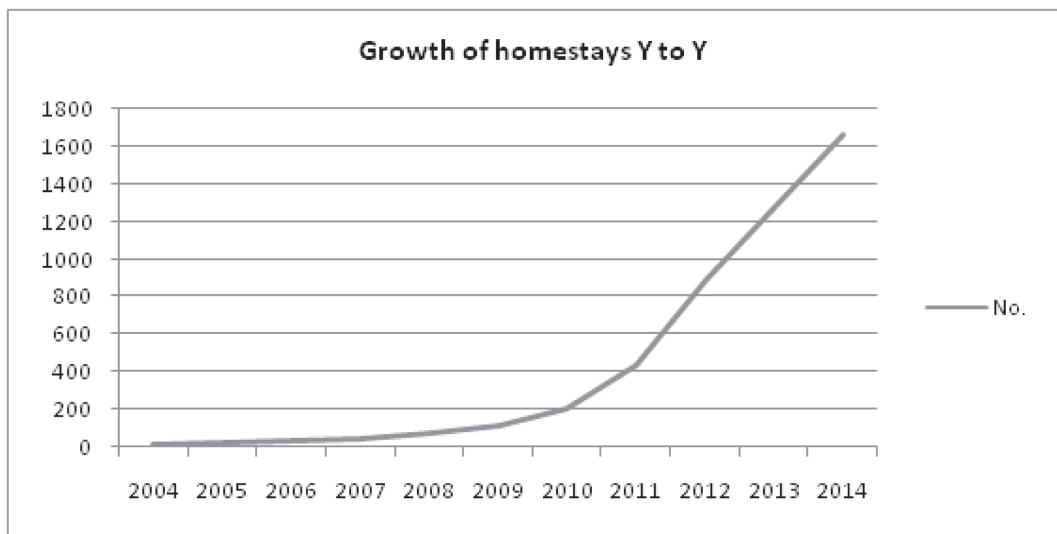
collected over generations. There represent great museums of a mysterious history.

- c) Rural home stay: Many of the most outstanding home stays are located in villages. These home stays are the hub of lost culture, heritage, traditions and natural beauty.
- d) Plantation home stay: A lot of home stays in India are nestled in over acres of lush greens where tea, spices and much more are grown. These home stays allow host an experience where nature meets them.
- e) Eco home stay: Eco tourism is a novel structure of assortment of tourism with preservation of environment. Many home stays have adopted the practice of ecotourism to supplement their revenue while preserving their region's fragile ecosystem.

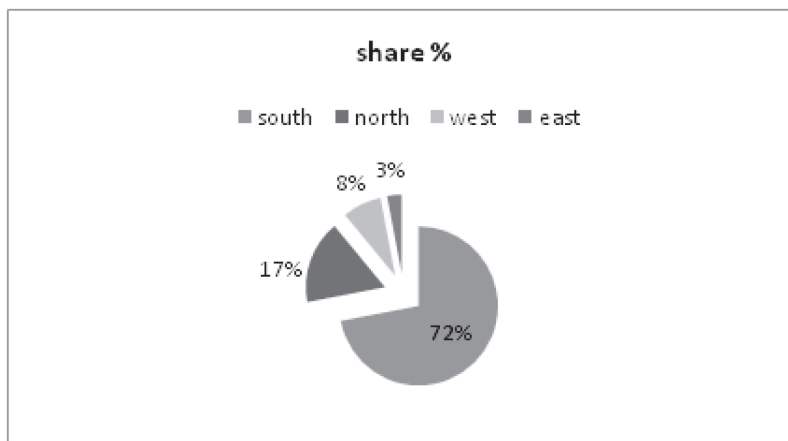
Home Stays in Indian Tourism Scenario

Hospitality has always been one of the most valued traits of Indian culture. The old adage “Adhithi Devo Bhava” which means ‘treat guest like god’ shows the depth of Indian heritage. Home stays serve a wonderful opportunity for the tourist to experience the real Indian culture. There is an exponential growth in the number of home stays in India.

The graph given below indicates the growth rate of the licensed home stays since 2004



Source: holidayiq.com



Source: holidayiq.com

Hotels and resorts share 67% of the total accommodation and the share of home stays is below 5%. But in top 50 tourism destinations in India, home stays contribute 13% of the total accommodation. There are 1663 licensed home stays distributed among 207 destinations all over India. The number of unlicensed home stays will account for more than double of the licensed.

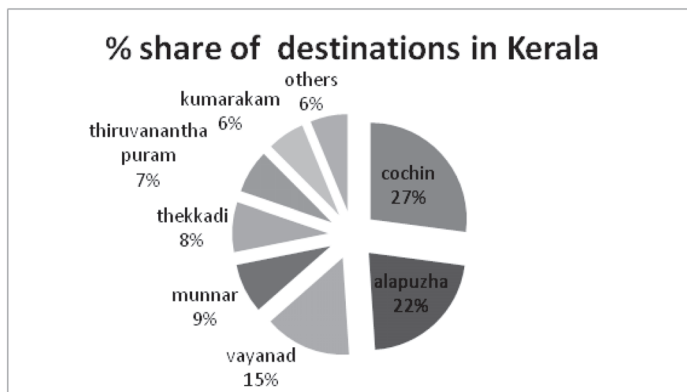
72% of the home stays in India are located in South India. 17% are in North, 8% in West and the rest 3% are in the Eastern part of the country.

Studies show that 88% of the total home stay market is with five states namely Kerala, Karnataka, Himachal Pradesh, Maharashtra and Tamil Nadu. Three southern states share 71% of the total market. Since there is a large gap between the demand and supply of accommodation facilities in many of the tourist destinations in India, there exist a large potential for the upcoming home stays. Most of the Indian states do not have any licensed home stays to accommodate their guests. By the growth of novel tourism concepts like eco tourism, pilgrimage tourism, ethnic tourism, rural tourism etc. there are huge demand for cost effective quality assured home stays in India.

Home stays in Kerala Tourism

It is really proud to the Keralites as Kerala is one of the first states in India to initiate and develop the concept of home stays. There are so many home stays in Kerala and most of them are located near natural beauty spots like beaches, backwater, mountains etc. apart from natural beauty, Kerala is well known for its mouth watering cuisine. Traditional home cooked dishes are the attraction of home stays. There are nearly 950 licensed home stays in Kerala. The top destinations in Kerala are Kochi, Alappuzha, Wayanad, Munnar,

Thekkady and Thiruvananthapuram. Kochi and Alappuzha jointly account for more than half of the licensed home stays in Kerala. In many places home stays are defeating other forms of accommodation facilities in guest satisfactions. Many of the guests are of the opinion that home stays in Kerala provide better value for money when compared to other forms of accommodation facility.



Data source: secondary data from newspaper

Potentials of Home Stays in Kerala

The scope of new home stays are considerably higher as there exist a huge gap between the demand and supply of accommodation facilities provided for the tourist coming to Kerala. It leaves an opportunity for the local people, especially women to earn an additional income. The blooming tourism industry in Kerala opens a new avenue for the home stay business. The Kerala State Home stay and Tourism Association (Kerala HATS) has been formed as a consortium of home stay providers and tourism promoters for the effective co-ordination of home stay activities in Kerala. It ensures qualitative and competitive service to the visitor by join in hand with government and other organisations through enhancing the working conditions of the home stay providers. It also carryout research programs in hospitality sector. In association with India Tourism and Kerala Tourism departments HATS has arranged a B2B travel meet (Home stays & Rural Tourism Travel Meet 2015) at Kochi in Kerala from Sep. 1 to 3, 2015. It will be a great opportunity for the home stay providers to get in touch with the foreign tour operators.

For ensuring the facilities & quality of the service provided by the home stays, home stays in Kerala are classified into different categories. The classification scheme is implemented through the District Tourism Promotion Councils (DTPC). Based on the facilities and quality of service provided, home stays are classified into 3 categories namely Class A- Diamond House, Class B- Gold House & Class C- Silver House. The Government

of Kerala has considered favorably for the dilution of the procedures for getting home stay license. This estimates more than 200% growth of new licensed home stays in Kerala by the mid of this decade.

Even though the State has 50,000 rooms for tourist accommodation in different categories, it has been found that there are only less than 10,000 rooms of good quality. It is estimated that the tourism industry is facing a shortage of 20,000 rooms during the tourist season. Official sources said there is a need for 6,000 more rooms in the home-stay sector in the next five years to cater to arrivals during peak season.

Conclusion

Tourism industry in India in general and Kerala tourism in particular is fast growing as a major global destination. Home stays are a comparatively new trend in tourism sector to attract foreign as well as domestic tourists. The number of home stays in India is comparatively nominal. But in Kerala tourism, it has a significant role to play. Still there present a substantial gap between the demand and supply of required number of home stays. The present number of home stays is not sufficient to meet the upcoming demand for the tourist accommodation in Kerala. So there is an urgent need to increase the number of home stays by minimizing administrative regulations and formalities. In order to tap the global tourism market, both central and state governments need to take immediate steps to attract new home stay providers. Thus both new tourists and the home stay providers can be attracted and can realize home stays as an opportunity to the development of tourism industry in Kerala.

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THE THORIUM DEPOSITS AND THE MATERIAL DEVELOPMENT OF INDUSTRIES IN TRAVANCORE

***Hari Krishna Prasad L.S.**

Abstract

Mineral wealth is an important factor determining the economic status of a State. Without them there can be little material prosperity in times of neither peace nor effective capacity to wage war. The eventual decision on thorium will depend upon international developments in the field of atomic research. The rare earth's of Kerala's coast have for long, been a source of envy of many foreign countries, which have been relying on these rare minerals for supporting their industries. The process of industrial development generally involves a shift from industries based on primary raw materials like agricultural or forest produce to more technologically advanced industries using a higher content of metallic minerals. Travancore is unfortunately placed in this respect as its mineral resources are marked by absence of any of these basic minerals, namely coal, iron copper etc.

Introduction

Minerals and metals form the life blood of the world's present-day industrial civilization. Without them there can be little material prosperity in times of neither peace nor effective capacity to wage war. The lure of minerals has inspired voyages of discovery and led to the development of uninhabited lands. The development of modern industrial sector in the world is very complex. In fact no nation is self-sufficient in its essential raw materials. Its distribution depends upon various geological factors.

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Before the World War I, it was observed that Germany was importing considerable quantities of monazite sand from Travancore. Nobody in India or Great Britain knew at that time what these sands contained, but the Germans had discovered apparently from information supplied by German missionaries, that they could be used for extracting cerium and thorium employed in the manufacture of gas mantles.

Monazite was first discovered in India by C.W. Von Sohomberg, a German citizen, in 1909 along the beach of Manavalakurichi. Monazite occurs along with other heavy minerals in the beach sands. Reserves of the order of 6.7 million tons are estimated to be present in the bar between Neendakara and Kayamkulam. But there is no production of monazite concentrates from Chavara while the Manavalakurichi material is preferred because of its higher thorium content. A rare earth factory is located in the State at Alwaye, which processes 1,500 tons of monazite a year, but it obtains its requirements from Manavalakurichi in Tamil Nadu. This factory produces Thorium Oxide, rare earth salts and trisodium phosphate.

The policy of the Travancore government in the matter of mineral was declared by a Proclamation issued as early as the year 1881. It was declared under this Proclamation that all rights in metals and minerals throughout the State were reserved as a monopoly of the govt. For over 20 years, Thorium-bearing monazite ilmenite was exported mostly to America. Monazite came back to limelight assuring very great importance as a strategic mineral owing to the potential possibilities of the use of thorium as a source of atomic energy. But the importance of Thorium itself was not realized until the atomic bomb was discovered. Although uranium was used to make the atom bomb, American scientists have reported that a thorium/uranium combination can maintain a chain reaction too. Monazite is a phosphate of thorium and cerium with rare earth elements and small quantities of Uranium Oxide. It constitutes a source of the radio-active element, thorium being used for atomic energy purposes.

An intensive geological and physico-chemical survey of the thorium bearing minerals in Travancore has been recommended by the Atomic Research Committee of the Council of Scientific and Industrial Research at its first meeting held in Bombay under the chairmanship of Dr. H.J. Bhabha. A sub-committee was appointed to draw up concrete proposals for carrying out a geological and physico-chemical survey of the uranium bearing minerals in India. The Committee considers that, in view of the importance of atomic research and development for the future security and well being of India, atomic research should be given first priority and encouraged by the Govt. of India on a very large scale. The Committee also recommended that it is necessary that all large-scale research in atomic physics in the near future should be concentrated at one centre in the country.

The sand deposits in Quilon District contain 65 to 75 % of ilmenite. According to the Department of Atomic Energy, the sand deposits in this area contain about 17.53 million tones of monazite and 1.29 million tones of zircon. The coastal tract in Quilon and Alleppy districts along Chavara-Neendakara area and up to Kayamkulam is endowed with large deposits of mineral sands, occurring as beach placers containing Ilmenite, rutile, monazite, zircon, silimanite, leucoxene, garnet etc. The main reliance for ilmenite has to be placed on the sand bar, the total reserves from which are estimated at 34.08 million metric tons. The percentage of thorium oxide - ThO_2 - varies in monazite from different sources. It is highest in Travancore monazite - 8 to 9 per cent.

Thorium oxide prepared from the sand is employed in the making of the mantles which give intense illumination when placed in the colour less flames of gas or petroleum lamps. When electricity was not in common domestic use for lighting purposes, and people were accustomed to the indigenous lighting devices, the advent of the gas lamp with its greater brilliancy was enthusiastically welcomed. The mantle of the gas lamp could stand great heat. Thorium was used for the manufacture of these gas mantles. Thorium is also used in the production of alloys with magnesium for rockets and missiles because these alloys do not melt or disintegrate even at fantastic speeds that have to be developed by them.

In 1938 the production of ilmenite from these sands exceeded 250,000 tons, much of which going to the painting of warships. With the employment of electric lighting the demand for monazite began to decline but again it has come to the fore as a potential source of atomic energy. Thorium is the neighbor of Uranium and it is hoped that the fission of its atom would prove just as useful as that of the Uranium atom. Thus the Travancore Govt. entered into the international control of thorium bearing minerals.

Separation Methods

Scientists working in Bombay laboratory developed a cheap method of separating thorium nitrate from monazite sands by modifying and combining two previously known principles. Cyclotron experiments existed in Calcutta where there are two more laboratories, and a fourth was established in Travancore itself. Later on, the so-called “pile” experiments for production of atomic energy in a small scale was started at Bombay. Some of the minerals, like the black ilmenite and magnetite are invariably present in beach sands everywhere but their proportion is too small for recovery. The similar kind of sands occur also in other parts of the world, notably in Brazil, Australia and New Zealand - but Travancore stands foremost in the production of monazite. The Travancore material stepped into the world market much to the detriment of Brazil monazite, because the thorium content of Travancore monazite was nearly double that of the Brazil material.

Sir C.P. Ramaswamy Iyer asserted in an exclusive interview with the Associated Press that 'no commitments have been made to any Govt. regarding the disposition of Travancore's thorium, and not yet approached by any Govt.' The eventual decision on thorium will depend upon international developments in the field of atomic research. According to the Dewan if the cost is such it would not be feasible to extract thorium in Travancore, and if there is a good market for it, then the sand may be exported. The Dewan again said, 'the government is getting roughly 20 rupees per ton for the ilmenite.' At the same time the producers of titanium oxide were getting about 2,000 rupees at least. Nearly all of the ilmenite went to concerns in Great Britain and the United States. The rare earths of Kerala's coast have for long, been a source of envy of many foreign countries which have been relying on these rare minerals for supporting their industries.

Thorium is one of the potential products of Kerala. The British men were well aware of the value of these sands. So they took active steps for acquiring it. An extract from a news paper make it clear that they handled the issue very arrogantly. They announced that the consultation for purchasing the available Thorium from Travancore is completed. But Sir C.P. stated that 'this is false and should be promptly contradicted.' According to the Dewan the policy of the Govt. in regard to exploitation of these deposits is on the basis of sole control and disposal by the Travancore Govt. The Travancore State made many agreements with British Crown to refuse permission for further exports of thorium bearing monazite sand.

The Travancore Govt. had entered into an arrangement with the Govt. of India for the purpose of conjoint research on mineral sands and atomic research. Side by side with this arrangement, the Travancore Govt. also entered into certain arrangements with the British Govt. for joint research and exploitation of the possibilities of the mineral sands of Travancore, atomic fission and production of atomic energy. The Govt. of India stated that, the foreigner's had interested in our mineral sands and we have to work together. So an agreement was constituted and committees consisting of nine members, of which three are to be nominated by the Govt. of Travancore, which will conduct all the research work in regard to thorium and the possibility of the creation of atomic energy from thorium. This shows that the Travancore government is quite willing to enter into any agreement which will be of any help for the good of India.

Conclusion

The mineral sands of Travancore have great significance. International politics hovers around sources of mechanical power. It may be coal or mineral oil. But now after the remarkable success of science in tapping atomic energy, minerals containing Uranium and Thorium are receiving special attention from power politics. Mineral resources play a vital

role in the economic development of any region. The process of industrial development generally involves a shift from industries based on primary raw materials like agricultural or forest produce to more technologically advanced industries using a higher content of metallic minerals. Travancore is unfortunately placed in this respect as its mineral resources are marked by absence of any of these basic minerals, namely coal, iron copper etc.

The exploration of ores and minerals for industrial utilization on a consistent rational plan had received no attention in Travancore. The bulk of mining was done with European capital and technical skill. This fact remained true up to World War II. These exports brought about a small return to the country either in the shape of adequate prices or exchange commodities in which Travancore was deficient. Luckily energetic steps are taken to control these wasteful practices. In the absence of organized scientific research, Travancore's mineral industry kept on stagnating up to the beginning of World War II. Low-cost electrical power, or, in due course, Atomic power is thus the decisive factor in the regionalization of heavy and light metal industry in parts of India, remote from the eastern India coalfields. Through the economic strength achieved from the mineral sources, especially from thorium, Travancore's material development of industries became easier. After regaining the control of the State's minerals, Travancore became more financially sound. It paved the way for starting new kind of industries and many were new to Indian society as a whole, like the Fertilisers and Chemicals Travancore Ltd., Titanium Dioxide Plant, Aluminum Industries, Ogale Glass Factory etc. As a consequence of the material development of industries in Travancore, the life style of the people also changed. The ratio of unemployment decreased and improvement was seen in the spheres of health and education.

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CUSTOMER CHURN BEHAVIOUR IN CORPORATE RETAIL SECTOR

***Rajan J., **Arun S.**

Abstract

Indian retail industry remained an extensive disorderly division till the eighties. Corporate houses entered into retailing in the wake of perceiving the immeasurable capability of this part. The scourge amplification in number of organized food & grocery retailing and endless rivalry in the business sector has brought about corporate retailer to redirect their concentrate more towards customer retention rather than customer acquisition. Thus it gets to be astoundingly crucial to distinguish the components engendering a customer to churn and take excruciating action so as to hold them. The paper expects to explore an all-encompassing perspective of different elements and their connections that cause a customer to churn among the organized corporate retailers. Variables identified with customer churn were incorporated by exploring few studies and also through a brain storming session with customers on churn conduct. The recognized components are then verbalized about in unobtrusive component with their impact on customer churn. The paper will fortify specialists and analysts by accommodating a solid base for their mechanical practice and future exploration.

KEYWORDS: Customer Churn, Churn Determinants, Churn Behavior, Corporate Retailing

I. Introduction

Research in churn identifies different determinants and often conflicts on how the determinants behave. Investigations of customer loyalty and churn determinants commonly

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speculate the impacts of determinants on propositions or conduct, and after that affirm the theories observationally. Customers' churn is a well-recognized issue of critical importance to the corporate retailers. Corporate retailers in today's element marketplace are progressively being customer situated, understanding the significance of keeping customers in a long haul relationship. Though customer loyalty is vital, it is just as critical to investigate and analyze the factors that can cause customers to churn retailers. This is simply because to keep current customers, it is important for retailers to understand why customers churn. Conceptually, customer loyalty and customer churn behaviour are two different marketing constructs that have unique theoretical and managerial implications. The subject of Customer Churn Behavior has gained impressive consideration, since the previous decade, among researchers and practitioners in the presumably, due to its feasible effect on the survival, profitability and growth of corporate retail segment. Reducing customer takeoffs and rebellions has become a high priority for most corporate retailer as markets mature and competition intensifies. So why do abnormal amounts of customer churn?

Corporate retailers know that churn corrodes their business, however a large portion of them don't really get it how churn works or what to do about it, to do about it, in light of the fact that they're regularly aiming at the off-base. These retailers thrived in the past as customer obtaining machines, built to develop through rapid penetration of own labels, national and international branded products they introduced during the previous decade. Their societies haven't adapted to the new reality of greater choice for consumers alternatives. They still reward more for new customers than for growth in the number of profitable loyal customers. They invest more in advertising and marketing than in customer relationship management that would delight or at least hold customers; they don't pursue the rewards of customer loyalty as much as they hunt aggressively for new sales to replace departing customers.

In this paper an effort has been made to find out and understand various controlled, uncontrolled and moderate factors that contribute in the intention of corporate retail customers to churn. More specifically to find out which all factors more significantly contribute in the intentions of corporate retail customers to churn. A huge amount of theoretical, empirical literature and customer interactions had identified various factors/reasons responsible for customers' churn. Nonetheless, there is no standard motivation behind why customers leave retailers.

II. Objective

The objective of the paper is to comprehend customer churn behaviour and its reasons in the corporate retail sector.

III. Review of Literature

Numerous components cause shoppers to stay with their current retailer or beat to contenders. Most studies, and additionally tried and true way of thinking, propose that enhancing offices & center administrations fulfills clients and subsequently holds their devotion (Bloemer and Kasper 1995; Mittal and Lassar 1998; Oliver 1999). On the other hand, clients with negative administration encounters beat or consider stirring to another retailer (Jones and Sasser, 1995; Lewis and Bingham, 1991). Determinants, in any case, go past administration quality and consumer loyalty. Value, Product and Store traits emerges as another overpowering purpose behind exchanging, for instance, in sustenance/basic supply retailers ((Brown, 2001; Doyle and Fenwick, 1974-1975; Hare, 2003). Retailers Appeal prompts responsibility, which then lessens clients' inclination to beat (Moorman, Zaltman and Deshpandé, 1992; Morgan and Hunt, 1994). Yet shoppers may stir retailers for behavioral reasons, for example, mixture looking for (Givon, 1984), drive (Stern, 1962), and situational connection (Skoglan and Siguaw, 2004). Beat expenses are likewise essential agitate determinants (Jones, Mothersbaugh and Beatty, 2000; Sharma and Patterson, 2000). For instance, Burnham, Frels and Mahajan's (2003) cross-industry discoveries demonstrate that agitate expenses, for example, money related misfortune and vulnerabilities with the new retailer, prevent stirring regardless of disappointment. Notwithstanding being an appealing highlight, steadfastness projects are a beat cost because of the potential loss of collected advantages, for example, unwaveringness focuses (Burnham, Frels and Mahajan, 2003; Yi and Jeon, 2003). In shopper merchandise business sector, buys spread over a collection of brands and customers consistently stir brands. Unwaveringness is polygamous and regularly operationalised as offer of class (e.g., Cunningham, 1956; East, Harris and Lomax, 2000). Interestingly, clients in membership markets (e.g., information transfers and utilities) ordinarily display sole-faithfulness to one brand and frequently over long stretch. Exchanging subsequently involves ceasing utilizing a brand absolutely and dispensing buys completely to another brand (e.g., Sharp, Wright and Goodhardt, 2002). At long last, associate impact, which weights buyers to adjust to others' desires or standards, influences expansive qualities and conduct. For instance, Childers and Rao (1992) exhibit the impacts of associate weight on people to comply with brand decision.

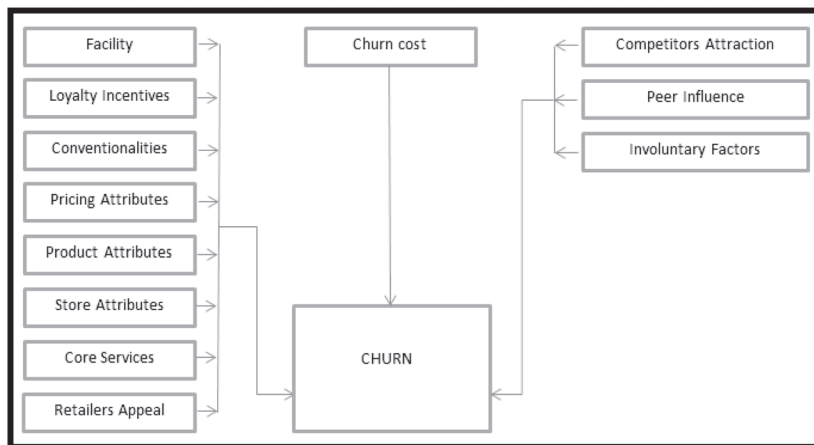
IV. Methodology

This study included right around 50 customers who are regularly shoppes at corporate supermarkets. Members were 20 to 60 years of age, and around three of five were female. Each owe customer loyalty card, and 15 had churned among these corporate supermarkets. The study accumulated subjective information in two stages. Firstly, a conceptualizing activity created variables that may prompt Churn. Next, a facilitator led interactive interviews

(Patton, 1990) whereby the 12 gatherings rank requested five variables that a) keep members faithful to their current retailer and b) instigate customers to transit from being faithful to proposing to churn because of changes in the reliability components or presentation of new elements.

V. Discussions and Results

About 12 factors have been identified through brainstorming.



Source: Compiled by the Author

Controlled Elements in Customer Churn

Facility – Ease-of-use, from finding, examining, and selecting merchandise to paying and searching for. Facility affects repeat buying, handcart abandonment, and impulse shopping for. **Loyalty Incentives** – The goal of client loyalty incentives is to influence customers to continue looking, to extend the frequency of their buying and to confirm that you just are their first destination for discretionary purchases. client loyalty incentive greatly outweigh the prices related to running them, and that they facilitate to retain every current customer's amount additionally as attract new customers with artistic and compelling. **Pricing Attributes** – Price is associate degree attribute that has to lean up or sacrificed to get bound reasonably merchandise. Pricing methods place varied degree of stress on choice, estimation, and analysis of prices, comparative analysis, and market state of affairs. **Conventionalities** – Conventionalities that once followed, promote values admire trust, sensible behavior, fairness, and or kindness. There's not one consistent set of standards that each one corporations follow, however every retail merchant has the proper to develop the standards that are purposeful for his or her organization. Moral standards don't seem to be continually simply enforceable, as they are often mistily outlined and somewhat receptive interpretation

("Treat the client with respect and kindness."). Others is a lot of specific, admire "Do not share the customer's personal info with anyone outside of the organisation." Core Services – Core service is that the retailer's ability to provide their customers' needs and wishes. Customers assume that device service involves associate degree interaction with another individual, whether or not that person helps them notice one thing, select one thing or purchase one thing. For retailers, then, a lot of helpful definition is that client service may be a business's ability to satisfy its customers. Product Attributes – The mixture of merchandise offered purchasable by a retail outlet, that takes into consideration each the variability and amount of products. The merchandise combine is over simply inventory. It defines the retail outlet's niche within the market, and the personality of the brand. The merchandise combine is usually accustomed attract an exact demographic of shoppers to the shop additionally. Store Attributes – Store attributes regarding a retail outlet is sorted in terms of 'store atmospherics'. Store region attributes (including color, lighting, sales personnel, music so on) type the general context at intervals that shoppers create choices of store choice and patronage. Retailers notice the importance of such attributes associate degreed consistently try and avail of an atmosphere, together with applicable colours, music so on it can attract their target customers. Further, purchase decision-making has become complicated due to inseparability of product and services offered in shops. Retailers Appeal – Retailers attractiveness refers to activities undertaken to extend sales or enhance the image of a service, firm or business, and therefore the primary purpose of appealing is to tell the potential client of the characteristics of merchandise or services they provide.

Uncontrolled Elements in Customer Churn

Involuntary Factors – Involuntary factors portrays the components outside the ability to control of either customers or the suppliers as automatic beat elements. Customers may churn unexpectedly, for example, by moving house, evolving employments, or branches being shut in their inhabitant territory. Peer Influence – A reference gathering is any individual or gathering of individuals who essentially impacts a singular's conduct. Reference gatherings can be people like relatives, partners, sportsmen, stars, and political or religious pioneers. Obviously, reference gatherings can likewise be gatherings of people, for example, cohorts, online groups, rock groups, or expert affiliations. Reference gatherings influence purchasers in various routes and to diverse degrees relying upon shopper and item qualities. Competitors Attraction – Stores that force in clients a long way from their rivals' stores are giving more conspicuous saw regard. Understanding the differences between stores that can attract cross-clients a long way from a contender versus a store that "bestows" their customers with the resistance would be of extraordinary centrality in the progression of the retailer's technique.

Moderating Elements in Customer Churn

Churn Cost – Churn cost is a catch-all expression to portray the assortment of expenses, monetary and non-budgetary, happened in evolving suppliers. Different researchers condense agitate costs into inquiry costs, exchange expenses, learning expenses, steadfast customer rebates, enthusiastic expenses, costs regarding time, financial, and mental expenses. Churn costs likewise incorporate perceived risk which can be translated as customers’.

The second phase of examination yielded the outcomes in Table 1. As foreshadowed in the introduction, the findings propose that progressions in the hidden determinants and another determinant coming into thought cause the move from steadfastness to proposing to churn. Especially, Pricing Attribute, Competitors Attraction and Facility are the most persuasive in bringing about the move, though Facilities provided; Product Attributes and Conventionalities have less effect. Besides, behavioral elements, a determinant not recognized in loyalty, inspire churn propositions.

Table 1

Aftereffects of Rating the Determinants of Loyalty and Churn

Inducements of loyalty with currents retailer			Inducements of intentions to churn from current retailer		
	1	<i>Facility</i>		1	<i>Pricing Attributes</i>
	2	<i>Product Attributes</i>		2	<i>Retailers Appeal</i>
	3	<i>Conventionalities</i>		3	<i>Facility</i>
	4	<i>Pricing Attributes</i>		4	<i>Competitors Attraction</i>
R	5	<i>Loyalty Incentives</i>	R	5	<i>Product Attributes</i>
A	6	<i>Store Attributes</i>	A	6	<i>Loyalty Incentives</i>
N	7	<i>Core Services</i>	N	7	<i>Store Attributes</i>
K	8	<i>Retailers Appeal</i>	K	8	<i>Conventionalities</i>
	9	<i>Involuntary Factors</i>		9	<i>Churn Cost</i>
	10	<i>Competitors Attraction</i>		10	<i>Peers Influence</i>
	11	<i>Churn Cost</i>		11	<i>Core Services</i>
	12	<i>Peers Influence</i>		12	<i>Involuntary Factors</i>

Findings highlight the factors that drive accommodating adherence and action insights for corporate supermarkets and any cast that provides contiguous service. As the retail industry goes through a significant transformation, it's more important than ever for organizations to understand what drives customer's perception of value. Findings highlight the three factors that drive customer's loyalty and offer insights for corporate supermarkets and any brand that provides face-to-face service.

Facilities provided were the most critical loyalty factor. Similar to other studies, facilities provided are more effective than customer satisfaction, service quality, and price in retaining

customers. Yet, facilities may cause adverse 'entrapment' feelings and cognitive dissonance thus evoking churn intentions. Facilities, however, failed to rank as a main determinant of churn intentions. Customers do not intend to churn because they feel disgruntled with current facilities or attracted to competitors' services with more or better facilities.

Product attributes are determinants of churn and loyalty; customers view both as an attraction to churn and as a churn deterrent. Therefore, retailers should invest in enticing products because of their two-prong benefits in luring customers from competitors and keeping them with the retailer.

Pricing is the top churn determinant and more important than core services and loyalty incentives. That is, changes in price perceptions may cause the loyalty-churn transition. Similar to facilities, this finding reflects the commodity nature of retail services. Thus, a provider can use price to dislodge seemingly satisfied and loyal customers from their providers (e.g., Mazursky, LaBarbera and Aiello, 1987). The importance of price as a loyalty determinant further implies that after churning over customers, retail firms must continue to offer value to these customers or risk losing them to competitors.

Retailers Appeal is critical in churning, but has a lower priority in loyalty. That is, perceived degradation in retailers appeal may trigger loyalty-churning transition, but conversion with retailers appeal may not yield loyalty. Customers may regard retailers appeal as a 'tempting' factor; they expect more and will not tolerate misleading. Behavioural factors such as impulse buying and variety seeking illustrate the effects of new determinants on the loyalty-churn transition. For managers, this is a disturbing finding as it implies that efforts, except for churn costs such as contractual obligations, to develop loyalty in some customers may be futile.

Core Services is particularly important in retail because consumers buy a service – intangible and difficult to evaluate – before they experience it (Berry, 1991; Liljander and Strandvik, 1995). Yet in this study core service is low in importance for both loyalty and churn.

Consumers may perceive little differentiation among corporate supermarket brands. This result questions if brand and brand trust foster loyalty, especially in mature, commodity markets. For managers, it questions substantial spending on brand building – is their spending to create a competitive advantage through brand differentiation or merely to 'keep up with the Jones' and prevent brand awareness erosion?

Similarly, peer influence ranks low for loyalty and churn, although ample evidence suggests its influence on consumers (Bearden and Etzel, 1982; Witt and Bruce, 1972). High penetration rate may have relegated corporate supermarkets to a commodity and no longer a conspicuous luxury susceptible to peer's norms. Corporate supermarkets should

question their marketing spend on advertisements – a common practice among corporate retailers.

Lastly, How everything adds up is that as retail suppliers have a discriminating need to completely comprehend and answer "what is our quality to the customer?" The way client see worth will change regularly as associations get ready to manage the developing scene of the business. Through the utilization of innovation propelled client understanding group, the test of comprehension what clients see as quality can unavoidably be replied, serving to guarantee the accomplishment of your promoting battles, operational methodologies, and fulfillment activities.

VI. Limitation and Future Research

The basic way of this abstraction brings about a few restrictions that approaching studies can address. Future examination ought to draw aloft an approximate and beyond sample of retail customer to accord added generalisable results. As loyalty and churn determinants are industry-particular, utilizing the aforementioned action of adherence active move, studies can investigate the conduct of determinants in altered industries. These findings appear by subjecting participants to hypothetical situations and appraising their churn intentions. Future longitudinal analysis that addresses absolute intentions and behaviours may afford added ablaze on the basal psychological action during the transition. Also, these discoveries advance by subjecting customer to hypothetical affairs and gaging their churn aims. Future longitudinal analysis that addresses genuine plans and practices may acknowledge added acumen into the hidden psychological methodology amidst the move. In conclusion, this abstraction did not investigate interactions a part of the determinants and their circumscribed impact on churning.

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A STUDY ON THE NODES IN DAIRY – COMMODITY CHAIN OF KERALA

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Abstract

The process of milk production in Kerala is unique and dynamic when compared with other states of Indian union and also non-parallel to other countries of Indian sub continent. The glittering history of the development of dairy in Kerala is the outcome of a series of exogenous drives acting in tandem with the endogenous factors. However, at present, one will get annoyed at the tall achievements of this sector in the past, getting wallowed in doldrums. This article is an attempt to search out such snares in the dairy sector of Kerala presented within the frame work of commodity chain Analysis. At the outset of the article, the various tenants of commodity chain analysis are chalked out. In the second part, the major constraint in the dairy sector is made interwoven within the commodity chain frame work, is expatiated upon. Hints of policy options are stated during the course of the analysis.

Introduction

The commodity chain analysis opens another search light into the warp and weft of the complex capitalist process of production and exchange. Defining in the simplest term, “a commodity chain is the network of labour and material process that precedes a finished commodity” (Hopkin and Waller stein:1994). It describes the full range of activities which are required to bring a product or service from conception through the intermediary phase of production, delivering to final consumer and final disposal after use (Kaplinsky: 2000). A commodity chain also can be defined as a set of inter organizational networks clustered around one commodity or product in which networks are situationally specific, socially constructed and locally integrated (Stefano Ponte: 2001).

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Each productive activity in a commodity chain is called a node or a Box. Boxes are subjected to temporal, spatial and historical modal variations. Every box is industrial since eventually there involves transformation of something into finished or intermediate product. They define what is to be produced, but do not produce themselves (Catherin Dolan and John Humphrey: 2000). This pattern of trade led industrialization has become common in labour intensive consumer goods industries and profit, in buyer-driven chains derives not from scale, volume or technical advances but rather from unique combinations of high value research, design, sales, marketing and financial services that act as a strategic broker to amass profit (Gereffi: 1994).

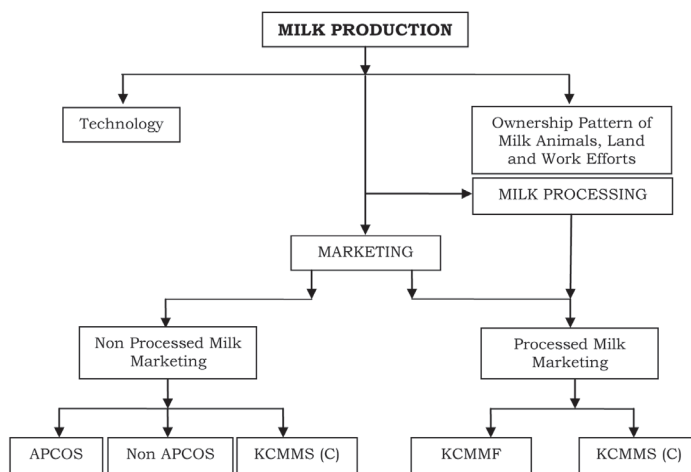
Commodity chain analysis also has been placed in the core-periphery dimension, particularly centered on international trade, which largely undermine the relation of production in the primary level. It peruses only the external relationship, neglecting its peripheral node, relation of production and hence blocking the local level struggles for the deconstruction of the chain. It is on the above mentioned critical frame work, we would like place primary milk cooperatives in Kerala and attempts to sort out the major modal constraint, existing.

1. Dairy Commodity Chain

The dairy milk commodity chain in Kerala is unique and dynamic with a glittering past. It was built upon the governance structure of better breeding, better feeding and better marketing. However, some of the recent tendencies of the dairy sector seem to surpass the glittering past of the Kerala's dairy chain experience. The present article is an attempt to search out such snaring nodes of the dairy commodity chain of this regional economy. In doing, so, it is tried to deviate from some of the postulations of existing commodity chain analysis, in terms of it's (a) core-periphery dimension (capital dimension) (b) Interpretation in terms of producers and buyers driven commodity chain Instead of the core-periphery dimensions, the urban-rural spatial setting is being adopted as the ground for interaction of the economic agents. In the governance structure, the dairy chain is producer-cum buyer driven. This is because in the case of dairy chain, the technological input is exogenous – not privately endowed. But within the whole process (chain) the pulls of the buyer remains inseparable. Therefore, the chain is producer cum buyer driven, further, in the matter of up gradation, the technological improvements effected in the dairy chain, that it didn't enrich neither the core nor the periphery but relatively the urban middle class. Such observations are disobedient of the existing notion of commodity chain analysis. Our concern is that "the commodity chain approach could be strengthened and broadened though the incorporation of the day to day lives of the laboring poor". Chain boundaries could be traced by mapping out the flow chart and for agro food production have relatively uncomplicated structure). Accordingly a simple version of dairy commodity chain is given below.

Simple Model of Dairy Commodity Chain

- APCOS - Anand Pattern Co-operative Societies
 Non APCOS - Traditional Milk Marketing Societies
 KCMMF - Kerala Co-operative Milk Marketing Federation
 KCMMS (C) - Kerala Co-operative Milk Marketing Societies (Charitable)



2. The Major Problems in the Node of Dairy Commodity Chain

Some of the recent tendencies in the live stock sector seem to eat away progressive achievements of this sector during the previous decades by contributing 40 % to the share of agriculture sector GSDP. In the present day situation, the dairy farmers in Kerala are even reluctant to maintain the animals under dry conditions and the trend is to maintain always animals in milk through replacement (There is wide spread feeling that the procurement price paid by the primary marketing agency is which made it difficult for agriculture labourers and marginal farmers to stick on to dairy farming occupation Thus there emerged, a tendency of small and marginal farmers quitting the dairy activities.

MILMA represents more than 8.6 lakh dairy farmers through more than 3000 Anand pattern doing Co-operators. But the procurement of milk through such societies is 15-16% of the total milk produced during 2013-14 (Economic Review 2014, Govt. of Kerala). At the same period, private vendors increased their market share from 42.66% to 53.57%. Thus, in the due course of commercialization process, the non-co-operative sector is getting strengthened in the milk market. The total milk production with state was 24.2 lakh tones in 2003 which declined to 21.11 lakh tones in 2012-13.

Again, the total Tendencies related to the technology diffusion process is also in bluishness. The Artificial inseminations centers of the State have been increasing steadily

throughout these years. But in spite, the Artificial Inseminations (A1) are not keeping par with. In the recent estimates it is seen that the average number of insemination need to produce one calf is 3.59 and tendency became a long-seen phenomenon. It means that the quality of A1 is not improving. Hence, a farmer has to take the animal roughly four times to the A1 centre, for getting the cattle conceived.

The spectacular increase in the milk production has been due to the diffusion and adoption of cross breeding technology at farm level. But, within the present state of affairs where more than 60% of the cattle population are being prone to the disease set, it reveals that the technological node of the dairy sector has become irreparably vulnerant (S. Sandhya) The cross bred progress are more susceptible to diseases. Investment for improved feeding, genetic potential and productivity are all consumed severely by the negative impact of disease on animal system, rendering such investment largely anfractuious. The one loss due to morbidity and mortality in livestock due to disease is one of the most important factors. The cross band progenies are more susceptible to disease of unknown origins.

The feed-fodder nodes of the dairy sector chain are also in doldrums. There exists wide gap in the case of feed and fodder production in Kerala, which are the most critical inputs to the sustenance of the live stock sector. The total production of cattle feed during 2009 -10 was 3.27 lakh MT which declined to the level of 3.05 lakh MT during 2012-13. They are covered under the green fodder cultivation is also decreased drastically, during the period from 2650 hectares to 1467 hectares.

The above mentioned verdigris embodied with nodes of Kerala's dairy commodity chain can be categorized into three major sets of constraints. They are :

- a. Snares in the organizational node
- b. Snares in technological node
- c. Snares in the Feed-fodder node.

3. Methodology and Data Source

The methodology of this paper, by and large is analytical and descriptive in nature. Secondary data have largely been used for the analytical purposes and through interaction certain primary data has been collected. Data are collected mainly from different publications research works and the various issues of Economic Review, government of Kerala. In the theoretical space, we would use the commodity chain analysis as the methodology to explain the dairy process matrix.

In order to search out the snares in the milk marketing governance node, the case study method is adopted. Accordingly, institutional structure is identified and anatomized both in the primary and at apex levels. Again, the milk pricing node of the marketing

governance is differentiated between the two types of primary milk marketing societies, namely the Apcos (No: Q (135 D) and the Non-Apcos (No: Q6 (D)). The referred societies are located in Thrikkovilvattom panchayath of Kollam district and are spatially adjacent. There is statutory equivalence in the functional character of a particular society to all other societies of the same type, In other words, a single primary co-operative in the particular set is functionally homogeneous to all others with same set, so that is it could mostly represent the whole of such.

4. Discussions and Analysis

Discussions and analysis are presented in three heads as follows.

4.1. Snares in the Organizational Mode – Milk Pricing Factor

The technological intervention in breeding created substantial increase in the production of milk in the rural areas and hence the excess supply has to be siphoned off to excess demand urban – regions. Co-operative intervention has been adopted as the better strategy for the marketing of milk. Consequently, the Kerala Co-operative Milk marketing Federation (KCMMF) was registered, under the Societies act (1969) of Kerala and under which village level primary milk marketing societies were organized in the “Anand Pattern” (APCOS). With the formation of APCOS, co-operatives are now of two categories, namely, the existing traditional ones (non-APCOS) and the newly created APCOS under KCMMF. After 1980’s there has been increasing pressure over the Non-APCOS to convert their bye-laws into the pattern of APCOS (Govt. of Kerala 1989 and 1997 Task Force Report). Consequently, their number is reduced to 748 by 1998 – 1999 from 1043 in 19801-81 (GOK 1998). It was envisaged that the APCOS will displace the traditional co-operatives in the field of procurement and distribution of milk in the State by the end of the second year of the Eighth Five Year Plan (GOK: 1989 and 1997). The number of functional APCOS is 2779 (Economic Review 2014 Vol 2) and that of traditional co-operatives, remains roughly around 700 at present.

There have been many criticisms against the traditional milk marketing node (non-APCOS) from different academic and expert bodies. In contrast to the so-called traditional societies, it has been argued that the APCOS can provide a much wider spectrum of services to their members. Also again, it was held that “The lactometer pricing, followed in traditional societies was not helpful to the milk producers for supplying good milk and the average quality of milk poured was very low. Mismanagement of many co-operative created a bad name of the entire sector. This was the scenario up to 1980 (Kurup K.P.P. & Nair, Thara S. 1990). The Task Force Report (GOK 1989 & 1997 b) and the 8th Five Year Plan document also raised the green flag for the APCOS.

The pricing node of Agricultural produce is very important as they determine the level of income and hence economic status of the farmers. An ideal milk price policy should ensure a guaranteed price and market to the produces throughout the year. The price should be linked to consumer price index as well as to the index of input prices of cattle. It should also be linked to quality. In fact, remunerative price would encourage farmers, increasingly to adopt new technology or modern agricultural practices (R. Thamarakshi 1977). Thus technology acts as the provider but price policy renders as the sustainer of production. Unless price factor is preserved to the required level, technology adoption will get jeopardized. Kerala's dairy commodity chain sufficiently illustrates the interlock between the nodes of price factor and technological adoption. To study better the interaction between price factor and technological adaptation nodes, we adopt a periodisation of events, up to 1980 and after 1980. Over the decade of the 70s, the price of milk has risen somewhat faster than the price of feed especially of concentrates (K.N. Nair 1984). This implies that milk production has become increasingly more profitable. The cost reducing technological improvements reinforced the effects of higher prices of milk over feed prices, provided a sustainable governance structure for the formation of a healthy reciprocate dairy commodity chain in Kerala.

But during 1980s and after, such robust nodes in the chain have undergone substantial decay. The marginal farmers and landless agricultural labourers are on the "Quit Que" from dairying. Why does this happen? This has occurred in the context of high cost of maintaining milk cattle with an inadequate increase in price of milk to cover the increase in input price (Babu. P. Ramesh; Unnithan etc. 2010). The small holders dropped out of cattle keeping as many find it unprofitable while large holders reduced the number of cattle to meet the situation. A litter of milk is sold in Kerala at a loss of 83 paise and in India at a loss of 44 paise (Muralieedharan K.P. 1994, but increased amount of Rs.5/-Unnithan etc. 2010). One of the studies during the 1990's shown that the cost of feed increase by 83 per cent, during the period 1990-94 while the price of milk per liter increased only by 23.4 percent. (Mathew M.V. 1994).

Again, between the period 1997-98 to 2001-02, the feed price (Prices of Groundnut cake, coconut cake, Gingly oil cakes, straw and grass) increased annually by 12.45% but the procurement price of milk increased only by 2.26% (GOK: 2004) and thereafter also more or less the same trend continues. (Unnithan and Koshy P Mathew: 2010).

Therefore the arguments warrants that the milk pricing node of the governance structure in the dairy commodity chain should be made more peasant friendly for the maintenance of a sustainable and productive dairy commodity chain.

4.2 Snares in Technological Node

The technological link-node construct of Kerala's dairy commodity chain has been the result of successive state intervention like the introduction of the Key Village Scheme

(KVS) and the Intensive Cattle Development Project (ICDP) during the first and second Five Year Plan periods respectively. The indo-swiss Project established during 1963 was meant to evolve breeds of cattle ecologically and environmentally suitable to Kerala and for achieving a rapid breakthrough in milk production within a short span of time. The Dairy Development Department, the Animal Husbandry Department, etc., became the institutional carrier of the new message of dairy development of Kerala.

The strategy of Government intervention was to link the nodes of “better breeding, better feeding and better marketing” (K.N.Nair; 1990). The technological content of the strategy has been to transform the multipurpose cow input output cattle system into a high input – output dairy farming with cross-bred cattle, motivated with potential yield effect. The wide spread adoption of cross- bred cattle was favored by its distinctive traits in economic terms. The diffusion – adaptation link of the technology functioned intact so that, the percentage of cross- breed female in the early 1970s was about 10, but has increased to 51.5 by early 1987 (Unnithan and Chacko: 1990) and now reached to 94.1 (Economic Review 2014, Govt. of Kerala)

But as it has been noticed earlier, at present, there reached a situation of stagnation, both in the production and productivity of milk in the State of Kerala.

The cross bred- progenies produced are more susceptible to disease. Diseases impose a huge economic loss. The negative impact of disease on animal system rendering such investments largely in fructuous”(Govt. of Kerala, 1997). It has been noticed earlier that the number of insemination required for a single calving as four times (GOK:2002). Generally, the number of services per conception should be below two. If more than two services are required, there is probably some trouble in the herd. Cows requiring more than three services are proved problem cow” (C.A.Gopalakrishnana and G.M.M Lal: 1985). The cattle populations suffering from reproductive disorders are about 2, 45,447 (ibid). In spite of a large scale preventive measures adopted against such lethal diseases, frequent out breaks of such diseases, become recurrent. The ‘disease set’ causes huge production loss to the farmers and consequently a large number of the peasants abandoned the activity of sticking their livelihood on dairying. This situation warrants attention, particularly on the ground that 80% of the livestock occupants belong to marginal farmers and agriculture labour categories (Unnithan etc, 2010). Again, women constitute 60% of the workforce in this sector. Therefore, it is urgently, required to reconstruct the snares happened to the technology diffusion adaptation link of the dairy commodity chain of Kerala.

Search for an innovation in the technology node of the dairy sector has to make a tradeoff between the ‘yield’ and ‘disease resistance’ factors of the cattle. Despite of our dedicated innovative attempts in the technological front of the dairy sector, the average milk yield per cattle remains at a stagnating level around 9.4 liters per animal. Breeds such as

the Red Sindhi, Tarparkar etc are not with less glittering performance records in terms of milk yield.

It does not mean that the exotic breeds are to be neglected. But rather there should be a portfolio of technological construct of breeds affixed on the geographical cum climatic dimensions and that should be the offered choice set of animals to the cattle farmers. In this case, the cattle set becomes more comprehensive and that once again can prime the stagnating technology diffusion – adaptation link in the dairy chain of Kerala.

4.3 Snares in the Feed – Fodder Node

The cross breeding technology was centered on the introduction of “better breeding better feeding and better marketing” (K.N. Nair 1990). The “better feeding” node of the strategy is highly important, without which, ‘better yield’ effect cannot be achieved. But as far as Kerala is concerned, the change in cropping pattern badly affected the live stock sector. The pattern of cropping changed unfavorably to paddy cultivation (Jeemol Unni, 1983) and it reduced the supply of straw to the animals. The area under rice cultivation was 40.49% during 1960-61 which sharply reduced to 15.75% by 2000 – 01 and now (2012-13) it is only 9.63% of the net sown area, leading to drastic reduction in the availability of straw for feeding cattle (Economic Review: 2014 Vol 1 P.37). Kerala is lacking roughage requirements of cattle by 40% and naturally there is substantial rise in the prices of roughages. The reduction in the size of land holding aggravated the straw supply position. The fragmentation phenomenon of land holding affected badly the green fodder production also. Green fodder is more a critical input factor in the case of cross bred cattle than the indigenous type. Since 96.4% of our animal wealth belongs to the crossbred category, without sufficient level of supply of green fodder, the maintenance of a healthy cattle herd becomes difficult. The estimated deficit in green fodder is 61.96% and that of the dry fodder is 22.08% during the year 2010 (Unnithan etc 2010; Economic Review 2014). The farm level study conducted by Babu P. Ramesh (1994) have largely lime lighted this aspect. Thus the low availability of straw and green grass not only turned cattle keeping more costly but also created ‘capability functioning failure problems to the cattle stock itself’. The availability of concentrates in the state is also far short of the requirements for the existing cattle population, even at the present level of consumption. At present Kerala does not produce even half the requirement of concentrate feed. It is heavily depends on low quality highly priced imported cattle feed. Hence the feed fodder node of the dairy commodity chain is also in the state of decay.

Conclusion

In spite of the glittering past of the bovine sector of Kerala, some of the recent tendencies of this sector are largely get blemished. We have grouped such snares into

three sets of factors such as the organisational, the technological and the feed -fodder constraints. In the organisational question, the relationship between the production of milk and the price factor is analysed, on the background of two sets of primary milk Co-operative societies-The Apcos and the traditional Non-Apcos. We reached the conclusion that Non Apcos societies are more price remunerative to the farmers than the Apcos. On the technological node, the spectacular increase in the milk production in Kerala was largely due to the introduction of the cross-breeding technology at farm level. But ever after the initial technological innovations, no major changes have been effected. We argue for an environmentally matching technological up gradation, considering the temporal and spatial dimensions. On the feed-fodder front, Kerala produces less than half of the required quantity of concentrate feed and only one third of the green fodder. Hence we argue for strategically planned attempt by the line department and as well by the government.

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CORPORATE SOCIAL REPORTING PRACTICES IN INDIA

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Abstract

Social accounting and reporting is an expression of a company's social responsibility. Basically, it is an exchange between a firm and society. This term was first used by J.R Hicks. According to him (Hicks, J.R 1939), "measurement record disclosure and analysis of all the observed fact of economic and financial activity of a nation in a meaningful comprehensive and articulated manner is called as social accounting". This paper is basically focused to study the corporate reporting practices of public and private sector companies in India which found that statistically significance difference exist in the CSR practices of Public sector and Private sector Companies in India.

Key Words: CSR Practices, Public and Private Ltd Companies, Public and Private sector, Industry etc.

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Introduction

Corporate Social Responsibility (CSR) disclosure, an extension of disclosure into non-traditional area by providing voluntary information in addition to the traditional financial performance information in their annual reports, can be traced back to 1970s. CSR is the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their family as well as of the local community and society at large. Business owes its responsibilities towards society; first as a result of the impact of its own operations and secondly, as the unit of the society in which it operates. The former is related to what the organization does to the society by way of its specific operations, whereas the latter deals with what the society demands from it (Pandey, S.N. 1991) .

Corporate social responsibility is also known by a number of other names. These include corporate responsibility, corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship, and triple bottom line, to name just a few. As CSR issues become increasingly integrated into modern business practices, there is a trend towards referring to it as “responsible competitiveness” or “corporate sustainability”. Social accounting is the process of communicating the social and environmental effects of organizations' economic actions to particular interest groups within society and to society at large (Gray 1987) . Firms are social creations whose survival counted on the willingness of the society to support them (Reich, 1998) . In order to have continuous support from society, firms need to undertake social activities and report such activities for the society to judge their performance. It is believed that industry sectors that produce goods harmful to society engage in corporate social reporting to legitimise their business activities and improve their image for CSR (Moerman & Van Der Laan, 2005) . While Perks defines corporate social reporting more generally in terms of quantifiable or non-quantifiable monetary cost or benefits of business activities that affect stakeholders substantially , Guthrie and Matthews define corporate social reporting as the provision of financial and non-financial information relating to an organisation's interaction with its physical and social environment . Regardless of variations of definition, corporate social reports demonstrate corporation's social achievements and their business impacts on society while pursuing organizational goals. In this respect, corporate social reporting plays a central role in disseminating information needed by society.

The scope of social reporting is vast. From reporting mainly on natural environments and employee impacts, social reporting now encompasses the community, human rights and ethical issues that concern the community interests (Antal et al 2002) . Business involvement in social welfare and development has been a tradition in India and its

evolution from individual's charity or philanthropy to Corporate Social Responsibility, Corporate Citizenship and Responsible Business can be seen in the business sector over the years.

Statement of the Problem

The Corporate Sector around the world is struggling with a new role, which is to meet the needs of the present generation without compromising the ability of the next generation. Businesses now have to take responsibility for the ways their operations impact society and the natural environment. Corporate social reporting is "the process of communicating the social and environmental effects of organization's economic action to particular interest groups within society and to society at large" (Gray 1988). The social reporting is useful to all stakeholder groups, including employees, local communities, consumers, supplier and customers, government agencies, trade unions and the public at large. No controlling body or government has prescribed anything in relation to sustainability reporting. The most popular and most often used guidelines have been those issued by the Global Reporting Initiative (GRI, 2002).

While it is expected that more and more companies would make sincere efforts to consider compliance with these Guidelines, there may be genuine reasons for some companies in not being able to adopt them completely. In such a case, it is expected that such companies may inform their stakeholders about the guidelines which the companies have not been able to follow either fully or partially. In most of the Indian companies, corporate social reporting is considered as a philanthropic activity rather than considering it on the basis of environmental, social and governance practices. So an attempt has been made in the present study to analyse the current CSR practices in selected public and private companies in India.

Objectives of the Study

The objective of this study is to examine the CSR practices disclosed in the annual reports of the selected Indian Public sector and Private sector companies by using GRI guideline. GRI has pioneered and developed a comprehensive Sustainability Reporting Framework that is widely used around the world. The Framework enables all organizations to measure and report their economic, environmental, social and governance performance in the four key areas of sustainability.

Hypotheses

The hypotheses formulated for the study are:

1. There is no significant difference in the current CSR practices followed by Public sector and Private sector Companies.
2. There is no significant difference in the current CSR practices among the different types of companies in the Public sector.
3. There is no significant difference in the current CSR practices among the different types of companies in the Private sector.

Methodology

The population of the study consists of the Public and Private Ltd companies registered in India. The sample companies have selected from the list of the Ministry of Corporate Affairs. The annual reports of 120 companies have been collected, of which 60 Public Ltd and 60 Private Ltd. Due considerations have given to different manufacturing sectors such as Auto, Oil & Gas, Cement, Food and Metal. The sample profile of the study is depicted in table 1. For making a comparative study between Public Sector and Private sector, the annual reports of the selected companies are collected. In addition, a CSR check list is also prepared according to GRI guidelines and also a content analysis has been made from the annual reports. The check list was constructed for six dependent variables. These six factors consist of 65 measurement items. The collected data were analysed with the help of computer software i.e., Microsoft EXCEL and SPSS. Mathematical and statistical tools like Percentages, Frequencies, Mean, Standard Deviation, Chi-square, Independent sample t-test, ANOVA, Duncan's multiple Range Test and Z-test analysis etc were also been used.

Analysis of Corporate Social Reporting Practices

The sample companies were selected based on their involvement in CSR and Environmental practices. Service companies because of non- involvement on environmental practices were not selected in this study. Oil, Gas and Chemical companies were selected as one group with the same nature and involvement in CSR practice. Auto, Cement, Metal and Food industry sectors were the other group of classification. Table 1 presents the distribution of sample by Sector wise of the selected companies. The sample consists of 120 selected companies from the list of Ministry of Corporate Affairs of India.

From Table 1 it is observed that the auto industry numbered 15 constitutes 25 per cent of the total respondents from the Public Sector and the 17 constitutes 29 percent of the total respondents from the Private Sector. For the oil and gas sector numbered 8, they constitute 13 per cent of the total respondents from the Public Sector and numbered 13 constituted 22 percent of the total respondents from the Private Sector. For the cement

Table 1
Distribution of Sample by Sector

Sector wise	Public Sector		Private Sector		χ^2	Sig.
	N	%	N	%		
Auto Industry	15	25	17	29	2.64	0.619
Oil, Gas, chemical	8	13	13	22		
Cement Sector	8	13	8	13		
Food industry	12	20	11	18		
Metal Sector	17	29	11	18		
Total	60	100	60	100		

Source: field survey

sector numbered 8 which constitutes 13 per cent of the total respondents from Public Sector as well as Private Sector. Food industry numbered 12 and they constituted 20 per cent of the total respondents from the Public Sector and 18 percent of the total respondents from the Private Sector. For the Metal and Mining sector numbered 17 constitutes 29 per cent of the total respondents from the Public Sector and 11 companies which constitutes 18 percent of the total respondents from the Private Sector. From the Chi-square analysis, it can be seen that the level of significance is greater than 0.05, which means that the distributions of sample by sector are identical in Public Sector and Private Sector.

CSR Practices in Public Sector and Private Sector Companies - A comparison

For making a comparative study between Public Sector and Private sector, data has collected from annual reports of selected companies. For comparing two sectors a check list is prepared according to GRI guidelines and the results of which are illustrated in Table 2.

Figures in the parentheses show the percentage of disclosure in selected companies following CSR practices in Public Sector and Private sector (number of selected companies in the Public Sector 60 and in Private sector 60)

The Z-test for proportion indicated that Public Sector and Private sector exhibited difference in the case of labor practices, Human rights practices, Product responsibility and Environment practices. In the case of labor practices Private sector companies are reporting better than Public Sector companies. It is 41 per cent for Private sector and 21 per cent of Public Sector companies. On all other items Public Sector companies were found to be reporting better than Private sector selected companies. On human rights Public Sector was better with a 26 per cent disclosure while it was 7 per cent of Private

Table 2
**Percentage of CSR practice disclosure in
 Public Sector and Private sector Companies**

Number and percentage of items selected	Labor Q=13		Human rights Q=9		Society Q=8		Product responsibility Q=6		Environment Q=22	
	Public Sector n=78	Private sector n=78	Public Sector n=54	Private sector n=54	Public Sector n=48	Private sector n=48	Public Sector n=36	Private sector n=36	Public Sector n=132	Private sector n=132
	0 13 x 60	0 13 x 60	0 9 x 60	0 9 x 60	0 8 x 60	0 8 x 60	0 6 x 60	0 6 x 60	22x 60	0 22x 60
Responses (R) (R/n) x100	167 (21)	323 (41)	139 (26)	40 (7)	9 (2)	7 (1)	80 (22)	53 (15)	556 (42)	423 (32)
Z	8.509		8.101		0.504		0.504		5.359	
Sig.	0.000		0.000		0.617		0.010		0.000	

Source: field survey

sector companies. In case of product responsibility Public Sector was better with a 22 per cent disclosure while it was 15 per cent of Private sector companies. In environmental practices Public Sector companies have gotten better disclosure with 42 per cent while it was 32 per cent for Private sector selected companies. It was negligible in the case of the economy for both sectors and there was no significant difference in society practices. From the analysis, it is clear that Public Sector companies are reporting better than Private Sector companies as far as human rights, product responsibility and environmental practices are concerned.

To identify the sector which performs better CSR disclosure, independent sample t – test is done. The result is shown in Table 3.

Table 3
Company wise Mean, SD, N and t-value of CSR

Sectors	Mean	S.D	Number	t-value	Sig
Public	0.32	0.07	60	2.851	0.007
Private	0.28	0.08	60		

Source: field survey

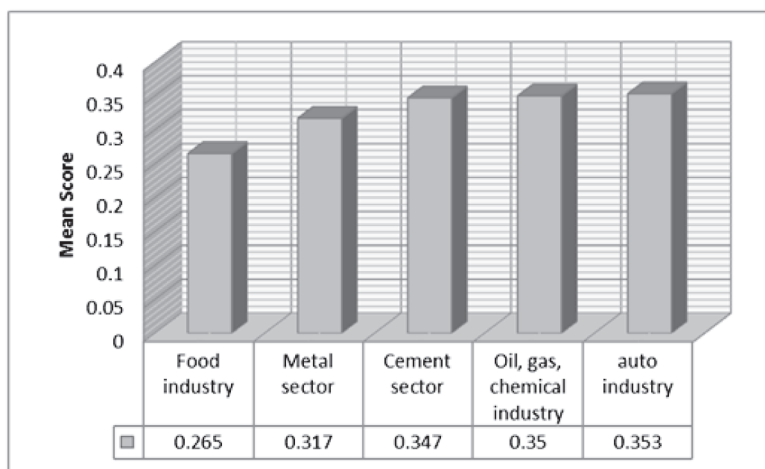
The mean score of CSR practice in the Public Sector was 0.32 which is higher than that of Private sector whose mean score of CSR practices was 0.28. Table 3 shows that the t-value is 2.851 and the level of significance is 0.05 with $df = 118$. It means that the difference in the mean scores of Public Sector and Private sector is significantly different. In this context the null hypothesis that there is no significant difference in mean score of current CSR practices in Public Sector and Private sector is rejected and accepts the alternate hypothesis that there is a significant difference in the mean score of current CSR practices in Public Sector and Private sector. Thus, it can be inferred that Public Sector companies follow better CSR practices when compared to Private sector.

Variation of CSR in Different Sectors

For further analysis of the explanations of percentage of items reported in Public Sector and Private sector companies (company sector wise), ANOVA was used with the help of SPSS software. The result of the analysis is presented here under two heads i.e., Public sector and Private Sector:

Public Sector Companies

Figure 1 presents the mean scores of CSR disclosure practices by the selected Public Sector companies. It can be seen that the Auto industry got the highest mean value of 0.353 followed by Oil/Gas/Chemical industries (0.35). The lowest CSR practices disclosure is found to exist in food industry (0.265).



Source: field survey

Figure 1: Mean of CSR disclosure practices of the selected Public Sector companies

Table 4 presents the summary of one way ANOVA of CSR practices in different types of companies in the Public Sector. From table 4, it can be seen that F-value 3.441 which is significant at 0.05 level with $df = 4/55$. It means that scores of CSR practices in those five sectors are significantly different in the Public Sector. In this context the null hypothesis that there is no significant difference in mean score of CSR practices among the different types of companies in the Public Sector is rejected and accepting the alternative hypothesis that there is a significant difference in mean score of CSR practices among the different types of the companies in the Public Sector stands accepted.

Table 4

Result of one way ANOVA of CSR Practices in Public Sector

Source of variation	df	Sum of Squares	MSS	F-value	sig
Between Groups	4	0.065	0.016	3.441	0.014
Within groups	55	0.260	0.005		
Total	59	0.326			

Source: field survey

In order to know which company's mean score CSR practices is significantly higher, the data were further analyzed with the help of Duncan's multiple Range test and the result is given in table 5. Duncan's multiple Range Test groups these companies into two, namely, low scored industries and high scored industries. There are two low scored industries (Food and Metal) and four high scored industries (Metal, Cement, Oil & Gas, and Auto) with a common factor of metal industry. Metal industry is included in both groups and hence it is assumed that Metal industry has medium level of disclosure.

Table 5

Duncan's Multiple Range Test of CSR Practices in Public Sector

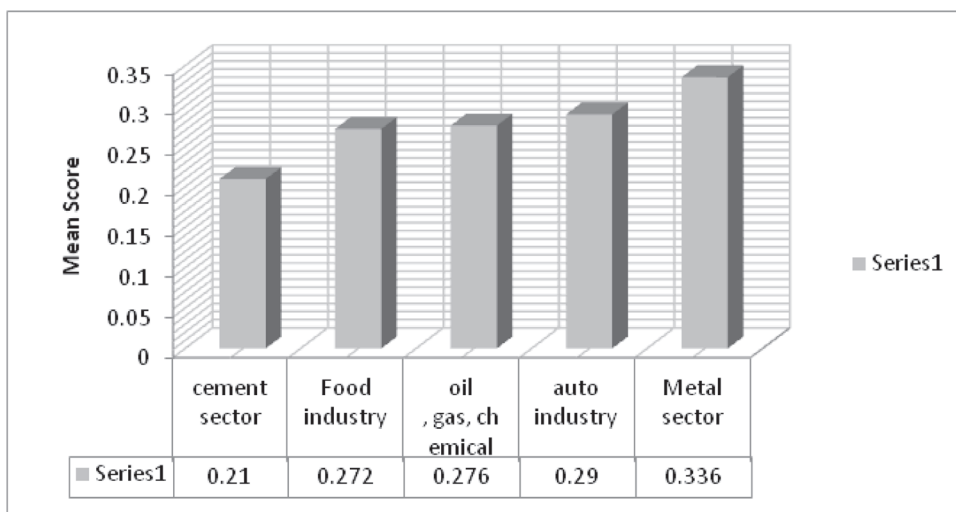
Type of sectors	Subset	
	low	High
Food industry	0.265	
Metal sector	0.317	0.317
Cement sector		0.347
Oil, gas, chemical industry		0.350
Auto industry		0.353

Source: field survey

From table 5 it can be concluded that in Public Sector Auto and Oil industry provide a better social reporting followed by Cement sector. Least sufficient social reporting was found to be in the food industry. From the result, it is found out that Food industries are not reporting good on their labor and Environmental practices as compared to other sectors. In Labor practices, Society and Product responsibility, Oil companies got the highest level of disclosure. In Human rights and Environment, Metal was found to have the highest level of disclosure of their social activity. The highest level of CSR items disclosure was in Environmental practices and the lowest disclosure belongs to Society practices in Public Sector companies. The result of Duncan's multiple Range Test groups also shows the difference between groups.

Private Sector Companies

Figure 2 presents the mean scores of CSR disclosure practices by the selected Private sector companies. From the figure it can be seen that the Metal sector got the highest mean value of 0.336 followed by Auto industries (0.29). The lowest CSR disclosure practice is found to exist in Cement sector (0.21).



Source: field survey

Figure 2: mean of CSR disclosure practices of the selected Private sector companies

Table 6 presents the summary of one way ANOVA of CSR practices in different types of companies in the Private sector. Table 6 observed that F-value 2.780 which is significant at 0.05 level with $df = 4/55$. It affirms that the score of CSR practices in those five sectors was significantly different. In this context the null hypothesis that there is no significant difference in mean score of CSR practices among different types of companies

is rejected and accepting the alternate hypothesis that there is a significant difference in mean score of CSR practices among different types of companies.

Table 6

Results of one way ANOVA of CSR Practices in Private Sector

Source of variation	Df	Sum of Squares	Mss	F-value	sig
Between Groups	4	0.077	0.019	2.780	0.036
Within group	55	0.378	0.007		
Total	59	0.455			

Source: field survey

In order to know which company's mean score CSR practices is significantly higher, the data were further analyzed with the help of Duncan's multiple Range test and the result is given in Table 7 Duncan's multiple Range Test groups these companies into two namely, low scored industries and high scored industries. There are three low scored industries and four high scored industries with a common factor of Food and Auto industry. Food and Auto industry are included in both groups and hence it is assumed that they have medium level of disclosure only. Metal sector got the highest scores when compared to other types of companies.

Table 7

Duncan's multiple Range Test of CSR practices in Private sector

Type of Company	Subset	
	Low	High
Cement sector	0.210	
Food industry	0.272	0.272
Oil , Gas, Chemical	0.276	0.276
Auto industry		0.290
Metal sector		0.336

Source: field survey

Conclusion

This study is focused on examining the current corporate social reporting practices of selected companies in the Public sector and Private sector as per the GRI guidelines in India. The analysis has been made with the help of statistical tools like Z and t-test. The results indicated that the hypothesis "there is no significant difference in mean score of current CSR practices in the Public sector and Private sector" is rejected and accepting

the alternate hypothesis that “there is a significant difference in the mean score of current CSR practices in the Public sector and Private sector”. Thus, it can be inferred that Public sector companies follow better CSR practices when compared to Private sector. Further analysis noticed that there is statistically significant difference among the companies of distinct industries in both public and private sector, hence the researcher reject both hypotheses that “there is no significant difference in the CSR practices among the different types of companies in the Public Sector” and “there is no significant difference in mean score of CSR practices among different types of companies in the Private Sector”. It reveals that the CSR practices of the companies from different industries of both Public and Private sector is entirely different. Maximum reporting practices is noticed in the Auto industry from Public sector and Metal industry from Private sector.

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INTRINSIC VALUE OF SHARES OF IT COMPANIES IN INDIA: A FUNDAMENTAL ANALYSIS

***Mushthaq Ahammed K.**

Abstract:

Investing in financial securities is now considered to be one of the best avenues for investing one's savings while it is acknowledged to be one of the most risky avenues of investment. While investing in securities fundamental analysis has very important role to play. This study will support the IT Sector to have strategic decision in regard to the investment in shares by making comparisons on the intrinsic and market values of the shares of IT Companies. It also helps to decide whether to sustain the investments on certain shares and debentures to continue. It will helpful to understand the performance and growth of IT Sector in India, and the Companies engaged in IT Sector operations can make analysis of their performance and growth in the Industry. It also helps the investors to have firm determinations on the investment proposals and can advocate for having decisions in this regards. Keywords: Intrinsic Value, Market value, Earning performance, Fundamental Analysis Introduction The primary motive of buying a share is to sell it subsequently at a higher price. In many cases, dividends are also expected. Thus dividends and price changes constitute the return from investing in shares. Consequently, an investor would be interested to know the dividend to be paid on the share in the future as also the future price of the share. These values can only be estimated and predicted with certainty. These values are primarily determined by the performance of the company which in turn is influenced by the performance of

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the industry to which the company belongs and the general economic and socio-political scenario of the country. An investor who would like to be rational and scientific in his investment activity has to evaluate a lot of information about the past performance and the expected future performance of companies, industries and the economy as a whole before taking the investment decision. Such evaluation or analysis is called fundamental analysis.

India is one of the fastest growing IT hubs of the world. It has boasted annual growth rates of nearly 30% in the past ten years, with revenues now nearing \$50 billion, about 5.4% of India's GDP. Market capitalization of IT shares will be around U.S. \$ 225 billion. IT industry will attract Foreign Direct Investment (FDI) of U.S. \$ 4-5 billion. So investing in IT sector is a profitable one. Hence a study on the fundamental analysis of IT Companies becomes relevant in the above mentioned scenario.

Background of the Study

Investment in securities such as shares, debentures and bonds is profitable as well as exciting. It is indeed rewarding, but involves a great deal of risk and calls for scientific knowledge as well as artistic skill. In such investments, both rational as well as emotional responses are involved. Investing in financial securities is now considered to be one of the best avenues for investing one's savings while it is acknowledged to be one of the most risky avenues of investment. While investing in securities fundamental analysis has a pivotal role to play. Fundamental analysis is really a logical and systematic approach to estimating the future dividends and share price. It is based on the basic premise that share price is determined by a number of fundamental factors relating to the economy, industry and company.

Major Issues under Study

The significant issues taken into the purview of the study are:

- ❖ Whether the put or call options of shares of the IT Companies in India have been influenced by the intrinsic values of shares and scrips.
- ❖ Whether the intrinsic value of shares with market values and recommends, buy or sell options
- ❖ Whether there any influence of intrinsic and market value of shares on the performance and growth rate of the organizations
- ❖ The earning capacities of the IT Company in relation to their share values in relation to intrinsic and market values of shares in IT Sector.

Statement of Problem

The present study is the empirical and analytical investigation to the intrinsic values of shares and stocks of IT Companies that operating in India. It analysis the intrinsic values of shares of the various IT Companies that operating within the country by comparing with market values and suggest the companies whether to buy or sell the share in the stock markets. The study also analysis the earning performance and growth rate of the IT Companies with regard to the intrinsic values of their shares. The investigator makes comprehensive analysis of the performance and growth rate of the companies by comparing the intrinsic values and earning capacities. Therefore the present study is entitled “Intrinsic Value of Shares of IT Companies in India: A Fundamental Analysis with special reference to the Earning Performance”

Objectives of the Study

The following are the major objective of the study:

- a) To analyse and compare the intrinsic value of scrip's with the market values and recommends, buy or sell options.
- b) To understand the growth rate of the organization in the IT Sector.
- c) To analyse performance of the company through various ratios.
- d) To find the earning performance of the organization.

Need and Significance

This study is the comprehensive analysis of the intrinsic values of the shares in the sector with special reference to IT Companies operating in India. The study will support the IT Sector to have strategic decision in regard to the investment in shares by making comparisons on the intrinsic and market values of the shares of IT Companies. It also helps to decide whether to sustain the investments on certain shares and debentures to continue. The present study will helpful to understand the performance and growth of IT Sector in India, and the Companies engaged in IT Sector operations can make analysis of their performance and growth in the Industry. It helps the investors to have firm determinations on the investment proposals and can advocate for having decisions in this regards.

Review of Literature

There have been several studies on Latvian and Lithuanian equity markets the findings of which prove that these markets comply with weak form market efficiency hypothesis. According to the findings of the study conducted by Goteborg University researchers Michael Jannach and Armand Moube (2003) an absolute majority of institutional asset

managers use fundamental analysis when constructing a buy-list to form the portfolio. But, Croatian researchers Tihomir Hunjak and Marijan Cingula (2005) argue that neither technical nor fundamental analysis can be used on the Croatian stock market due to low trading volumes and high volatility. According to Harvey (2006), a corporation's first goal should be to create shareholder value for long-term shareholders. In his study of 'The Management of Equity Investment, Chorafas D.N (2005) evaluates how the direction of change in sales (up or down) conditions the interpretation of the change in selling, general, and administrative (SG&A) costs to sales ratio as a signal about future firm performance. According to Murphy (1999) fundamental analysis is the study of the cause of price movements while a technical analysis is the study of the effect.

Methodology

The Present study is an empirical investigation of the intrinsic values of shares of IT Companies. The data used for the study is collected mainly from secondary sources consists of websites of the selected five companies from IT sector (i.e. Tata Consultancy Services Ltd, Infosys Technologies Ltd, Wipro Ltd, HCL Technologies Ltd, Oracle Financial Service Ltd) which are listed in BSE on the basis of their market capitalization. Data were also collected from various published sources like; annual reports, company brochures, past records, websites and other published and unpublished sources. The sample design of the study consists of five IT Companies listed in the Stock Exchanges. The tools used for analyzing the collected data are various Accounting Ratios such as Current, Debt equity, Return on investment, Return on equity capital, Earning per share, Dividend payout, Dividend per share, Price Earning etc.

Intrinsic Value of Shares: Analyses and Interpretations

It depicts the analysis and interpretation of the intrinsic value of shares of five IT Companies. It uses various ratio to analyses the intrinsic value of shares, performance, growth rate and earnings of the organizations in the IT sector, which include Current ratio, Debt equity ratio, Return on investment, Return on equity share capital, Earnings per share, Dividend per share, Price Earnings ratio and Dividend payout ratio.

Tata Consultancy Services Ltd (TCS)

The Current Ratio shows (table no.1) that current assets more than current liability. Debt equity ratio is calculated to measure the extent to which debt financing has been used in business. Hence it can be inferred that the firm's dependence on outsider's fund has decreased which is a favorable trend. Return on Investment (ROI) is indicating an increasing trend from 2010-11 to 2013-14. From the year 2009-10 ROI has been showing a

Table -1
Results of Various Ratio Analysis of TCS Ltd

Year	Current Ratio	Debt equity ratio	ROI in %	Return on equity share capital (%)	Earnings per Share	DPS	Dividend payout ratio	Price Earnings ratio
2009-10	1.99	0.0063	49.87	45.05	33.48	11.50	0.75	40.33
2010-11	1.99	0.0017	42.93	39.16	33.10	14.00	0.69	20.01
2011-12	1.83	0.0030	43.27	41.07	34.76	14.00	0.40	7.77
2012-13	1.49	0.0024	42.46	37.76	25.90	20.00	0.47	18.45
2013-14	2.41	0.0021	44.39	38.75	26.14	14.00	0.24	20.61

decreasing trend (49.87 to 42.93). Hence the company is utilizing its funds efficiently which is emphasized by an average ROI about 50%. Return on Equity Share Capital (ROE) shows that the company is providing a very healthy return on equity funds throughout the years.

Earnings per Share (EPS) ratio shows little progress with 26.14 % in the year 2013-14. Hence it can be inferred that the equity share capital of the company has been utilized effectively and the earning power of the company is good. Dividend per Share (DPS) of the company is showing an increasing trend. This indicates that the shareholders are getting good return on their share in the company. Dividend payout (DPO) ratio of the company is 0.75:1 in the year 2009-10 and it slightly decreased to 0.69:1 in the year 2010-11 the ratio has come down 0.40:1 in the year 2011-12 then it increased to 0.47:1 in the year 2010-11 and it is reduced to 0.24:1 in the year 2013-14 Price Earnings (PE) Ratios shows a decreasing trend over the years and it is little improved 2012-13 to 2013-14.

Infosys Technologies Ltd

From the table above, it can be seen that has been showing an increasing trend. The highest ratio was 5.11:1 in the year 2012-2013. The lowest current ratio is 3.30:1 in 2010-11. It can be inferred that Return on investment of the company is progressively increased from 2009-10 to 2011-12. In the year 2012-13 the ratio declined to 33.70% and again shows a progress with 35.85% in the year 2013-14. ROE shows that the company is providing a very healthy return on equity funds throughout the years.

It can also be seen from the table 2 that the EPS has been showing a fluctuating trend during the study period. The highest EPS is Rs.111.57 in 2013-14 and the lowest is

Table No. 2
Results of Various Ratio Analysis of Infosys Technologies Ltd

Year	Current Ratio	Debt equity ratio	ROI in %	Return on equity share capital (%)	Earnings per Share	DPS	Dividend payout ratio	Price Earnings ratio
2009-10	4.96	0.0063	36.64	33.48	65.33	11.35	0.17	30.80
2010-11	3.30	0.0017	37.78	33.10	78.06	33.25	0.43	18.32
2011-12	4.71	0.0030	39.80	34.76	107.86	23.43	0.22	12.28
2012-13	4.28	0.0024	33.70	25.90	99.43	24.98	0.25	26.30
2013-14	5.11	0.0021	35.85	26.14	111.57	60.02	0.54	29.01

Rs.65.33 in 2009-10.Dividend per share of the company is in progressing fluctuations over the years and shows big margin of increase from 24.98 to 60.02 in the year 2012-13 to 2013-14. Dividend payout ratio is also showing a fluctuating trend. Further the price earnings ratio of the company is decreasing from the year 2009-10 to 2010-2011 later years it shows a good progress.

Wipro Ltd.

Table No. 3
Results of Various Ratio Analysis of Wipro Ltd

Year	Current Ratio	Debt equity ratio	Return on Investment in %	Return on equity share capital (%)	Earnings per Share	Dividend Per Share	Dividend payout ratio	Price Earnings ratio
2009-10	1.56	0.026	34.64	31.24	19.96	5.96	0.30	16.78
2010-11	2.33	0.329	25.11	28.01	22.25	6.00	0.27	11.64
2011-12	1.22	0.401	27.15	30.95	26.44	4.00	0.15	5.56
2012-13	1.55	0.313	24.26	25.96	31.29	6.00	0.19	13.55
2013-14	1.67	0.223	24.22	24.70	21.46	6.00	0.28	22.37

From the table no.3 it can be seen that the current and Debt equity ratios have been showing a fluctuating trend. The highest current ratio is 2.33 in 2010-11 and the lowest is 1.22 in 2011-12. ROI comes down across the four years from 2010-11 onwards .The

reducing trend show that the management has to take effort to ensure better utilization of funds.

ROE shows that the company is providing a very healthy return on equity funds throughout the years. It is also depicted from the table 3 that dividend per share of the company does not show wide range of fluctuation and dividend yield ratio of the company is showing a declining trend from 2008 .The highest ratio is 0.30 in 2009-10 and the lowest is 0.15 in 2011-12. Dividend payout ratio of the company gets good progress after 2012-13 and Price earnings ratio has been decreasing over the years. PE ratio shows a good progress from 2012-13 to 2013-14.

HCL Technologies Ltd.

Table No. 4

Results of Various Ratio Analysis of HCL Technologies Ltd

Year	Current Ratio	Debt equity ratio	Return on Investment in %	Return on equity share capital (%)	Earnings per Share	Dividend Per Share	Dividend payout ratio	Price Earnings ratio
2009-10	0.82	0.012	21.90	19.81	10.27	7.95	0.77	36.65
2010-11	0.62	0.008	31.14	29.63	14.29	8.98	0.63	28.17
2011-12	0.78	0.147	28.43	30.52	15.83	6.98	0.44	14.58
2012-13	1.25	0.283	20.45	22.15	16.11	3.98	0.25	89.90
2013-14	1.24	0.176	21.21	21.64	18.41	7.47	0.41	63.79

The current ratio has been showing an increasing trend. The highest current ratio is 1.25 in 2012-13. The lowest current ratio was 0.62 in 2010-11. The debt-equity ratio of the company is showing a progressive trend. The highest debt-equity ratio is 0.283 in 2012-13 and it again gets decreased to 0.176 in 2013-14. The lowest debt-equity ratio is 0.008 in the year 2010-11. The highest value of ROI is 31.14 and lowest is 20.45 in the year 2010-11 and 2012-13 respectively. Return on equity of the company has increased from 2008 to 2010 then it gets reduced to 2011 to 2013. The average return on investment is around 25%. EPS has been showing an increasing trend over the years and DPS shows a fluctuating trend from 2008 to 2013. The highest DPS is 8.98 in 2010-11 and lowest is 3.98 in 2012-13.

The dividend payout ratio indicates the amount of earnings not distributed to the shareholders and which is retained in the business But the price earnings ratio shows a

decreasing trend from the year 2008 to 2011 then it shows an increasing trend during the years 2012-13 and again decline in 2013.

Oracle Financial Service Ltd

Table No. 5

Results of Various Ratio Analysis of Oracle Financial Service Ltd

Year	Current Ratio	Debt equity ratio	Return on Investment in %	Return on equity share capital (%)	Earnings per Share	Dividend Per Share	Dividend payout ratio	Price Earnings ratio
2009-10	3.41	0.012	15.99	14.89	42.88	0.00	0.00	48.58
2010-11	4.77	0.008	15.55	14.81	49.76	0.00	0.00	18.96
2011-12	4.46	0.147	19.49	18.45	77.30	0.00	0.00	9.59
2012-13	6.10	0.283	21.18	19.11	95.22	0.00	0.00	24.16
2013-14	7.53	0.176	20.09	18.80	115.41	0.00	0.00	17.19

From the table above, it can be seen that the current ratio shows an increasing trend over the years excluding the year 2010-11 and return on investment is showing a progressive trend and slightly reduced in the year 2010-11 and 2013-14. ROE shows that the company is providing a very healthy return on equity and funds throughout the years. It can also be seen that the earnings per share of the company is showing an increasing trend over the years and dividend per share and dividend payout ratio of the company is nil over the years. It shows that the company does not declare dividend for past five years. The price earnings ratio of the company has gradually decreased from 2008 to 2011. Later PE ratio has increased and again slightly declined from 24.16 to 17.19. Most of the investors decide whether to buy or not to buy the shares in a particular company based on the PE ratio.

Intrinsic Values and Earing Performances of Various IT Companies: A Comparison

It can be depicted from the Table No.6 that Wipro Ltd has the least intrinsic value (i.e. 310.328) but Oracle ltd has the maximum. The calculated intrinsic value of TCS Ltd security (1623.1539) is higher than the market price in the year 2013, which is (1182.50), said to be underpriced. But the calculated intrinsic value of Infosys security (2927.460) is lower than the market price in the year 2013 which is (3236.75) and the calculated intrinsic value of Wipro Ltd security (310.328) is lower than the market price in the year 2013

Table No. 6
**Intrinsic Values of shares of Various Companies
 with regard to different Ratios**

Company	Average Dividend Payout Ratio	Average Retention Ratio	Average Returns on Equity in %	Normalized Average Price Earning Ratio	Projected EPS	Intrinsic Value	Projected Dividend per Share
TCS	0.513	0.487	33.99	21.434	75.728	1623.154	14.249
INFOSYS	0.322	0.688	30.68	23.342	125.416	2927.460	97.269
WIPRO	0.238	0.762	28.17	13.981	22.198	310.328	7.008
HCL	0.500	0.500	24.75	46.618	20.838	858.237	7.999
ORACLE	0.000	1.000	17.212	23.700	142.138	3368.670	0.000

which are (480.00) said to be overpriced. Further the calculated intrinsic value of Oracle Ltd. security (3368.670) is higher than the market price in the year 2010 which is (1984.1) said to be underpriced.

Summary of Findings

The summary of the major findings based on the study are presented under the names of the various companies analyzed

Tata consultancy services Ltd (TCS Ltd)

- The Current Ratio of TCS Ltd for 2013-14 is 2.41, which is above the benchmark of 2:1. This indicates that the liquidity and short term solvency of the company is satisfactory.
- The present Debt Equity Ratio is 0.0021, indicating that the company is, below the maximum limit of 1:1, indicates long term solvency of the firm is satisfactory. The increase in EPS & ROE indicates that the profitability of the company is growing.
- The calculated intrinsic value of security (1623.1539) is higher than the market price in the year 2013, which is (1182.50), said to be underpriced.
- The projected earnings per share and dividend per share of the security for the year 2013-14 is 75.728 and 14.249 respectively.
- Price Earnings Ratio has been unpredictably decreased in the year 2011-12.

Infosys Technologies Ltd

- The Current Ratio of Infosys for 2013 is 5.11, which is above the benchmark of 2:1. This indicates that the liquidity and short term solvency of the company is satisfactory.
- The debt equity ratio for the entire period is nil, indicates long term solvency of the firm is satisfactory.
- The calculated intrinsic value of security (2927.460) is lower than the market price in the year 2013 which is (3236.75) said to be overpriced.
- In the year 2013; the price earnings ratio, Dividend Payout Ratio has been increased.
- The projected earnings per share and dividend per share of the security for the year is 125.416 and 97.2691 respectively.

Wipro Technologies Ltd

- The Current Ratio of Wipro for 2013 is 1.67, which is near to the benchmark of 2:1. This indicates that the liquidity and short term solvency of the company is almost satisfactory.
- The present Debt Equity Ratio is 0.223, indicating that the company is, below the maximum limit of 1:1, indicates long term solvency of the firm is satisfactory. There is slight decrease in EPS & ROE in 2013.
- The calculated intrinsic value of security (310.328) is lower than the market price in the year 2013 which is (480.00) said to be overpriced.
- The projected earnings per share and dividend per share of the security for the year is 22.198 and 7.008 respectively.

HCL Technologies

- The Current ratio of HCL for 2013-14 is 1.24, which is below the benchmark 2:1. This indicates that the liquidity and short term solvency of the company is not satisfactory.
- The Debt Equity Ratio is 0.176 in 2013-14, indicating that the company is, below the maximum limit of 1:1, here the long term solvency of the firm is satisfactory.
- The price earnings ratio has been decreased in the year 2011-12
- The projected earnings per share and dividend per share of the security for the year is 20.838 and 7.999 respectively.

Oracle Financial Services Ltd

- The Current Ratio of Oracle for 2013 is 7.53, which is above the benchmark of 2:1. This indicates that the liquidity and short term solvency of the company is satisfactory.
- The debt equity ratio of the for the entire period is nil, indicates long term solvency of the firm is satisfactory
- The calculated intrinsic value of security (3368.670) is higher than the market price in the year 2010 which is (1984.1) said to be underpriced.
- The price earnings ratio has been decreased in the year 2011-12.
- The projected earnings per share and dividend per share of the security for the year is 142.138 and 0.00 respectively.

Suggestions and Recommendations

The following are the important suggestions of the study

- ❖ Tata consultancy services Ltd: The intrinsic value is higher than the market price. Hence, the investors can be recommend for buy option or hold the shares, so that they can get more profits.
- ❖ Infosys Technologies: The intrinsic value is lower than the market price. Hence, in order to avoid possibility of losses in the future it is better to opt for a sell option.
- ❖ Wipro technologies: The intrinsic value is lower than the market price. Hence, in order to avoid possibility of losses in the future it is better to opt for a buy option.
- ❖ HCL Technologies: The intrinsic value is higher than the market price. Hence, in order to gain the advantage over the future increase in market price the investors may opt for a buy option.
- ❖ Oracle Financial Services Ltd: The intrinsic value is higher than the market price. Hence, the investors can be recommend opt for buy option or hold the shares, so that they can get more profits.

Conclusion

Fundamental analysis is really a logical and systematic approach to estimating the future dividends and share price. It is based on the basic premise that share price is determined by a number of fundamental factors relating to the economy, industry and

company. If the company is fundamentally strong the investor can expect to get a return in long run. Hence it can be concluded that before going to make an investment the investor has to consider the fundamental analysis of the company. It is also hoped that this study would be helpful in providing a general idea on using intrinsic value of shares by the trader and investor before making an investment or a transaction.

This study is the comprehensive analysis of the intrinsic values of the shares in the IT sector Companies operating in India. The study will support the IT Sector to have strategic decision in regard to the investment in shares by making comparisons on the intrinsic and market values of the shares of IT Companies. It also helps to decide whether to sustain the investments on certain shares and debentures to continue. The present study will helpful to understand the performance and growth of IT Sector in India, and the Companies engaged in IT Sector operations can make analysis of their performance and growth in the Industry. It helps the investors to have firm determinations on the investment proposals and can advocate for having decisions in this regards.

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QUALITY OF WORK LIFE OF PRINTING WORKERS IN THIRUVANANTHAPURAM DISTRICT

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Abstract:

Quality of Work Life is defined as the quality of the content of relationship between employees and their total working environment with human dimensions added to the usual technical and economic ones. Quality of Work Life involves job security, good working conditions, adequate and fair compensation and equal employment opportunity and the like. Quality of Work Life aims at meeting the twin goals of enhanced effectiveness of organization and improved quality of life at work for employees. The present study is focussed on the Quality of Work Life of employees who are working in the printing presses in Thiruvananthapuram district in Kerala state. The objectives of the study are framed to assess the factors influencing on the Quality of Work Life of employees and level of their satisfaction. The sample taken for the study is 250 employees of 50 printing presses spread across Thiruvananthapuram district. It was found that adequate compensation is the prime factor influencing the Quality of Work Life, followed by motivation and congenial environment. In fact, the Quality of Work Life of employees has considerable influence on the employees' productivity.

Key words: Industry, Printing, Employers, Quality of Work Life, Employees, Job Satisfaction, Productivity, Social Integration.

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I. Introduction

Working Life is a process of work organizations which enables its members at all levels to actively participate in shaping the organization environment, methods and outcomes. Conceptual categories which together make up the quality of working life are adequate and fair compensation, safe and healthy working conditions, immediate opportunity to use and develop human capacities, opportunity for continued growth and security, social integration in the work organization and the social relevance of work life. Quality of work life also refers to the favourableness or unfavourableness of a job environment for people. It is a generic phase that covers person's feelings about every dimension of work including economic rewards and benefits, security, working conditions, organization and interpersonal relationship and its intrinsic meaning in a person's life. The basic purpose of quality of work life is to develop work environment that are excellent for people as well as for production. It aims at healthier, more satisfied and more productive employees and more efficient, adaptive and profitable organizations. Quality of work life is important for job performance, job satisfaction, labour turnover, labour management relations and such other factors which play an important part in determining the overall well being of any industrial organization. The quality of work life movement aims at integrating the socio-psychological needs of employees. Several experiments indicate that the interest in improving the Quality of Work Life reflects societal changes. The developments have an influence on the growth of the quality of work life movement; ensure higher productivity and greater job satisfaction.

The history of printing goes back to the duplication of images by means of stamps in very early times. A printing press is a mechanical device for applying pressure to an inked surface resting upon a medium (such as paper or cloth), thereby transferring an image. The systems involved were first assembled in Germany by the goldsmith Johannes Gutenberg in the mid-15th century. Printing methods based on Gutenberg's printing press spread rapidly throughout first Europe and then the rest of the world, replacing most block printing and making it the sole progenitor of modern movable type printing. As a method of creating reproductions for mass consumption, the printing press has been superseded by the advent of offset printing

Printing is a process for reproducing text and image, typically with ink on paper using a printing press. It is often carried out as a large-scale industrial process, and is an essential part of publishing and transaction printing. Ordering print can get pretty complex, what with choosing the right artwork, the right type of materials and ink, the right finishing and binding - not to mention choosing the right printer to help you make all these thousands of little decisions.

Printing trades' workers compose and set type prior to printing, set up and operate printing presses, bind and finish printed products, and prepare stencils and operate screen printing equipment. Tasks performed usually include: operating graphic cameras and other photographic equipment to reproduce camera-ready copy onto films, plates and digital output devices; operating computer screen-based equipment for scanning, colour separation and correction, retouching and other processes used to transfer copy to film and produce film for plate, cylinder and digital output productions; setting up, operating and monitoring machines used in typesetting, photographing copy, printing and cutting, folding, collating and binding printed material; performing routine finishing operations and machine maintenance; preparing stencils and operating screen printing equipment.

Occupations in this minor group are classified into the following unit groups:

1) Pre-press technicians, 2) Printers, 3) Print finishing and binding workers

The types of printing:

1. Digital Printing, 2. Flexography, 3. Thermography, 4. Gravure printing, 5. Electrostatic printing, 6. Letterpress Printing, 7. Offset Printing, 8. Rotogravure, 9. Screen Printing

Statement of the Problem:

Work is an integral part of an employee's everyday life, as it is his livelihood or career or business. On an average a person spend around eight to ten hours daily in the work place, that is one third of his entire life; therefore, it does influence the overall quality of life. It should yield job satisfaction, give peace of mind, a fulfilment of having done a task, as it is expected, with action, give peace of mind, a fulfilment of having done a task, as it is expected, without any flaw and having spent the time fruitfully, constructively and purposefully. Even if it is a small step towards the lifetime goal, at the end of the day it gives a person satisfaction and eagerness to look forward to the next day. The QWL approach considers people as an asset to organization rather than as 'costs'. It believes that people perform better when they are allowed to participate in managing their work and make decisions. Further, today's work force is realizing the importance of relationships and is trying to strike a balance between career and personal lives. A study on Quality of Work Life of printing press workers is a paramount importance, the nature being different for each category of employees depending upon their needs as there is an estimate of above 1 lakh workers in different printing presses in Kerala. There are about 6000 printing presses in Kerala and 600 printing presses in Thiruvananthapuram district itself. So an attempt has been made to assess about the printing workers satisfaction on Quality of Work Life and its influence on their working and social environment, as there is a large number of workers.

Objectives of the Study

1. To identify various factors influencing QWL among the employees of printing employees in Thiruvananthapuram District;
2. To study the level of satisfaction among the employees of printing employees in Thiruvananthapuram District;
3. To identify the employees expectations and to take necessary steps to improve the QWL among work force; and
4. To analyse how QWL influence the employees performance in the printing presses.

Review of Literature

Walton (1973) has stated that the major conceptual areas have to be identified viz., adequate and fair compensation, safe and healthy working conditions, development of human competencies, growth and security, social integration for understanding quality of work life.

Hackman and Oldham (1976) drew attention to what they described as psychological growth need as relevant to the consideration of Quality of working life. Several such needs were identified: Skill variety, Task Identity, Task Significance, Autonomy and Feedback. They suggested that such needs have to be addressed if employees are to experience high quality of working life.

Glasier (1976) has revealed that quality of work life implies job security, good working conditions, adequate and fair compensation and more even equal employment opportunity all together.

Lawler (1978) has suggested that the plan based on participative culture in Quality of Work Life principles have been found to be more effective than traditionally managed plans.

In contrast to such theory based models, Taylor (1979) more pragmatically identified the essential components of Quality of working life as; basic extrinsic job factors of wages, hours and working conditions, and the intrinsic job notions of the nature of the work itself. He suggested that a number of other aspects could be added, including; individual power, Employee participation in the management, fairness and equity, social support, use of one's present skills, self development, a meaningful future at work, social relevance of the work or product, effect on extra work activities. Taylor suggested that relevant Quality of working life concepts may vary according to organization

Factors more obviously and directly affecting work has, however, served as the main focus of attention, as researchers have tried to tease out the important influences on Quality of working life in the workplace.

Mirvis and Lawler (1984) suggested that Quality of working life was associated with satisfaction with wages, hours and working conditions, describing the “basic elements of a good quality of work life” as; safe environment, equitable wages, equal employment opportunities and opportunities for advancement.

The degree of goal and integration of individual is significantly influenced by the quality of organization climate & work life was the observation made by Berrett (1991) while studying the individual goals & organization objectives.

Quality of work life is a recent day topic of organizational psychology, some of the elements that are relevant in defining an individual’s quality of work life would include the task, the physical work environment, social environment within the organization, administrative system and relationship between life on and off the job (Che Rose, Beh, Uli and Idris, 2006). His study further concluded that the most important predictor of quality of work life is organizational climate, followed by career achievement, career satisfaction and career balance. A high quality of work life is essential for organizations to continue, to attract and retain employees (Sandrick, 2003).

Methodology of the Study

The employees of the printing industry have been taken as sampling unit for the study. The study being analytical in nature, 10 employees from 25 printing units of equal capacity have been selected as sample respondents by using simple random sampling technique. A well structured close ended interview schedule has been administered as an instrument to conduct this research with queries relating to Quality of Work Life of employees in the printing presses. The secondary data for the review were collected from news bulletin of various printing and research agencies, both official and unofficial newspapers, text books and websites. The study period extended for about 3 months from January to March 2015. In order to analyze the objectives of the study, statistical tests viz., Chi-square test, ANOVA, Likert’s scaling technique have been used to test the relationship between the variables taken for the study.

Discussion and Analysis

1. Profile of the Respondents

This section presents the analysis of the data that was collected from the respondents. Table No. 1 has shown the personal factors of the employees in the printing industry.

Table No.1
Personal Profile of the Respondents

Personal factors		No of respondents	Percentage %
Age	20-30 years	45	18
	30-40 years	85	34
	Above 40 years	120	48
	Total	250	100
Gender	Male	195	78
	Female	55	22
	Total	250	100
Marital status	Married	200	80
	Unmarried	50	20
	Total	250	100
Educational qualification	Below Tenth Standard	75	30
	Tenth Standard	105	42
	Diploma	35	14
	Degree/Graduation	35	14
	Total	250	100
Experience	Less than 3 years	35	14
	3-5 years	65	26
	5-8 years	95	38
	Above 8 years	55	22
	Total	250	100
Salary p.m		80	32
	Below Rs.5,000		
	Rs.5,000-Rs.7,000	115	46
	Above Rs.7,000	55	22
	Total	250	100

Source: Personal Investigation

The above table shows that 48 percent of the respondents belong to above 40 years of age group, 18 percent belong to 20-30 years and 34 percent belong to 30-40 years age group. 78 percent of the respondents were male and 22 percent were female. 80 percent of the respondents were married and 20 percent were unmarried. 30 percent of the respondents were illiterate, 42 percent have studied up to school level and the same numbers of respondents have completed their graduations and diploma education. 38 percent of the respondents have had 5-8 years of experience and 14 percent have less than 3 years of experience, 46 percent of the respondents monthly salary being Rs.5, 000 to Rs.7, 000 and 22 percent earned above Rs.7, 000.

2. Factors Influencing Quality Of Work Life

Work is an integral part of our life, as it is our livelihood or career or business. On an average we spend around twelve hours daily in the work place that is one third of our entire life. Even if it is a small step towards our lifetime goal, at the end of the day it gives satisfaction and eagerness to look forward to the next day. Factors influences the quality of work life of employees has been shown in Table No.2.

Table No. 2
Factors Influencing Quality of Work Life

Factors	Total score	Mean	Rank
Working Environment	600	2.40	2
Motivational insights	750	3.00	1
Job freedom and security	565	2.26	4
Personal growth and career opportunities	575	2.34	3

Source: Personal

Investigation

The factors influencing quality of work life is classified into four for the purpose of gathering information from the respondents. They are working environment; motivational insights; job freedom and security and personal growth and career opportunities. Out of theses only motivational insights got a mean rating of 3 and others rated below 3 by the respondent namely working environment (2.40), job freedom and security (2.26) and personal growth and career opportunities (2.34). All these three variables have got statistical

Table No.3
Overall Satisfaction of Quality of Work Life

Particulars	H.S	S	N	D.S	H.D.S	Likert's points	Favourability
Job Satisfaction:							
Working Hours	60	105	50	25	10	3.72	F
Job Freedom/ Rotation	35	75	55	35	50	3.04	F
Promotion, Training and Recognition	105	45	60	35	5	3.84	F
Compensation	30	50	70	60	40	2.88	UF
Safety and Healthy Working Conditions:							
No risk of illness	45	80	40	50	35	3.20	F
Humanized Relationship	30	80	90	35	15	3.30	F
Quite Tolerable	145	55	25	20	5	4.26	F
Emphasis on Individual	45	100	55	30	20	3.48	F
Opportunities to Develop Human Capabilities:							
Accurate information	120	85	25	15	5	4.2	F
Ideas appreciated	40	65	75	35	35	3.16	F
Technical planning	20	25	85	70	50	2.58	UF
Information of other departments	30	95	70	45	10	3.36	F
Opportunities for Continued Growth And Security:							
Comprehensive work	65	55	85	15	30	3.44	F
Challenging work	35	45	55	75	40	3.00	F
Opportunities to improve job	30	80	95	35	10	3.44	F
Use of newly acquired knowledge	30	55	65	60	40	2.90	UF

Source: Personal Investigation

(F= Favourable; UF= Unfavourable)

mean value of below 3 and it means three variables are not positive for determining the Quality Of Work Life. Thus it seems that the Quality of Work Life at the printing presses in Thiruvananthapuram district is below average and needs much improvement.

3. Overall Satisfaction on Present Level of Quality of Work Life:

Respondents' opinion about the present level of quality of work life provided by their working environment has been depicted in Table No 3. Using Likert's scaling technique favourableness of the factors has been assessed.

The overall satisfaction level of Quality of Work Life, the respondent's opinion about the present level of Quality of Work Life provided by the printing press in Thiruvananthapuram district has been depicted in the Table No. 3. The opinion was collected by using Likert scaling techniques with 5 points namely Highly satisfied (5), Satisfied (4), Neutral (3), Dis satisfied (2) and Highly dissatisfied (1). The overall satisfaction level has been studied with four parameters namely Job Satisfaction ; Safety and Healthy Working Conditions; Opportunities to Develop Human Capabilities; and Opportunities for Continued Growth And Security.

Under the head of job satisfaction four variables are considered such as Working Hours, Job Freedom/ Rotation, Promotion, Training and Recognition and Compensation. All the above variables got rated more than 3 in the statistical mean value except the variable compensation whose mean score is 2.88. But in terms of job satisfaction it seems that the employees are found satisfactory.

Under the head of Safety and Healthy Working Conditions four variables are considered such as No risk of illness, Humanised Relationship, Quite Tolerable And Emphasis On Individual,. All the above variables got rated more than 3 in the statistical mean value. Hence in terms of Safety and Healthy Working Conditions it seems that the employees are found satisfactory.

Under the head of Opportunities to Develop Human Capabilities four variables are considered such as Accurate Information, Ideas appreciated, Technical planning and information of other departments.. All the above variables got rated more than 3 in the statistical mean value except the variable Technical planning whose mean score is 2.58. And thus in terms of Opportunities to Develop Human Capacities it seems that the employees are found satisfactory.

Under the head of Opportunities for Continued Growth and Security four variables are considered such as Comprehensive work, Challenging work, Opportunities to improve job and Use of newly acquired knowledge. All the above variables got rated more than 3 in the statistical mean value except the variable Use of newly acquired knowledge whose mean score is 2.90. And thus in terms of Opportunities for Continued Growth And Security it seems that the employees are found satisfactory. Thus it can be concluded from the above analyses that the overall satisfaction and present level of Quality of Work life of printing workers in Thiruvananthapuram is positive.

Table No.4
Social Integration in the Work Force

Salary	Social integration in work force			Total
	IDENTIFY AS A MEMBER	INTERACTS IN TERMS OF IDEAS & FEELINGS	ENCOURAGES RECIPROCAL HELP	
Below Rs5,000	30	15	35	80
Rs 5000-7000	40	25	50	115
Above 7000	20	15	20	55
Total	90	55	105	250

Source: Personal Investigation

4. Employees Social Integration Within the Work Force

Social integration in the work force can be established by creating freedom from prejudice, supporting primary work group a sense of community and inter-personnel openness, egalitarian and upward mobility. How respondents who had various range of salary interacted socially within the work force has been depicted in Table No.4.

To know if there has been any difference of opinion between the respondents who have different range of salary on the social integration in the work force, ANOVA test has been applied and shown in table No.4.

Personal Factor vs. Social Integration in Work Force- ANOVA Test

Sum of squares		d.f	Mean value	F	Table value
Between Social interaction	17.33	2	8.67	0.141	6.94
Between salary	20.00	2	10.00		
Residual value	284.67	4	71.17		
Total	322	8			

ANOVA value (0.141) is less than the table value (6.94). Thus it is proved that there has been no difference of opinion among the respondents on the social integration in work

force. Salary of an employee does not have any influence on the social integration in work force.

5. Expectations of the Employees

Employees have some expectation from the work place to improve the quality of work life. Work related requirements have direct relation with the personal affairs of the employees. The expectations of the employees have been depicted in Table No.5.

Table No.5
Expectations of the Employees

Expectations	No. of employees	Percentage %
Higher compensation	160	64
Innovative practices to improve technical knowledge	25	10
Individual recognition	40	16
Equitable rewards	25	10

Source: Personal Investigation

It is seen from the above table that 64 percent of the employees opined that their expectation from the workplace to improve the quality of work life is enhanced compensation. 10 percent of the respondents said that their expectations to improve quality of work life is innovative practice and another 10 per cent opted for equitable rewards and 16 per cent for individual recognition. Thus it seems that the major components of expectation to improve Quality of Work life of printing workers is higher compensation.

6. Influence of Quality of Work life on Employees' Performance

When an employee have positive perception of the quality of work life in the firm, he would probably strive to further improve the working conditions, increase production and

Table No.6
Influence of Quality of Work life On Employees Performance

Influence	No. of employees	Percentage %
Improves morale	40	16
Improves productivity	150	60
Increase the level of commitment to work	60	24

Source: Personal Investigation

can give quality products. Table No.6 has shown the influence of quality of work life on employees' performance.

Another aspect related to the influence of Quality of Work Life on employee performance has been gathered from the respondent by asking three variables such as morale, productivity and level of commitment to work. It was stated by 60 percent employees that increase in the Quality of work life improves productivity of the employees followed by increase in the level of commitment to work (24 per cent) and improves employee morale (16 per cent). Thus it can be concluded that major component of influence of the Quality of Work life on employees performance is improved productivity in the printing press.

V. Conclusion

a. Profile of the workers

Majority of printing workers belong to the age category of above 40 years whereas 80 percent of the people working in the printing presses are male employees. About 80 percent of the printing workers have an educational qualification of SSLC or below SSLC and only 14 percent has a degree or diploma of their own. The average work experience of the printing employee in Thiruvananthapuram district is around 5 to 8 years and their average salary is Rs 7,000 per month.

b. Factors Influencing Quality of Work Life

Four major factors are found to be the influencing factors of Quality of Work life of workers in the printing press which are ranked on the basis of the rating made by the respondent. Motivational insights; working environment; job freedom and security; and personal growth and career opportunities are ranked accordingly from position 1 to 4 respectively.

C. Overall Satisfaction of Quality of Work Life

Four major factors are found as the variables determining the overall satisfaction of present Quality of Work life of the printing press workers. They are Job Satisfaction; Safety and Healthy Working Conditions; Opportunities to Develop Human Capabilities; and Opportunities for Continued Growth and Security. It is found that all these variables are positively interacting with the present Quality of Work life of the printing press workers in Thiruvananthapuram. District as opined by them and it was also found that salary is an irrelevant component on the aspect of social integration in the work force and the major expectation component of the employees for improving the Quality of Work life in printing industry is the enhancement of compensation. So on the basis of the findings it can be

concluded that even though the Quality of Work life of the printing workers are rated as satisfactory by the respondent, but the reality found to be a different one because the average salary per month is only below Rs7,000/-. And educational qualifications of the majority of workers are SSLC or below SSLC is another major factor of concern with regard to the Quality of Work life. So, immediate steps are required to enhance the salary component of the workers to a minimum of Rs15,000/- per month to improve their Quality of Work life because that amount is considered as a basic minimum wages for maintaining the life of the workers and family at somewhat moderate level. It is suggested that legislative measures are to be adopted by the authorities and Government agencies in this regard.

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NATIONAL MOVEMENT AND NATIONALIST PRESS IN KERALA

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Abstract

This paper is an attempt to review the status of newspapers of Kerala during the time of National movement. Press has played a prominent part in the rise and growth of Indian National Movement. History of Indian journalism is linked to the history of India's freedom struggle. Many of the nationalist leaders were journalists like M. K. Gandhi, B. G. Tilak, Lala Lajpat Rai, Surendranath Banerjee etc. The beginning of Gandhian era in Indian politics also marked an important stage in the evolution of press in Kerala. The new found confidence of the Indian politics after the advent of Gandhi was reflected in the rise of an intensely nationalist press. The deportation of Swadeshabhimani Ramakrishna Pillai in 1910, the banning of Kesari in 1930, the confiscation of the properties of Malayala Manorama in 1938 and the arrest of Mathrubhumi editor K.A. Damodara Menon for his support of Quit India Movement in 1942 are all landmarks of India's freedom struggle as well as the history of media in Kerala. The role of Kerala in India's struggle for freedom is not less significant than that of any other state of the Indian union. The fact that the press in Kerala was a powerful force in shaping the nature and intensity of the national movement has been made out.

The rise of nationalism is reflected in the spirit of Renaissance in Europe when freedom from religious restrictions led to the enhancement of National identity. This expression of Nationalism was furthered by the French Revolution. The political changes resulted in the passing of sovereignty from the hands of an absolute monarch to the French citizens, who

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had the power to constitute the nation and shape its destiny. The watchwords of the French Revolution- Liberty, Equality and Fraternity- inspired the whole world. Many other revolutions like the American Revolution, Russian Revolution, etc. also strengthened the idea of Nationalism in India which emerged in the 19th century after the revolt of 1857¹.

Nationalism and growth of the press were two mutually supporting process- one supporting the other in its path of progress. In other words, it may be said that the growth of press was directly proportional to the consolidation of the forces of nationalism². After the emergence of the nationalist press, it became the carrier of the seeds of nationalism and in this process it enriched itself. The press played a prominent role at the early stage of the Indian National Movement, because the composition of the Indian National Congress, which met in Bombay in December 1885; nearly one-third of the founding fathers of the congress were journalists.

During the early phase of the national movement, the main political task was that of educating the people on public issues and propagating nationalist ideas. This task was provided by the press. All the major political controversies of the time were carried on through the press. From Dadabhai Naoroji's 'Rast goftar' through Bala Gangadhar Tilak's 'Kesari' and 'Maratha' to Mahatma Gandhi's 'Young India' and 'Harijan', almost all eminent leaders of the National Movement had their own press organs to propagate their ideas³.

In Kerala, the heat of the national movement was felt first in Malabar, being under the direct administration of the British. The Gandhian phase of the movement was especially intense in the region. As elsewhere in the country, the seeds of political journalism were sown in Malabar during the National Movement⁴. Some of the staunch nationalist newspapers in Malayalam were published from Malabar.

After the emergence of Gandhian era in the freedom movement in India in 1920s the struggle in Kerala for freedom was strengthened. Indian National Congress was led under the leadership of prominent journalists K.P. Kesava Menon, K. Kelappan, Abdu Rehiman Sahib, Moithu Moulavi and A.K. Gopalan in Malabar. In Cochin, the prajamandalam gave the leadership to the struggles. Panampally Govinda Menon, V. K. Krishnan Ezhuthachan and Sahodaran Ayyappan, the leaders of the struggle were also associated with journalism. Travancore State Congress under the leadership of Pattom Thanu Pillai, T.M. Varghese and C. Kesavan fought against the princely rulers for responsible government in the state. He was a veteran journalist. Swadeshabhimani Ramakrishna pillai and Kesari Balakrishna Pillai were well known journalists of Travancore. They were the forerunners of these struggles. Journalists contributions of K.C. Mamman Mappilai, T.K. Madhavan and C.V. Kunju Raman for the freedom movement in Travancore are worthy of special reference.

The pioneers of press in Kerala were the western missionaries. In Malayalam the first three journals were started by the Basel Mission Society under the leadership of Herman Gundert. Malayala Panjangam*(November 1846) Rajya samacharam (june 1847), Paschimodayam (October 1847) and were these journals⁵.

Rajyasamacharam was started in June 1847 from Nettur at Illikkunnu in Thalassery by the Basel Mission Society. Rajyasamacharam generally has the nature of Christian tract. Paschimodayam started in October 1847 is a sister publication of Rajyasamacharam. It was also published by the Basel Mission from Thalassery. Unlike Rajyasamacharam, Paschimodayam was concerned with the spread of secular knowledge. The third journal in Malayalam is jnana nikshepam (November 1848) published from Kottayam CMS press⁶. It is the first journal published from the principality of Travancore. According to G. Priyadarshan, Benjamin Bailey is the founder of Jnana Nikshepam⁷.

Sandishtavadi was a monthly started in 1867 from CMS press, Kottayam by W.H.Moor, a European Missionary. It was the Malayalam Edition of Travancore Herald started along with Sandishtavadi. It was the first banned newspaper in the state⁸. In 1893 it was banned by the Travancore government for its severe criticism against Diwan Madhava Rao's administration and educational policy.

Kerala Mithram published from Kochi by Devji Bhimji(1829-1940), a Gujarathi merchant in 1881 is the first Malayalam weekly journal in Malayalam. Political and literary items were also included in the weekly. Its editor was Kandathil Varghese Mappilai (1858-1904). After working for three years he left the weekly and started the well known newspaper Malayala Manorama in 1890⁹. Devji Bhimji was a strong fighter for the freedom of the press.

After Gundert's first attempt in 1847, no other journals were published from Malabar for 37 years until the appearance of Kerala Pathrika weekly 1884. It was published from Kozhikode by Chengalath Kunjirama Menon. It was a news based journal committed to support the freedom movement in India. The first issue came out on 19th October 1884, pathrika published materials about the injustice and failures of administration regularly. Later the journal became the voice of Indian National Congress in Malabar. Kunjirama Menon represented India in the World Editors Conference at London in 1895 along with the editors of The Hindu and Amrita Bazar Patrika¹⁰.

Kerala Sanchari was a weekly started from Kozhikode by Poovadan Raman Vakil, the publisher of Malabar Spectator. The first editor was Vengayil Kunjiraman Nayanar. Later on, C. Krishnan and Murkoth Kumaran also edited the paper. It severely criticized the British rulers and the caste system. Later Kerala Sanchari was amalgamated with C. Krishnan's Mithavadi¹¹.

Malayali started as a weekly from Thiruvananthapuram, it was the official organ of Malayali Social Reform League. Pettayil Raman Pillai Asan was the first editor of it. The famous novelist C.V.Raman Pillai and Swadeshabhimani Ramakrishna Pillai were editors of Malayali for some time. Malayali actively took part in the struggle for responsible government in Travancore¹². Dewan Sir. C.P. Ramaswami Aiyer prohibited the publication of the paper. Its editor M.R. Madhava Warier was assaulted. However in 1946 it was started again as a daily.

Deepika is the oldest existing newspapers in Kerala. Its original name was Nasrani Deepika. The founder Editor was Nidheerikkal Manikkathanar. It started publication as a fortnightly on 15 April 1887 from Mannanam in Kottayam District. On 3 January 1927 it became a daily. Its name was changed to Deepika in 1938. Deepika was committed to the upliftment of Christians in Kerala and also was concerned about the downtrodden and poor people. It was a public newspaper opened to all sections of people. This newspaper was an active supporter of all people's movements for freedom and civil rights in Travancore. Deepika motivated people, particularly Christians to participate in struggles for freedom and civil rights in Travancore¹³.

The first issue of Malayala Manorama appeared on 22nd March 1890. It was published by Malayala Manorama Company registered as the first joint stock company in Kerala. It was committed to the promotion of Malayalam Literature and reformation of our social life. Varghese Mappilai edited the paper for 14 years until his death in July 1904. K.C. Mammen Mappilai succeeded him as the Chief Editor. On 16 January 1928 it became a daily. Manorama was in the forefront of freedom struggle in Travancore for "responsible administration"¹⁴. Manorama was banned and its properties were confiscated in 1938. Mamman Mappilai was arrested and jailed. Manorama was closed for nine years. It was resurrected on 29th November in 1947 after India's Independence.

Vivekodayam was a bimonthly Magazine which started publication on 13th May 1904 by SNDP Yogam as its official organ from Thiruvananthapuram under the editorship of well known Malayalam poet Kumaran Asan¹⁵. The aim of the magazine was the upliftment of the Ezhava community. It also aimed at the socio-cultural and political awakening of Kerala.

Swadeshabhimani was started as a Weekly from Anjengo in Quilon District by Vakkom Abdul Khader Maulavi. Its first Editor was C.P.Govinda Pillai. On 17th January 1906 K. Ramakrishnapillai took charge as editor. He was a strong opponent of corrupt bureaucracy. Vakkom Moulavi gave him full editorial freedom in Swadeshabhimani. Ramakraishna Pillai fearlessly criticizes the King Sree Moolam Thirunal. In 1907 the newspaper shifted to Trivandrum. As Ramakrishna Pillai continued his severe criticism

against the erring bureaucrats, the Diwan and King the Travancore government deported him from the princely state by a royal proclamation on 26th September 1910¹⁶. Ramakrishna Pillai was a pioneer in the struggle for freedom of press in India.

Mithavadi was a weekly started from Thalassery by Murkoth Kumaran in September 1907. The well known poem “veenapoovu” (the fallen flower) written by Mahakavi Kumaran Asan was first published in the weekly. When Kumaran left the editorship in 1909, its publication was stopped. In August 1913 C. Krishnan took over it and restarted the publication as a monthly from Kozhikode. Later it became a weekly and then a daily. Krishnan was a fighter for the cause of untouchables. He thought that Indian National Congress was not doing justice to the people¹⁷. Therefore, he did not co-operate with the congress. However, he respected Gandhiji and other national leaders. In 1938, Mithavadi ceased publication.

Kerala Kaumudi was started as a weekly in 1911 from Mayyanadu near Quilon by C. V. Kunjuraman. Well known poet Mooloor S. Padmanabha Panicker was named as the first editor. In 1911, Kunjuraman left the job and took over as editor. The main objective of the paper was to protect the interests of the backward communities. As the paper supported the Responsible government Movement it was banned on 7th March 1938, by Diwan C. P. Ramaswamy Aiyer. C.V. Kunjuraman apologized in order to regain the license. Accordingly, the license was restored¹⁸. Kerala kaumudi was shifted to Trivandrum and became a daily in 1940. By supporting and propagating the ideals of Sree Narayana Guru and functioning as an official mouthpiece of SNDP Yogam, Kerala Kaumudi took an active role in promoting the renaissance of Kerala. C.V. Kunjuraman was the originator of the idea of agitations for temple entry in Travancore and the motivating force behind the declaration of it. Kerala Kaumudi was in the forefront in supporting Vaikom Satyagraha and other struggles for temple entry.

Sahodaran was a monthly started by K. Ayyappan. Sahodaran upheld and propagated the ideals of human fraternity. Its aim was social reform. It was started at Pallipuram in Ernakulam. During 1918-20 it was published from Trivandrum. In 1920 it became a weekly and returned to Ernakulum. It continued up to 1956¹⁹.

Swarat was a fortnightly started from Quilon in 1921 by the freedom fighter A.K. Pillai as editor²⁰. The paper concentrated in the propagation of the message of Indian National Congress and the freedom movement. In 1926 it was shifted to Trivandrum and then became a daily. But due to Government’s suppressive measures it was closed down in 1928.

Al Amin was a tri-weekly started by the well-known freedom fighter Muhammed Abdul Rehman on 12th October 1924 from Kozhikode. It became a daily on 25th June

1930. As a result of the action taken by authorities, it was closed for many a time. Finally it was shut down on 15th March 1939. It was a nationalist newspaper, having the image of a Muslim publication. Abdu Rehman Sahib tried to bring the Muslim Community to the main stream of the freedom struggle through Al-amin. It was a fire-brand newspaper which attracted severe actions from the government and finally a perpetual ban on it²¹.

Malayala Rajyam was started from Quilon in 1929 as a weekly under the editorship of K.G. Sankar. In the early stage of its aim was to propagate the ideals of Indian National Congress. In 1931 Malayala Rajyam was turned into a daily newspaper. It is the first newspaper in Kerala to have Rotary press and process studio²². The newspaper published world news items with the co-operation of foreign news agencies. Its illustrated weekly was well known. In the middle of the 1930's Sankar's brother K.G. Parameswaran Nair took over the editorship of Malayala Rajyam and its loyalty was shifted towards Sir C.P. Ramaswami Aiyer, the Dewan of Travancore. Then it was known as the 'C.P.Gazette'. The paper was closed in 1960's.

Kesari was a weekly started by A. Balakrishna Pillai in the year 1930. Apart from politics, Kesari gave trust to literary and cultural issues also. Through his writings Ramakrishnapillai introduced western literary movements and paved the way for a renaissance in Malayalam literature. However he severely criticized the corrupt bureaucrats and strongly supported the freedom movements in Travancore and British India. Due to these criticisms Government penalized him and asked to deposit Rs. 1000 license fee²³. As he was unable to pay the amount, Kesari was closed in 1935.

Mathrubhumi is one of the top most newspapers in Kerala which has a very rich tradition of association with the Indian Freedom Struggle under the leadership of Gandhiji. It was started on 18th March 1923 as a triweekly under the editorship of K.P.Kesava Menon from Kozhikode. On 13th January 1934 Mahatma Gandhi visited the office of the paper²⁴. For some time it was banned during the Second World war. It reported almost all national and local events relating to Freedom Movement. This paper reflected the will of the people. Mathrubhumi helped to leading public opinion interpreting and evaluating public issues and also visualizing future developments and preparing people to face them.

Prabhatham was the official organ of the Congress Socialist Party in Kerala. The weekly was started from Shornur by E.M.Sankaran Nambudiripad as editor. Its aim was to propagate socialist ideas and to fight for the working class. When the weekly published a poem on Bhagat Singh's martyrdom, Government demanded to deposit a security. As the paper refused to do so, it was banned. Later the license was restored and its publication was shifted to Kozhikode in 1938²⁵. But it could not survive for a long period. In 1944, a weekly by the name Prabhatham started publishing from Quilon by Thangal Kunju Musaliar, an industrialist. Later it became a daily. After two decades of existence, it disappeared.

Powraprabha was a newspaper started by Z.M. Paretu from Kottayam as a daily. It existed about 12 years giving strong support to the struggle for Responsible Government in Travancore. Later C.M. Stephen took charge as Editor and shifted it to Mavelikara and then to Quilon²⁶. But it could not continue its publication for long.

Pouradhwani was started by K.M. Chacko from Kottayam in 1939²⁷. It also gave support to the struggle for Responsible Government in Travancore. It ceased publication in 1955.

Deenabandhu was a weekly started from Thrissur on 26th January 1941 by V.R. Krishnan Ezhuthachan as editor. Deenabandhu was the first newspaper in Kochi giving support to freedom struggles in the states of Kochi and Travancore and also in the whole country. The Editor was imprisoned in 1942 during the Quit India struggle. On 15th August 1942 the paper was banned by the Government of Kochi. It was re-started in 1944 and became a daily on 26th January in 1946²⁸. Its publication was ceased in 1962.

Deshabhimani has been published as the official organ of the communist party of India (Marxist) since 1964. Originally it was started by E.M.S Namboothirippad on 6th September 1942 from Kozhikode as a party newspaper of the undivided CPI²⁹. The first editor was M.S. Devadas. It became a daily on 18th January 1946. When the Communist Party was banned, the paper ceased its publication during 1948-51.

There was another Deshabhimani published from Quilon by T.K Madhavan, General Secretary of SNDP yogam during 1915-1930. It stood for the upliftment of backward classes especially Ezhavas. An article by C.V. Kunjuraman in the weekly paved the way for the Vaikom Satyagraha in 1924³⁰.

M. Krishnan started the daily Express from Thrissur in the year 1944. It was a pro-socialist newspaper. It strongly supported the national movement. Kunnathu Janardhana Menon was the first editor. The paper was very popular in Kochi area. When the Management was changed in the second half of 1990's its circulation declined and it was closed within a short period³¹.

T.R. Krishna Swami Aiyer's Yuva Bharatham from Palakkad, M. Mathunni's Bhaje Bharatham from Chengannoor, Paliathu Cheriya Kunjunni Achan's Bhaje Kerala from Ernakulam, Moyyarath Sankaran's Kerala Kesari from Vadakara, A.K. Kunjikirishna Nambiar's Swabhimani from Kannur, Amsi Narayana Pillai's Mahatma from Thrissur and E. Ikkanda Warriar's Keralam from Kochi strongly supported the region and national freedom struggles and faced bravely the consequences. Keraladasan weekly started from Trivandrum by M.M. Varkey as Chief Editor supported struggles for civil rights. The chief editor was arrested and jailed for writing an editorial in 1926. Subsequently the paper ceased publication. But Varkey started another weekly called Dasan I 1926 itself. It

supported the political struggles in Kerala. The Travancore Government banned the paper. Then he started a new weekly Yuvabharathi by name. It was short lived. Deepam was started as a weekly in 1931 from Ernakulam by Thomas Paul. Murkoth Kumaran was the first Editor. It continued publication up to 1932. Deepam supported the freedom movements at national and local levels. For some time it was banned in Travancore. Theruvath Raman started Kahalam as a fortnightly from Kozhikode in 1945. He was arrested and a case was charged for writing an article supporting the agrarian struggles in Malabar. Then he started a weekly called Bharati in 1946. It also supported the struggles for freedom. It was banned in Travancore. It was also short lived³².

During the Quit India struggle pre-censorship was strictly imposed in British India including Malabar. Therefore many underground papers were printed and distributed confidentially in Malabar area. Swathanthra Bharatham was prominent among them. It was a four paged weekly containing news items and other material related to the freedom struggle. Well known writers like N.V. Krishna Warier and S.K. Pottekkadu were active workers behind the paper. Samarakahalam was another notable underground journal published from Kochi, after the disappearance of Swathanthra Bharatham. A.P. Nambiar and K.C.K.M Methar were behind it. Both were arrested and the newspapers were closed.

All these newspapers took major role in nurturing the national movement and love for freedom in the heart of the people, to eradicate malpractices like untouchability and to develop a sense of inter-religious friendship among all people. The workers behind the papers had to bear innumerable sufferings. Many of these papers were short lived due to the anti-press activities of the Government and financial strains. However Gandhian era made a revolutionary change in the functioning of Malayalam Newspapers in favor of struggles for freedom in Kerala and at the national level.

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PERMUTATION IN THE INDIAN HOSPITALITY INDUSTRY

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Abstract

The hospitality industry consists of broad category of fields within the service industry that includes lodging, restaurants, transportation, cruise line and additional fields within the tourism industry. The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. It has evolved into an industry that is sensitive to the needs and desires of people. The fortunes of the hospitality industry have always been linked to the prospects of the tourism industry and tourism is the foremost demand driver of the industry. The Indian hospitality industry has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and it has become one of the leading players in the global industry. Hospitality industry in India constitutes a potpourri of cultures, places & food. The hospitality sector of India is growing at an extremely fast pace. The country's hospitality industry is considered as one of the highly profitable industries, contributing significant amount of foreign exchange to the economy. Indian hospitality sector is the second largest employer in the country as it is capable of offering employment opportunities to a wide range of job seekers from professional to unskilled workers. The study attempts to put forth permutations in the hospitality industry that have gained approval all over the world due to its constant transformation and functional growth.

Keywords: Hospitality, foreign tourists, culture, functional growth.

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Introduction

The hospitality sector of India is growing at an extremely fast pace. The country's hospitality industry is considered as one of the highly profitable industries, contributing significant amount of foreign exchange to the economy. The hospitality industry is a part of larger enterprise known as travel and tourism industry.

The travel and tourism is a vast group of business with one goal in common providing necessary and desired products and services to customers and travellers.. Broadly speaking, Hospitality is the act of kindness in welcoming and looking after the basic needs of guests or strangers, mainly in relation to food, drink and accommodation. A contemporary explanation of Hospitality refers to the relationship process between a guest and a host. When we talk about the "Hospitality Industry", we are referring to the companies or organisations which provide food and/or drink and/or accommodation to people who are away from home. However, this definition of the "Hospitality Industry" only satisfies most situations. The industry is broadly compartmentalized in two segments

Tourism: The tourism sector includes medical and healthcare tourism, adventure tourism, heritage tourism, ecotourism, rural tourism, wildlife tourism and pilgrimage tourism.

Hotels: These include business hotels, suite hotels, resort hotels, airport hotels, extended stay hotels, apartment hotels, resort hotels, timeshare hotels, casino hotels, convention centres and conference centres.

The size of the hospitality sector of India is considered as a sum of market share of two segments. The first segment is revenue obtained from travel businesses while second is revenues acquired from hotel businesses. One of the most remarkable features of the Indian hospitality sector is that it has attracted significant amount of foreign inflows in the last few years. According to statistics released by the Department of Industrial Policy and Promotion (DIPP), the amount of FDI inflow in Indian hospitality and tourism industry during the last couple of years was more than US\$6000 million. Several foreign players have established their strong presence in the country's hospitality spaces. Some reputed Indian companies leading in the hospitality sector include Asia Hotels, ITC, East India Hotels (EIH), Bharat Hotels, Hotel Leelaventure and last but not the least, Indian Hotels Company (IHCL). As international tourism is growing every year, the Indian hospitality industry will offer tremendous opportunities for investors to grow. In the near future, the Government of India will try to explore new tourist destinations in order to serve the rising demand for tourism and hospitality in India.

Objectives of the study

The scope of the hospitality industry comprises of a range of businesses that provide services and facilities such as accommodation, food and beverage, entertainment, gaming

and related products. The term “hospitality” has become accepted over the years as a generic word, which describes the well being of services and facilities related to tourists and travellers. In this context, the study attempts to have an overview of permutatations in the Indian hospitality industry by focussing on hotel industry.

Data Base and Methodology

The present study focused on Indian hospitality industry which plays a pivotal role in the economic development of the country. Data are mainly collected both from primary and secondary sources. Primary data were collected on personal interaction with HR executives who are dealing with hospitality activities in the respective hotels. The secondary data has been collected from different sources like scholarly articles, annual reports of the tourism industry, newsletters, and various web sites. The methodology will be of descriptive in nature.

Hospitality Industry - an Overview

Hospitality is all about offering warmth to someone who looks for help at a strange or unfriendly place. It refers to the process of receiving and entertaining a guest with goodwill. Hospitality in the commercial context refers to the activity of hotels, restaurants, catering, inn, resorts or clubs who make a vocation of treating tourists. Thanks to the unique efforts by government and all other stakeholders, including hotel owners, resort managers, tour and travel operators and employees, who work in the sector, Indian hospitality industry has gained a level of acceptance world over. It has yet to go miles for recognition as a world leader of hospitality. Many take Indian hospitality service not for its quality of service but India being a cheap destination for leisure tourism. With unlimited tourism and untapped business prospects, in the coming years Indian hospitality is seeing green pastures of growth. Availability of qualified human resources and untapped geographical resources give great prospects to the hospitality industry. The number of tourists coming to India is growing year after year. Likewise, internal tourism is another area with great potentials. The hospitality industry is a 3.5 trillion dollar service sector within the global economy. It is an umbrella term for a broad variety of service industries including, but not limited to, hotels, food service, casinos, and tourism. The hospitality industry is very diverse and global. The industry is cyclical; dictated by the fluctuations that occur with an economy every year.

Today hospitality sector is one of the fastest growing sectors in India. Many international hotels including Sheraton, Hyatt, Radisson, Meridian, Four Seasons Regent, and Marriott International are already established in the Indian markets and are still expanding. Nowadays the travel and tourism industry is also included in hospitality sector. The boom in travel and tourism has led to the further development of hospitality industry.

The Indian hospitality industry is going great guns presently, with high operating margins and increase in the number of travellers visiting India - both inbound and outbound. Thus, the only direction left for the sector points upwards. However, what needs to be focussed on is the fact that opportunities are not missed, which presently includes the large gaps in rooms supply as compared to demand.

Key Consumer Segments

The market for the hotel industry can be divided into the following key consumer segments based on purpose of visit:

The Business Traveller: The Business Traveler is a businessman or a corporate executive travelling for business purposes. This segment includes corporate, both domestic and foreign, who open offices in the hotel premises during start-ups, corporate executives who make extended stay either for long duration projects or while waiting for permanent accommodation and convention arrivals.

The Leisure Traveller: The Leisure Traveler could both be a foreigner or a domestic traveler whose primary purpose of visit is holiday and site seeing. Among non-business foreign tourists the primary motivation for visiting India is largely cultural attraction followed by conferences and conventions, tourist attractions like beaches, wild life, hill resorts etc. Usually, leisure travelers are part of a package run by a tour operator.

Airline Cabin Crew: Airline Cabin Crew forms another important segment because of the repetitive and guaranteed nature of the business that they provide. Usually, these are a part of an annual contract whereby, in return for a fixed rate, a certain number of rooms are provided on demand for cabin crews.

Demand and Supply Scenario

Over the last decade and half the mad rush to India for business opportunities has intensified and elevated room rates and occupancy levels in India. Even budget hotels are charging USD 250 per day. The successful growth story of 'Hotel Industry in India' seconds only to China in Asia Pacific. 'Hotels in India' have supply of 110,000 rooms. According to the tourism ministry, 4.4 million tourists visited India last year and at current trend, demand will soar to 10 million – to accommodate 350 million domestic travelers. 'Hotels in India' has a shortage of 150,000 rooms fuelling hotel room rates across India. With tremendous pull of opportunity, India is a destination for hotel chains looking for growth. The World Travel and Tourism Council, India, data says, India ranks 18th in business travel and will be among the top 5 in this decade. Sources estimate, demand is going to exceed supply by at least 100% over the next 2 years. Five-star hotels in metro cities allot same room, more

than once a day to different guests, receiving almost 24-hour rates from both guests against 6-8 hours usage. With demand-supply disparity, 'Hotel India' room rates are most likely to rise 25% annually and occupancy to rise by 80%, over the next two years. 'Hotel Industry in India' is eroding its competitiveness as a cost effective destination. However, the rating on the 'Indian Hotels' is bullish. 'India Hotel Industry' is adding about 60,000 quality rooms, currently in different stages of planning and development. MNC Hotel Industry giants are flocking India and forging Joint Ventures to earn their share of pie in the race. Government has approved 300 hotel projects, nearly half of which are in the luxury range. With the USD 23 billion software services sector pushing the Indian economy skywards, more and more IT professionals are flocking to Indian metro cities. 'Hotel Industry in India' is set to grow at 15% a year.

Trends in Hospitality Sector

The Hospitality industry is the third-largest foreign exchange earner, accounting for 6.23% of India's GDP and 8.78% of India's total employment, according to a report by the Planning Commission. Trends that will shape the future of hospitality sector are:

1. Low Cost Carriers

Travellers in general are more price sensitive to airfare than they are to hotel room rates. Often a low airfare will stimulate demand for travel even if hotel prices are increasing. LCCs are a good option for business travellers, as they have advantages like low costs, more options and connectivity.

2. Budget Hotels

More than 50 per cent of occupancy of a majority of hotels comes from the business travel segment. The average room rate (ARR) realized from business travelers is normally higher than from leisure travelers. Heightened demand and the healthy occupancy rates have resulted in an increase in the number of budget hotels. Some of the new players entering into this category of hotels include Homotel, Kamfotel, and Courtyard by Marriott, Country Inns & Suites, Ibis and Fairfield Inn.

3. Service Apartments

The concept of service apartments, though a recent phenomenon in India, is an established global concept. Villas in Spain, flats in the UK and apartment complexes in the US have all created a viable market for those who want more than just a room in a hotel. Service apartments are the latest trend in accommodation, offering the comfort and convenience of a home without the hassles of having to maintain or look after it. Ideally suited for medium-to-long staying guests, service apartments are a natural choice for

corporate employees relocating to a particular city, non-resident Indians visiting the country for long spells and foreigners visiting the city for long durations.

4. Technology

Travel and technology have become inseparable. Technology is making its own advances with high-tech video conferencing facilities, web cameras and virtual reality mode of conferencing. On-line bookings, e- ticketing, Wi-Fi Internet connectivity, easy access to information, etc. are just a few areas where technology has completely changed the way we travel.

5. Loyalty Travels

Today, airline-credit card company tie-ups have brought a whole range of benefits to the travellers. These include insurance cover, upgrades, free tickets, access to executive lounges, and a host of other goodies.

Challenges for Hospitality Industry

1. Shortage of skilled employees

One of the greatest challenges plaguing the hospitality industry is the unavailability of quality workforce in different skill levels. The hospitality industry has failed to retain good professionals.

2. Retaining quality workforce

Retention of the workforce through training and development in the hotel industry is a problem and attrition levels are too high. One of the reasons for this is unattractive wage packages. Though there is boom in the service sector, most of the hotel management graduates are joining other sectors like retail and aviation.

3. Shortage of rooms

The hotel industry is facing heavy shortage of rooms. It is estimated that the current requirement is of 150,000 rooms. Though the new investment plan would add rooms, the shortage will still persist.

4. Intense competition and image of India

The industry is witnessing heightened competition with the arrival of new players, new products and new systems. The competition from neighbouring countries and negative perceptions about Indian tourism product constrains the growth of tourism. The image of India as a country overrun by poverty, political instability, safety concerns and diseases also harms the industry.

5. Human Resource development

Some of the services required in the tourism and hotel industries are highly personalized, and no amount of automation can substitute for personal service providers. India is focusing more on white collar jobs than blue collar jobs. The shortage of blue collar employees will pose various threats to the industry.

Permutation in the Indian Hospitality Industry

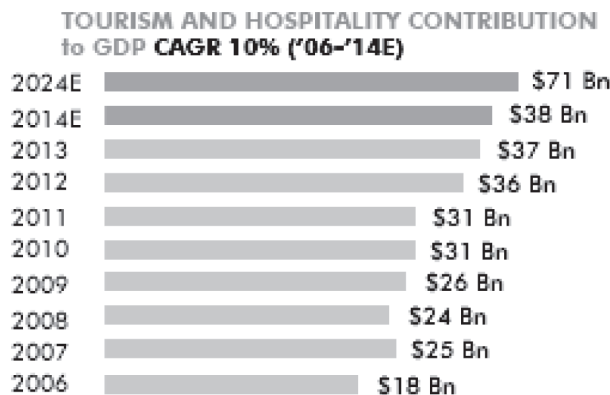
India has a great tradition of accommodating people of other origins and tolerating their different culture, lifestyle, habits, and religion. In Indian culture stories abound of hosts who lovingly cook up the best foods available to them for their guests beyond what they can afford, rather going themselves hungry than not being able to satisfy their guests. This element of Indian culture is based on the philosophy of "Atithi Devo Bhava", meaning "the guest is God" in Sanskrit language. From this stems the Indian generosity towards guests whether at home or elsewhere. The growth story of the Indian hospitality industry started in the 1980s, when several prestigious hotels were developed to cater to the Asiad Games in New Delhi. Until about ten years ago, however, the hospitality industry in India continued to be characterised by its extremely limited choice of options. There was a very limited availability and lesser quality of hotels in cities beyond the usual suspects: Delhi, Mumbai, Kolkata, Chennai, and Bangalore. Other aspiring hospitality markets have been gradually catching up, such as Ahmedabad, Jaipur, Goa, Hyderabad, and Pune. Since 2000, India has also experienced the rapid emergence of unconventional and innovative hospitality service providers, be it far-off eco-lodges in the jungles or NGOs offering accommodation in tribal villages. After many years of obscurity, the Indian hospitality industry is suddenly now in the limelight of the global hospitality industry. The trade press is full of features on the potential of the Indian hospitality sector and presents ever new stories of successful innovations in the industry.

India holds a special place in the international world of hospitality. Culturally the country might very well be the most diverse place in the world. It is a vivid kaleidoscope of landscapes, magnificent historical sites and royal cities, misty mountain retreats, colourful people, rich cultures, and festivities. Luxurious and destitute, hot and cold, chaotic and tranquil, ancient and modern- India's extremes rarely fail to leave a lasting impression. Hospitality is a long running tradition in India. Innovations in the Indian hospitality sector can be analysed on many different levels. This analysis makes the attempt to give a broad overview on innovations taking place in the industry according to various categories of hotels as well as relevant functions, concluding with a brief outlook on future directions these innovations might take. Within the travel and tourism sector, the Indian hospitality

industry is one of the fastest growing and most important segments, revenue-wise as well as employment-wise.

Innovation

Much hope for the Indian economy lies in harnessing innovations in the hospitality industry. Not only has the Indian hospitality industry an enormous growth potential, the industry itself reinforces the diffusion of innovations by attracting foreigners, facilitating the movement of people, and soon. The hospitality business requires entrepreneurs to continuously come up with new services, new ways to present existing services, new ways of enhancing the experiences of their increasingly demanding clientele, and new processes to economise operations. Without innovation, hospitality service providers face the threat of becoming 'obsolete' - ultimately driving them out of business or forcing them to hand the business over to more efficient and innovative entrepreneurs. Major players in the hospitality industry can be categorised into leading domestic hotel chains, international brands, emerging Indian brands, market entrants from outside of the industry, and the remainder of nondescript, largely standalone properties. The leading Indian hotel chains, such as The Taj Group of Hotels, Oberoi Hotels & Resorts, and ITC Welcomgroup, and the government-run ITDC dominated the Indian hotel market for decades, when only a handful of international brands had a token presence in India. Of the major international hotel chains Sheraton, Hilton, Hyatt, Radisson, Marriott, and Le Meridian are already firmly established in the Indian markets and steadily expanding. With more international players and their sophisticated services, competition in the market is growing increasingly fierce thus leading to a higher degree of professionalism in the industry, and with the spread of established hospitality brands, guests are increasing their demands and expectations on the whole industry, thus creating an environment conducive to innovation.



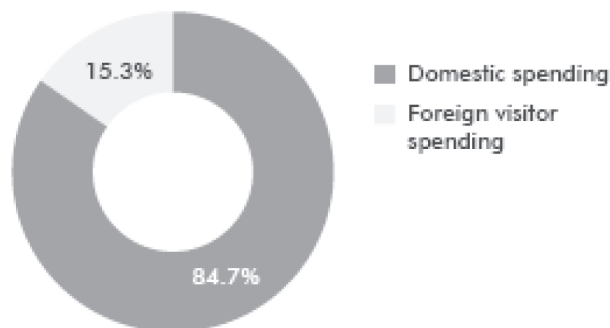
Source Primary Data

In recent years also local hospitality brands have been mushrooming in India. Starting with a single lounge or hotel, some ventures expand to become India-wide or even international hospitality brands. Increasingly, hospitality services are also offered in India's rural areas. Private persons convert their country homes, villagers offer home stays, and agriculturalists as well as pastoralists open their farms to visitors. Notably, it is not only foreign tourists who demand these services. More and more Indian families as well as corporate clients are tempted to the countryside with the advent of quality amenities and improved facilities.

Many new and innovative leisure destinations are developed in the remote corners of India. Beaches, mountains, agricultural estates, wildlife sanctuaries, religious pilgrimage places, among others, have played a key role in putting rural India on the hospitality map. This trend has the potential to change the face of rural India enduringly.

Other accommodation options emerge in special locations. One popular trend is the houseboat hotel, which is also referred to as a boatel. The houseboats of Kashmir and Kerala offer luxurious accommodation to travellers for affordable prices. Their unique location in nature combined with the rustic architecture of the boats is especially appealing to tourists from abroad as well as within. Innovative concepts of diversification hold the key to survival in the hospitality industry in the long run. Fierce competition has led to innovative ideas by hotel majors, thereby delivering impressive hospitality products and services. Exotic spas, gorgeous golf courses, multi-cuisine fine dining, spacious conference and convention facilities are all among the growing list of facilities found in leading hotels.

Hotels are adapting to innovative operating models by bringing in external brands of restaurants, spas, and lounges on lease or management contracts to capitalise on proven concepts that generate substantial revenue by attracting hotel guests and local residents. Cafes and bars which have high profit margins are increasing their presence in hotels and are quickly developing into core profit centres.



Source Primary Data

Conclusion

The management of hotels have to be aware of the various factors for sustainable competitive advantage as they have a strong positive and direct impact on the occupancy of hotels. Permutations in these areas are essential to garner a competitive advantage. However it has been observed that the understanding of the importance of innovations, especially, and also the other factors of sustainable competitive advantage is limited. Very few hotel managers are consciously aware as to the important role innovation could play in maintaining a sustainable competitive advantage in the industry. In many parts of the world, hospitality has become a mature industry. That is to say, it has passed the stage of rapid growth and innovation. There are not many new inventions that affect the way we eat and sleep away from home. The hotel industry components do not have separate cells or departments for conscious innovations as would be the case in other sectors, In the absence of this it is important that the management of hotels at all levels be made aware as to the importance of these factors of sustainable competitive advantage, so that they can take conscious steps of making improvements in this direction.

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