Gender and Dyadic Perceptions of Communication Style: Does Reciprocation Mean More?

S.V.Satyanarayana*

Vinay Kumar Chaganti**

Abstract

Literature concerning gender and communication style is sparse and mixed in its results. On another side, communication style and interpersonal attraction have a relationship that is theoretically well-established. With an assumption that interpersonal attraction could be seen as a function of reciprocation in dyads, this study tried to find if there are any significant differences in the communication style differences between one's self-report and his report of the other individual in the dyad; in dyads with and without reciprocation. Also, gender differences in self-reported communication styles, and perceived communication styles of most liked friends is presented. Results indicate that gender may not be as critical as may be assumed.

Keywords Gender differences, Communication style, Reciprocation, Dyadic perceptions, Interpersonal attraction, Individual differences

Introduction

Norton (1981) suggested that any effort in establishing a support for theory of interpersonal communication must deal with fundamental differences between sexes. Few but specific studies found significant gender differences in variables such as self-disclosure (Cozby, 1973), interpersonal interaction (Argyle, Lalljee & Cook, 1968) and nonverbal communication (Mehrabian, 1971); all of which are encompassed by Norton's conceptualization of a generic communication style construct which came later. Eakins & Eakins (1978) once pointed out, "In our society, a person's gender matters very much, for to a great extent it determines how others act and react". It is still a widely held notion that gender differences do exist. That communication styles genetically inherited (Horvath, 1995) also tends to support the hypotheses that differences are not by chance. But do those differences really exist, in a much transformed society as we are?

That we are moulded by sociological systems as much as by the genetic system is unabated. In such a context, developing theory needs to account for the changes in the social system. For example, some studies have found that in Indian society, male children are more valued than female children. It is also found that they are socialized in different ways. When such gender role stereotyping exists, there ought to be gender differences manifesting in behaviours, communicative of all sorts. Socialization process, for example, emphasizes modesty and adaptation for females, while it teaches male children to be more aggressive, assertive, superior and independent (Baig, 1976; Nanda, 1976). Rao & Rao (1996) observed 'Although tremendous changes are taking place in India, they have left the institution of family untouched. People are still traditional and have not accepted egalitarian relations in family'. Recent findings too seemed to support conclusions that the social system in India has not changed significantly. Thus on one hand, it

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*   Professor of Commerce, Osmania University, Hyderabad.

**   Research Scholar, GITAM University, Hyderabad.

seems reasonable to expect gender differences in communication to be retained as they were presented in literature. On the other hand, the extent of social change that can create a significant change in individual behaviour is not well theorized. It is thus reasonable to speculate on a time basis; that after so much time, research needs further test and validation, which is what part of this study aims to be.

Review of Literature

Style essentially refers to a way of doing things. Norton (1977) defined communicator style as the way one verbally and paraverbally interacts to signal how literal meaning should be taken, interpreted, filtered, or understood. The idea of communication style has existed for long, however, Norton is generally credited as the first to have initiated work towards a generic communication style construct. Literature in this discipline is limited, but has grown in many directions. In the pursuit of theory building, finding the relationship between the construct and other established variables, validating the results with theoretically established relationships is a continuous exercise. Surprisingly, Norton's efforts and the later research efforts are more in the direction of linking communication style and personality, more than focusing on the fundamentals of verifying the evolutionary relevance of the concept. Gender is one among those variables which needs more attention with any construct studied in behavioural perspective.

Considerable literature has found differences in communication style between males and females. Females were found to be more responsive, passive, tending to play a socio-emotional role in information exchange; while males appeared to be independent, dominant and task-oriented in their communication (Strodtbeck & Mann, 1956; Tyler, 1956; Strodtbeck, James, & Hawkins, 1957; Bennett & Cohen, 1959; Heiss, 1962; Parker, 1969). Research of the yester generations indicates that gender differences in communication styles were more conventional. Males' communicative styles obviously tend to reflect the traditional masculine orientation: males tend to be more dominant in conversation (Zimmerman & West, 1975), to argue more in conversation, to be more relaxed while communicating (Mehrabian, 1972), and to be more dramatic (Coser, 1960). Females' communication styles also tend to reflect the traditional femine orientation: females tend to be more friendly and attentive using increased smiles, positive head nods, and positive reactions during communication (Rosenfeld, 1966), and are more open and animated in the display of feelings and emotions (Pederson & Bergilo, 1968). In one of his studies, Norton (1981) himself found that communication styles of males is predicted by need for preciseness, while for females it was animated style of communication. This school of thought has come to face harsh criticism that it is based in a generation that indeed expected to see a gender difference in every instance (Pearson, West & Turner, 1995).

In the last decade and half, the amount of research in communication style has dropped drastically. Dianne, Barbara, and Basma (2005) wrote in their book 'Communication Highwire' that "…the way the different academic disciplines and practitioners define communication style reminded us of the blind men defining the elephant: it all depended on the frame of reference!" And so, there is not much effort that can be found anywhere to build around communication style. This effort looks into issues of gender and dyads for insights that can be connected with the past findings and ideas that can push it further.

Objectives

This study has one primary objective that was not given attention to in prior works in this discipline-that is to identify if dyads with reciprocation and dyads without reciprocation perceive differences in communication styles differently or not. The null hypothesis (H1) here is that there is no significant difference in how individuals in dyads with and without reciprocation perceive one another's differences in communication style. The fact that communication is an inseparable part of human behaviour makes this hypothesis worth the pursuit. Any significant difference that can let us reject the null hypothesis is theoretically, at least partly, attributable to the reciprocity of the dyad.

As an additional measure, more on the note of testing the notion that gender differences in communication style might exist, another hypothesis (H2) is formulated; that there is no significant difference in males and females self-reported communication style. Another hypothesis (H3) verifies if self-reported communication styles in male-male dyad/ male-female dyad/female-female dyad are significantly different. This tells us if individuals adopt different communication styles when interacting with different gender. Similar to H3, another hypothesis (H4) is proposed, that the perceived communication styles of 'most liked friends' also do not differ significantly in male-male dyad/ male-female dyad/female-female dyad.

The study used Norton's operationalizations of communication style construct. This includes ten styles of communication namely animated, attentive, contentious, dominant, dramatic, friendly, impression-leaving, open, precise, and relaxed. Another variable communicator image is dropped from the study.

Sample, Measures and Methodology

Participants were students of a business management institution. They were all volunteers to the study. They were assured of confidentiality of the reports. In all, 97 students took part in the study of which 42 were female and 55 were male.

Norton's Communicator Style Measure (1983) has been a standard-instrument used for a large part of theory building in this discipline, with suitable modifications as the study requires. This study also made use of a slightly modified version of the same. While the instrument is primarily used for collecting self-reports of communication style, the modified version has an extended option of giving a report of the perceived communication style of the 'most liked friend'. This improvisation was particularly useful in constructing dyads. Each completed questionnaire became a unit of analysis at different levels. The reliability of the instrument too was assessed after the modification. Chronbach's alpha of 0.847 indicated good reliability.

At a fundamental level, these self reports could be used to test if there are any gender differences in communication style (H2). Independent samples t-test was used for this. Since the gender of the other person in the dyad is also captured, the difference between communication styles as a function of other individual's gender could also be tested (H3). This was done using a one-way ANOVA since there are four possible dyadic combinations (male-male/female-female/ female-male/male-female). Female-male and Male-female combinations had to be treated differently. This accommodates to see if females adopt different communication style while interacting with males and vice versa. Since there is also a report on the perceived communication style of the 'most liked friend', testing if there was a difference in communication style observed by the respondent as a function of the gender of the other individual in the dyad (H4).

More critically, when there were two respondents in the sample who responded one an-other as the 'most liked friend', it became a dyad with reciprocation. Reciprocation is defined here as an act of returning the favour of being chosen as someone's most liked friend, without the knowledge of the being chosen. Since participants were all volunteers, these dyads were freely formed and were not due to any experimental conditions. Hence it is reasonable to assume that reciprocation is an indicator of strong interpersonal attraction (For more on this, see Norton & Pettegrew, 1977; Street, Jr., 1988). From the entire pool of participants there were 16 dyads with reciprocation. That accounts for 32 participants' responses. All other responses were treated as unique dyads without reciprocation. From this data, the difference between self-reported communication style, and most liked friend's perceived communication style was calculated. Also, variable 'reciprocation' was coded into the data as 'Yes' for cases with reciprocation, and 'No' for others. This is to test the first hypothesis (H1); to see if the individuals in dyads with reciprocation perceive themselves and others significantly differently compared to individuals in dyads without reciprocation. Independent samples t-test was used here.

Analysis and Results

Table 1 indicates the gender differences in self-reported communication style. As can be observed from the table there is no significant difference between male and female participants' communication style. Null hypothesis for H2 cannot be rejected.

Table 1: Gender Differences in Self-Reported Communication Styles

		N	Mean	Std. Deviation	t	p
Animated	Female	42	3.4167	1.01763	.888	.348
	Male	55	3.4386	0.92355		
Attentive	Female	42	3.5298	0.73294	.754	.387
	Male	55	3.4569	0.91833		
Contentious	Female	42	2.9167	0.93813	1.082	.301
	Male	55	3.0273	1.08512		
Dominant	Female	42	3.2024	0.91605	.413	.522
	Male	55	3.0807	0.91089		
Dramatic	Female	42	2.869	0.73093	2.687	.104
	Male	55	3.1774	1.03519		
Friendly	Female	42	3.7262	0.82973	.332	.566
	Male	55	3.7227	0.94731		
ImpLeaving	Female	42	3.5298	0.91432	.018	.893
	Male	55	3.8592	0.93164		
Precise	Female	42	3.4167	0.80142	.072	.789
	Male	55	3.3615	0.85623		
Open	Female	42	2.9583	0.80758	3.376	.069
	Male	55	3.041	1.15378		
Relaxed	Female	42	3.0417	0.76493	.684	.41
	Male	55	3.0251	1.05172		

Table 2 indicates the differences in self-reported communication style by the gender combination in dyads. As can be seen, there is no significant difference in communication styles adopted by individuals when interacting with others of different gender. Null hypothesis H3 cannot be rejected. It indicates that any differences one may find here could be by chance. This finding is against the conventional wisdom. This is no conclusion for theory, but a test that may have to be done in different settings to see how the results vary.

Table 2: Differences in self-reported communication style by Dyads

		Sum of Squares	df	Mean Square	F	Sig.
Animated	Between Groups	1.158	3	.386	.411	.746
	Within Groups	87.37	93	.939		
	Total	88.528	96			
Attentive	Between Groups	1.333	3	.444	.623	.602
	Within Groups	66.359	93	.714		
	Total	67.691	96			
Contentious	Between Groups	0.569	3	.19	.178	.911
	Within Groups	99.389	93	1.069		
	Total	99.959	96			
Dominant	Between Groups	1.576	3	.525	.626	.6
	Within Groups	77.986	93	.839		
	Total	79.562	96			
Dramatic	Between Groups	6.089	3	2.03	2.486	.065
	Within Groups	75.946	93	.817		
	Total	82.036	96			
Friendly	Between Groups	2.339	3	.78	.975	.408
	Within Groups	74.347	93	.799		
	Total	76.686	96			
ImpLeaving	Between Groups	5.255	3	1.752	2.076	.109
	Within Groups	78.474	93	.844		
	Total	83.729	96			
Precise	Between Groups	1.977	3	.659	.958	.416
	Within Groups	64.017	93	.688		
	Total	65.995	96			
Open	Between Groups	6.382	3	2.127	2.141	.1
	Within Groups	92.406	93	.994		
	Total	98.787	96			
Relaxed	Between Groups	4.349	3	1.45	1.699	.173
	Within Groups	79.377	93	.854		
	Total	83.726	96			

As can be seen from Table 3 here, there is no significant difference in how individuals perceived their most liked friend's communication style as a function of the gender combination in dyads. Therefore null hypothesis H4 also cannot be rejected. This means that individuals don't tend to see males and females differently in dyadic relationships.

Table 3: Differences in perceived communication style by Dyads

		Sum of Squares	df	Mean Square	F	Sig.
Animated	Between Groups	1.012	3	.337	.586	.626
	Within Groups	53.568	93	.576		
	Total	54.58	96			
Attentive	Between Groups	1.307	3	.436	.677	.568
	Within Groups	59.819	93	.643		
	Total	61.126	96			
Contentious	Between Groups	5.784	3	1.928	2.049	.112
	Within Groups	87.494	93	.941		
	Total	93.278	96			
Dominant	Between Groups	1.792	3	.597	.921	.434
	Within Groups	60.362	93	.649		
	Total	62.154	96			
Dramatic	Between Groups	2.17	3	.723	.803	.495
	Within Groups	83.797	93	.901		
	Total	85.967	96			
Friendly	Between Groups	5.401	3	1.8	2.486	.065
	Within Groups	67.352	93	.724		
	Total	72.754	96			
ImpLeaving	Between Groups	0.86	3	.287	.528	.664
	Within Groups	50.511	93	.543		
	Total	51.371	96			
Precise	Between Groups	1.46	3	.487	.778	.509
	Within Groups	58.162	93	.625		
	Total	59.622	96			
Open	Between Groups	2.528	3	.843	1.178	.323
	Within Groups	66.548	93	.716		
	Total	69.076	96			
Relaxed	Between Groups	2.53	3	.843	1.521	.214
	Within Groups	51.572	93	.555		
	Total	54.102	96			

Finally, Table 4 shows that there is no significant difference in how individuals in dyads with reciprocation and dyads without reciprocation perceive the differences in their communication style and their most liked friend's communication style. This hypothesis does not take gender into account. However, null hypothesis for H1 also cannot be rejected. This means that reciprocation was also not a matter of concern when it came to the choice of communication style used and observed in general routine.

Table 4: Difference in how differences in communication styles are perceived

	Reciprocation	N	Mean	Std. Deviation	t	p
Animated	No	66	-.0891	1.32102	.039	.844
	Yes	31	-.1855	1.23148		
Attentive	No	66	-.0624	1.14615	.271	.604
	Yes	31	-.1168	1.12963		
Contentious	No	66	.017	1.48555	.46	.499
	Yes	31	.0323	1.76038		
Dominant	No	66	.0464	1.33383	.057	.812
	Yes	31	-.0081	1.28369		
Dramatic	No	66	-.0708	1.36828	.003	.958
	Yes	31	-.1881	1.23183		
Friendly	No	66	-.0265	1.28537	.505	.479
	Yes	31	-.2219	1.40312		
ImpLeaving	No	66	-.0255	1.21594	.004	.948
	Yes	31	.0606	1.19066		
Open	No	66	-.0548	1.17624	.296	.588
	Yes	31	.2581	1.33773		
Precise	No	66	.0056	1.49073	1.594	.21
	Yes	31	-.1129	1.04849		
Relaxed	No	66	.0456	1.31657	1.216	.273
	Yes	31	-.0968	.91442		

Discussion

The results of this study are in stark contrast with conventional wisdom and previous research. However, this should not the first instance of such a result. Eagly & Johnson's (1990) meta-analysis of gender and leadership styles too revealed similar results. Their hypothesis that sex differences would be less pronounce was confirmed; and further, they opined that the widely accepted view among the social scientists that men and women are different needs revision. That there is a difference in previous findings and current findings should only indicate the time significance that goes unnoticed, but not be confrontational and challenging one another.

One of the limitations of this study was that it was survey-based. Such technique can only provide us with a crude measure of communication style. Techniques that are qualitative and more descriptive should be employed before a conclusion can be made about any empirical findings in this discipline. Theory building happens when qualitative and quantitative data go together. For example, de Vries et al (2009) used a lexical approach to the study of communication style. Another approach could be to make use of case diaries maintained by participants. What goes missing in this study is the contextual significance of communication style, which could be captured using qualitative methods.

This study made progress in one direction that was never pursued before in this field; that is to test if perceived differences in communication style changes as a function of reciprocity. This view helps reinforce the relational significance of communication and contributes to the growing feministic perspective. Further research may be directed towards understanding the communication style fit in dyads which could give us an insight to the missing link between communication style and communication competence.

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Trends in the Deposits of Credit Cooperatives in Punjab after Financial Sector Reforms

Manjit Singh*
Parneet Kaur**

Abstract

As a result of financial sector reforms, co-operative banks have to face stiff competition in the market, thanks to the banking technology explosion, new prudential banking norms, customer central banking operations and deregulated and market-oriented banking systems. In response to these changes, co-operative banks had to redefine their business model and strategy. These banks are not only supposed to diversify the loan portfolio, but they have to channelise the savings and deposits to the economic system. The present study is an endeavor to examine the trends in the deposits of the district co-operative banks in Punjab in the post diversification period. .

Keywords Banking technology, Customer central banking operations, Market-oriented banking systems.

Introduction

A sound and effective banking system is an essential need of a healthy economy. This system should not only be hassle free but it should be able to meet the new challenges posed by technology, and other external and internal factors. The banking system in India is significantly different from that of other Asian nations because of the country's unique geographic, social, and economic characteristics. The banking system has to serve the goals of economic policies enunciated in successive five year development plans, particularly concerning equitable income distribution, balanced regional economic growth and the reduction and elimination of private sector monopolies in trade and industry. For the past three decades, India's banking system has a number of outstanding achievements to its credit. The most striking is its extensive reach. It is no longer confined to metropolitans or cosmopolitans, but has reached even to the remote corners of the country. This is one of the main reasons of India's growth process. The Indian banking has come a long way from being a sleepy business institution to a highly proactive and dynamic entity. This transformation has been largely brought about by the large dose of liberalization and economic reforms that allowed banks to explore new business opportunities rather than generating revenues from conventional streams.

One of the most important institutions in rural finance is co-operative credit system. Co-operative banks were basically established to provide institutional credit to farmers at lower rates and on easy terms in comparison to private money-lenders who used to charge exorbitant rate of interest and impose humiliating terms of repayment. Co-operative agricultural development banks were providing medium and long-term credit to farmers for captive formation in forms of tractors, farm implements; land reclamation, tube well pumping, submersible pumping etc. District central co-operative banks were providing short-term credit facilities to farmers for purchase of agricultural inputs.

*   Reader, Department of Commerce, Punjabi University, Patiala.
**   Lecturer in Management, School of Management Studies, Punjabi University, Patiala

As a result of financial sector reforms, co-operative banks have to face stiff competition in the market, banking technology explosion, new prudential banking norms, customer central banking operations and deregulation. Market-oriented banking systems are the other challenges faced by these banks. In response to these changes, co-operative banks had to redefine their working culture and strategy. Being committed to economic upliftment of rural masses they have to provide timely and adequate credit at cheaper rate to farming community and at the same time, had to channelise the savings into economic stream.

Review of Literature

The cooperatives have been of great interest to researchers and policy- makers since their inception due to their unique features and great importance Cooperatives have remained a preferred area of research. Satyasai and Badatya (2000) reported that for restructuring cooperative credit system, there is a need to overcome certain issues such as inability to offer all types of financial service that commercial banks offer and other internal and external weaknesses such as, rising transaction cost, declining business level, mismanagement of overdue, excessive bureaucratization, politicization etc. Shah (2002) attempted to find out how far the societies affiliated to district level institutions are successful and how best they are managed under the relaxed market conditions and concluded that the selected societies showed inefficient functioning during the post-economic reform period as compared to pre-economic reform period. Acharya et.al. (2002) analyzed the tradeoffs between (loan portfolio) focus and diversification using a unique data set that is able to identify individual bank loan exposures to different industries, to different sectors, and to different geographical regions. The study reported that results are consistent with a theory that predicts deterioration in bank monitoring quality at high levels of risk and deterioration in bank monitoring quality upon lending expansion into newer or competitive industries. A robust result that emerges from the empirical findings is that diversification of bank assets is not guaranteed to produce superior performance and/or greater safety for banks. Datta et. al. (2005) attempted to identify the pertinent problems faced by agricultural business cooperatives in today's world. The study outlined some of the thrust areas that would constitute a comprehensive reform package in the domain of cooperative policy making, and it was concluded that making cooperatives more resilient to the dynamics of globalization should be the top priority of any policy agenda. For carefully articulating a local response to globalization, the modern day cooperatives need to pay special attention to the strengthening co-operative identity through education programs targeted specially at members, leaders and staff of the cooperatives, strengthening member services by introducing new and innovative services together with efficient delivery mechanism, so that cooperatives can strive to retain active member participation and withstand the competitive forces, establishing business alliances through vertical and horizontal integration at regional, national and international levels, for example, with multinational cooperatives with suitable contracting arrangements. Molyneux and Williams (2005) examined the cost and profit productivity of European co-operative banks between 1996 and 2003 using the parametric productivity decomposition and highlighted that over the period of time, co-operative banks benefited from substantial gains in both profit and cost productivity. Annual profit improvements range between 4 percent and 8 percent for the majority of co-operative banks, with even larger cost productivity gains. These productivity improvements have predominantly been generated by the enhanced performance of best practice banks relative to other banks, which implies that the best practice co-operative banks have moved further away from other banks in terms of

increasing profits and reducing costs. Clegg (2006) attempted to find out the impact of China's reform dynamics on its cooperative economy. Field study approach was used to examine the roles of farmers' specialized cooperatives within the agro-industrial chain with experiments in Shandong province. The study explains that reforms in the cooperative economy have been gradual, uneven and jerky, favoring the more entrepreneurial or better-placed farmers to pursue new market opportunities. Creating a sustainable mechanism that would protect and even enhance the interests of the poorer farmers is proving to be far more difficult.

The perusal of the preceding literature highlights pertinent issues related to rural credit diversification that various researchers and experts have studied, but no worthwhile study related to the impact of diversification on the deposit trends of district co-operative banks of Punjab has taken place and the present study is an attempt to fill that research gap.

Need, Objectives and Research Methodology

Financial sector reforms, globalization of financial services and technology revolution have strengthened the commercial banking system to a great extent and have improved their internal working system. All these changes have resulted in improved productivity and profitability of the commercial banking system which enabled them to offer low cost services to customers. Business diversification process in co-operative banks started long time back in the year 1992 but its impact on working of co-operative banks has not been studied yet. No major study has been conducted to assess the impact on the business performance of this co-operative banking structure under the aegis of new economic policy regime. As a result of diversification process, these banks are not only supposed to diversify the loan portfolio, but they have to channelise the savings and deposits to the economic system. The present study is an endeavor to examine the trends in the deposits of the district co-operative banks in Punjab in the post diversification period and to establish future trends on the basis of that.

To achieve the desired objectives, mainly secondary data have been used which has been collected from the Annual reports of the various district co-operative banks of Punjab. Punjab state was the locale of the study. There are 20 district central co-operative banks in the state. The sample of the study consists of six banks and the data pertains to a period of eight years, i.e., from 2000 to 2007. The average profitability compared to their business ratio was calculated, and then based on the profitability to business ratio; these banks are arranged in an ascending order. Of these, three banks each showing the highest and the lowest profitability to business ratio is selected. These banks are:

Low Profit Banks
- District Central Co-operative Bank, Bathinda
- District Central Co-operative Bank, Amritsar
- District Central Co-operative Bank, Ferozepur.

High Profit Banks
- District Central Co-operative Bank, Nawanshahr
- District Central Co-operative Bank, Ludhiana
- District Central Co-operative Bank, Ropar.

Data Analysis

For analysis of secondary data, the collected data has been classified bank-wise. Trends in

business diversification have been measured corresponding to deposits only. Deposits of co-operatives are classified on the following basis:

I. On the Basis of Time
    (a)   Demand deposit
    (b)   Term deposit.

II On the Basis of Ownership
    (a)   Individual deposit
    (b)   Deposit of co-operative societies
    (c)   Institutional deposit.

Statistical Framework for Analysis

Simple as well as advanced statistical techniques were employed to analyze the data in order to achieve logical results. Two types of trend analysis were done as under.

(a)   **Compound Growth Rate :** To see the existing trends in various parameters of bank business, i.e. deposits in different forms and loans advanced to different sectors, compound growth rates were calculated by using the algebraic equation in its exponential form

(b)   **Trend Equation:** To make future projections of different parameters of business, linear trend equations were developed by using the following formula:

$$Y = a + bt$$

Where, Y = Parameter whose C.G.R. is to be calculated

        a = a constant term
        t = time variable (No. of years under study)
        b = Regression coefficient of time variable.

Future projections were made for the years 2015 and 2020 by substituting the values of a, b and t in the above equation.

Limitations of the Study

The present study has some limitations considering the objectives of the study and the coverage in terms of the formidable time span. Some of the unavoidable limitations of the present study are:

1.   Financial information collected for the study which is secondary data based carries all the limitations inherent with the secondary data.

2.   As the study is restricted to only six districts of Punjab, its findings may not be generalized for other districts of the state.

3.   Further, as the study is restricted to Punjab state only, it cannot be taken as such for other states.

Results and Discussion

Since 1992, these banks have diversified business operations in financing non-farm sector activities. Therefore, it is relevant here to study the trends in business diversification of district central co-operative banks in Punjab. Business diversification has two aspects, i.e., to raise funds and to advance these funds for yielding profits in terms of interest. For finding out trend in business diversification, trends in deposits have been examined and future projections have been made on the basis of these trends.

Low Profit Bank: District Central Co-operative Bank (DCCB), Bathinda

On the basis of its average profit to business ratio DCCB, Bathinda is found to be one of the low profit banks. Trends in absolute deposits of different types of deposits have been measured. For measuring trends in deposits, these are classified into two categories on the basis of time, i.e., Demand deposits and Term Deposits, then on the basis of ownership, i.e., individual deposits, co-operative society deposits and institutional deposits. Table 1 shows absolute trend in deposits and future projections for the years 2015 and 2020.

Table-1: Trends in Absolute Deposits of District Central Co-operative Bank, Bathinda

(Rs. in lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Co-op. Soc. Deposits	Institutional Deposits	Total Deposits
2000	3895.24	6202.7	10097.94	8367.82	723.93	1006.19	10097.94
2001	4738.24	7398.49	12136.73	9921.08	797.65	1418	12136.73
2002	5355.96	8405.18	13761.14	11751.67	808.26	1201.21	13761.14
2003	6656.39	9041.49	15697.88	13416.46	891.65	1389.77	15697.88
2004	8806.88	9260.63	18067.51	14493.44	1164.22	2409.85	18067.51
2005	11251.75	9663.26	20915.01	16053.45	1662.2	3199.36	20915.01
2006	12984.76	10029.99	23014.75	17551.43	1558.6	3904.72	23014.75
2007	14257.33	10685.4	24942.73	19815.61	1309.98	3817.14	24942.73
Mean	8493.32	8835.89	17329.21	13921.37	1114.56	2293.28	17329.21
CV	46.58	16.53	30.72	27.77	32.78	52.6	30.72
C.G.R.	21.89	7.11	13.89	12.51	12.55	23.73	13.89
t-value	19.50***	7.02***	24.94***	17.18***	4.61***	6.84***	24.94***
Trend Equation							
R-square	0.9698	0.9384	0.9956	0.9956	0.7351	0.8946	0.9956
a	1335.9	6236.08	7571.99	6835.55	539.12	197.31	7571.99
b	1590.54	577.74	2168.27	1574.63	127.87	465.77	2168.27
t-value	13.87***	9.56***	36.68***	36.76***	4.08***	7.14***	36.68***
Future Projections							
2015	26784.54	15479.92	42264.31	32029.63	2585.04	7649.63	42264.31
2020	34737.24	18368.62	53105.66	39902.78	3224.39	9978.48	53105.66
Percentage change over 2007							
2015	87.87	44.87	69.45	61.64	97.33	100.4	69.45
2020	143.64	71.9	112.91	101.37	146.14	161.41	112.91

*** Significant at 1%
Source: Compiled from various Annual Reports of DCCB, Bathinda.

Analysis of Table 1 shows that total deposits in DCCB, Bathinda were to the tune of Rs.10097.94 lakhs in the year 2000, which increased to Rs. 24942.73 lakhs in 2007 at a significant growth rate of 13.89 per cent compounded annually. It is pertinent to note that all types of deposits increased significantly during the same period. The demand deposits increased at a rate of 21.89 per cent while term deposits at 7.11 per cent.

However, in the second category of deposits, individual deposits, co-operative society deposits and institutional deposits increased at a rate of 12.51, 12.55 and 23.73 per cent respectively compounded on annual basis. Therefore, it can be predicted that all types of deposits would increase in future. However, the increase would be the highest in institutional deposits, followed by deposits with co-operative societies and individual deposits. Total deposits in District Central Co-operative Bank, Bathinda would increase by 69.45 per cent in 2015 and 112.91 per cent in 2020 over 2007.Thus the bank is performing well as far as deposits are concerned.

Low Profit Bank: District Central Co-Operative Bank, Amritsar

Trends in deposits of the bank have been measured and as such the trends in absolute deposits in terms of demand and term deposits; and individual, co-operative and institutional deposits have been measured in Table 2. Future projections for the years 2015 and 2020 in all kinds of deposits have also been made.

Table-2: Trends in Absolute Deposits of District Central Co-operative Bank, Amritsar

(Rs. in lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Coop. Soc. Deposits	Institutional Deposits	Total Deposits
2000	7836.72	8850.91	16687.63	15777.27	362.97	547.39	16687.63
2001	9153.78	9939.16	19092.94	17937.1	377.08	778.76	19092.94
2002	10715.85	10721.03	21436.88	19737.31	414.81	1248.76	21400.88
2003	12332.11	10531.57	22863.68	21139.12	414.79	1309.77	22863.68
2004	14575.17	10042.29	24617.46	23256.4	585.1	775.96	24617.46
2005	15244.39	9618.56	24862.95	23543.22	507.27	812.46	24862.95
2006	17922.24	9276.82	27199.06	25417.74	662.14	1119.18	27199.06
2007	20138.7	9630.43	29769.13	27941.98	746.37	1080.78	29769.13
Mean	13489.87	9826.35	23316.22	21843.77	508.82	959.13	23311.72
CV	31.69	6.31	18.22	18.3	28	27.99	18.23
C.G.R.	14.25	-0.15	7.84	7.88	11.06	5.83	7.85
t-value	24.74***	0.14ns	12.38***	15.06***	6.90***	1.25ns	12.50***
Trend Equation							
R-square	0.9891	0.006	0.979	0.9857	0.87	0.1524	0.9794
a	5679.97	9914.83	15594.98	14551.51	264.7	766.64	15584.14
b	1735.53	-19.66	1715.87	1620.13	54.25	42.78	1717.16
t-value	23.31***	0.19ns	16.71***	20.33***	6.34***	1.04ns	16.88***
Future Projections							
2015	33448.45	9600.27	43048.9	40473.59	1132.7	1451.12	43058.7
2020	42126.1	9501.97	51628.25	48574.24	1403.95	1665.02	51644.5
Percentage change over 2007							
2015	66.09	-0.31	44.61	44.85	51.76	34.27	44.64
2020	109.18	-1.33	73.43	73.84	88.1	54.06	73.48

*** Significant at 1%

Source: Compiled from various Annual Reports of DCCB, Amritsar

The data presented in Table 2 shows that total deposits in District Central Co-operative

Bank, Amritsar increased from Rs. 16687.63 lakhs in the year 2000 to Rs. 29769.13 lakhs in 2007 at a significant growth rate of 7.85 per cent compounded annually. The compound growth rates in demand deposits, deposits with co-operative societies and individual deposits were significant with the percentages of 14.25, 11.06 and 7.88 per cent per annum respectively.

Keeping in view the existing trends, the total deposits of DCCB, Amritsar would be higher by 44.64 percent and 73.48 per cent in 2015 and 2020 over respectively 2007. Similarly, the demand deposits would be higher by 66.09 percent and 109.18 per cent in 2015 and 2020 respectively over 2007. The institutional deposits and deposits with co-operative societies would also increase significantly in future in DCCB, Amritsar.

Low Profit Bank: District Central Co-Operative Bank, Ferozepur

Average profitability to business ratio indicates that District Central Co-operative Bank. Ferozepur is also one of the low profit making banks. Here, an attempt has been made to study the trends in deposits in absolute terms. Trends in absolute deposits in terms of demand and term deposits and individual, co-operative and institutional deposits have been measured in Table 3. Future projections for the years 2015 and 2020 with regard to different types of deposits have also been made.

Table-3: Trends in Absolute Deposits of District Central Co-operative Bank, Ferozepur

(Rs. in Lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Co-op. Soc. Deposits	Institutional Deposits	Total Deposits
2000	2330.01	2062.29	4392.3	3473.44	265.56	653.3	4392.3
2001	1968.12	1553.35	3521.47	2716.69	276.72	528.06	3521.47
2002	2453.78	1923.99	4377.77	3525.66	361.13	490.98	4377.77
2003	2901.54	2101.42	5002.96	4094.67	268.3	639.99	5002.96
2004	2873.35	1970.85	4844.2	3967.92	377.92	498.36	4844.2
2005	3062.51	1895.38	4957.89	4107.49	382.13	468.27	4957.89
2006	4055.59	1968.26	6023.85	4692.67	484.27	856.91	6033.85
2007	4528.12	2567.59	7095.71	5627.79	549.28	918.64	7095.71
Mean	3021.63	2005.39	5027.02	4025.79	370.66	631.81	5028.27
CV	28.76	14.03	21.8	21.6	28.01	27.32	21.82
C.G.R.	11.2	3.15	7.89	8.09	10.51	5.4	7.91
t-value	6.22***	1.59ns	4.35***	4.40***	4.76***	1.37ns	4.35***
Trend Equation							
R-square	0.8589	0.3127	0.7722	0.7942	0.8062	0.3092	0.7727
a	1541.87	1716.36	3258.23	2601.91	199.43	455.46	3256.8
b	328.83	64.23	393.06	316.42	38.05	39.19	393.66
t-value	6.05***	1.65ns	4.51***	4.81***	5.00***	1.64ns	4.52***
Future Projections							
2015	6803.15	2744.04	9547.19	7664.63	808.23	1082.5	9555.36
2020	8447.3	3065.19	11512.49	9246.73	998.48	1278.45	11523.66
Percentage change over 2007							
2015	50.24	6.87	34.55	36.19	47.14	17.84	34.66
2020	86.55	19.38	62.25	64.3	81.78	39.17	62.4

*** Significant at 1%

Source: Compiled from various Annual reports of DCCB, Ferozepur

The data showing the trends in different types of deposits in District Central Co-operative Bank, Ferozepur is exhibited in Table 3. It is evident from the table that total deposits of the bank increased significantly from Rs. 4392.30 lakhs in 2000 to Rs. 7095.71 lakhs in 2007 at the rate of 7.91 per cent compounded annually. The demand deposits, individual deposits and deposits with co-operative societies also grew significantly at the compound growth rate of 11.20, 8.09 and 10.51 per cent per annum respectively. However, term deposits and institutional deposits remained stagnant throughout the period of study.

On the basis of existing trend equations, it can be predicted that total deposits of this bank would increase by 34.66 per cent in 2015 and 62.40 per cent in 2020 over those in 2007. Similarly, demand deposits would be 50.24 and 86.55 per cent higher in the years 2015 and 2020 respectively over 2007.

Individual deposits and deposits with co-operative societies would also increase in future but term deposits and institutional deposits would remain stagnant in future in District Central Co-operative Bank, Ferozepur.

High Profit Bank: District Central Co-operative Bank, Nawanshahr

The average profit to business ratio of the bank indicates that DCCB, Nawanshahr is one of the high profit earning co-operative banks In order to find out the trends in business diversification, an attempt has been made to measure the trends in absolute deposits in terms of demand and term deposits and individual, co-operative and institutional deposits in Table 4. Future projections for the years 2015 and 2020 have been made for different types of deposits.

The table reveals that total deposits of the bank increased significantly from Rs.26895.60 lakhs in 2000 to Rs. 50206.34 lakhs at a growth rate of 8.67 per cent compounded annually. Both types of deposits, i.e., demand and term deposits increased significantly at 12.69 and 5.06 per cent per annum respectively. In future demand deposits would be 59.46 and 99.43 per cent higher in 2015 and 2020 respectively over 2007, whereas term deposits would be 30.52 and 50.66 per cent higher in 2015 and 2020 respectively over 2007.

Individual deposits, which excel all other deposits, increased from Rs. 19664.47 lakhs in 2000 to Rs. 35870.28 lakhs in 2007 with a significant compound growth rate of 8.28 per cent per annum. Similarly, deposits with co-operative societies increased significantly at the growth rate of 9.92 per cent compounded annually. Institutional deposits showed no change throughout the period of study.

The existing trends point out that all types of deposits such as individual deposits, deposits with co-operative societies and institutional deposits would increase in future. The total deposits would show an increase of 46.05 per cent in 2015 and further 76.84 per cent in 2020 over 2007. On the basis of above analysis, it can be said that fund management is satisfactory in DCCB, Nawanshahr.

Table-4: Trends in Absolute Deposits of District Central Co-operative Bank, Nawanshahr

(Rs. in lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Coop. Soc. Deposits	Institutional Deposits	Total Deposits
2000	11653.07	15242.53	26895.6	19664.47	6580.44	650.69	26895.6
2001	13143.24	17120.88	30264.12	21835.39	7796.08	632.65	30264.12
2002	14381.67	18815.01	33196.68	23824.24	8911.9	460.54	33196.68
2003	16490.89	20422.79	36913.68	26067.97	10397.16	448.55	36913.68
2004	18309.43	20800.49	39109.92	27456.95	11037.71	615.26	39109.92
2005	21131.55	20319.55	41451.1	29500.81	11254.01	696.38	41451.2
2006	23512.14	20664.37	44176.51	31182.02	12053.48	941.01	44176.51
2007	26952.97	23253.37	50206.34	35870.28	13451.67	884.39	50206.34
Mean	18196.87	19579.87	37776.74	26925.27	10185.31	666.18	37776.76
CV	29.33	12.64	20.19	19.55	22.39	26.47	20.19
C.G.R.	12.69	5.06	8.67	8.28	9.92	7.01	8.67
t-value	55.02***	5.57***	19.95***	21.48***	9.53***	1.89ns	19.95***
Trend Equation							
R-square	0.9782	0.8598	0.9856	0.9785	0.9709	0.449	0.9856
a	8499.8	15362.45	23863.07	17358.29	6057.49	449.12	23862.76
b	2154.9	936.72	3091.63	2126.1	917.29	48.24	3091.63
t-value	16.42***	6.07***	20.29***	16.52***	14.16***	2.21*	20.30***
Future Projections							
2015	42978.2	30349.97	73329.15	51375.89	20734.13	1220.96	73328.84
2020	53752.7	35033.57	88787.3	62006.39	25320.58	1462.16	88786.99
Percentage Change over 2007							
2015	59.46	30.52	46.06	43.23	54.14	38.06	46.05
2020	99.43	50.66	76.84	72.86	88.23	65.33	76.84

*** Significant at 1%, * Significant at 10%

Source: Compiled from various Annual reports of DCCB, Nawanshahr

High Profit Bank: District Central Co-Operative Bank, Ludhiana

DCCB Ludhiana appears as another high profit earning bank in the state of Punjab. Here, an attempt has been made to study the trends in absolute deposits in terms of demand and term deposits; and individual, co-operative and institutional deposits have been measured in Table 5. Future projections for the years 2015 and 2020 with regard to different types of deposits have also been made.

Table-5: Trends in Absolute Deposits of District Central Co-Operative Bank Ludhiana

(Rs. in lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Co-op. Soc. Deposits	Institutional Deposits	Total Deposits
2000	8921.08	9937.14	18858.22	13553.63	4913.49	391.1	18858.22
2001	10676.36	10952	21628.36	15981.48	5186.81	460.07	21628.36
2002	12081.72	12204.03	24285.75	17760.95	6131.4	393.4	24285.75
2003	13892.43	12901.76	26794.19	18918.17	7342.35	533.67	26794.19
2004	16064.49	12450.76	28515.25	20621.79	7416.48	476.98	28515.25
2005	18731.36	12620.21	31351.57	22046.65	8926.46	378.46	31351.57
2006	23899.47	13849.71	37749.18	25564.87	11685.79	498.52	37749.18
2007	24642.94	14715.87	39358.81	28163.58	10816.96	378.27	39358.81
Mean	16113.73	12453.94	28567.67	20326.39	7802.47	438.81	28567.67
CV	36.54	12.12	25.53	23.9	32.05	13.92	25.53
C.G.R.	16.19	4.86	11	10.26	13.61	-0.07	11
t-value	23.08***	6.34***	20.89***	19.84***	10.53***	0.03ns	20.89***
Trend Equation							
R-square	0.9643	0.8867	0.9753	0.9778	0.9206	0	0.9753
a	5491.08	9843.01	15335.65	11498.11	3394.69	438.66	15335.65
b	2360.59	580.2	2940.79	1961.28	979.51	0.01	2940.79
t-value	12.73***	6.85***	15.41***	16.26***	8.34***	.001ns	15.41***
Future Projections							
2015	43260.52	19126.21	62388.29	42878.59	19066.85	438.82	62388.29
2020	55063.47	22027.21	77092.24	52684.99	23964.4	438.87	77092.24
Percentage change over 2007							
2015	75.55	29.97	58.51	52.25	76.27	16.01	58.51
2020	123.45	49.68	95.87	87.07	121.54	16.02	95.87

*** Significant at 1%

Source: Compiled from various Annual Reports of DCCB, Ludhiana.

The data given in Table 5 reveals that total deposits of the bank, increased significantly from Rs. 18858.22 lakhs in 2000 to Rs. 39358.81 lakhs in 2007 at the growth rate of 11 per cent compounded annually. All types of deposits, except institutional deposits witnessed a significant increase during the period under study. The demand deposits and term deposits increased significantly during the period at the annual compounded growth rate of 16.19 and 4.86 per cent respectively.

In the second category of deposits, individual deposits and co-operative deposits increased at the annual compounded growth rate of 10.26 and 13.61 per cent respectively, while institutional deposits remained almost the same throughout the period of study.

On the basis of existing trends, it can be predicted that total deposits in the bank would be higher by 58.51 per cent in 2015 and 95.87 per cent in 2020 over the year 2007. It is pertinent to

note that all types of deposits would increase in future. Demand deposits of the bank would dominate all other deposits, while co-operatives deposits would gain more momentum in future.

High Profit Bank: District Central Co-Operative Bank, Ropar

Trends in absolute deposits of high profit bank Ropar in two categories of demand and term deposits and individual, co-operative and institutional deposits have been measured in Table 6. Future projection for the year 2015 and 2020 in different form of deposits has also been made.

Table-6: Trends in Absolute Deposits of District Central Co-Operative Bank, Ropar

(Rs. in Lakhs)

Year	Demand Deposits	Term Deposits	Total Deposits	Individual Deposits	Coop. Soc. Deposits	Institutional Deposits	Total Deposits
2000	6431.35	8478.05	14909.4	12663.58	1867.47	378.35	14909.4
2001	7063.39	9436.25	16499.64	13883.99	1797.64	818.01	16499.64
2002	7803.37	11792.68	19596.05	16905.89	1982.81	707.35	19596.05
2003	9042.8	11518.6	20561.4	17623.68	2366.81	570.91	20561.4
2004	10306.16	11683.99	21990.15	18202.16	2794.89	993.1	21990.15
2005	12229.64	11806.51	24036.15	19851.17	3199.07	985.91	24036.15
2006	18657.37	12090.84	30748.21	23533.39	3917	3297.82	30748.21
2007	10386.88	7773.43	18160.31	12861.78	2583.14	2715.39	18160.31
Mean	10240.12	10572.54	20812.66	16940.71	2563.6	1308.36	20812.66
CV	38.15	16.37	23.85	22.12	28.5	82.48	23.85
C.G.R.	12.23	0.78	6.35	3.96	9.69	30.43	6.35
t-value	3.44**	0.27ns	2.12*	1.16ns	3.43**	3.96***	2.12*
Trend Equation							
R-square	0.5596	0.0207	0.408	0.2112	0.6172	0.6579	0.408
a	4872.22	10116.94	14980.5	13779.2	1509.14	-299.67	14980.5
b	1192.86	101.76	1294.62	702.96	234.33	357.34	1294.62
t-value	2.76**	.36ns	2.03*	1.27ns	3.11**	3.40**	2.03*
Future Projections							
2015	23957.98	11745.1	35694.42	25026.56	5258.42	5417.77	35694.42
2020	29922.28	12253.9	42167.52	28541.36	6430.07	7204.47	42167.52
Percentage change over 2007							
2015	130.66	51.09	96.55	94.58	103.57	99.52	96.55
2020	188.08	57.64	132.2	121.91	148.92	165.32	132.2

*** Significant at 1%, ** Significant at 5%, * Significant at 10%.
Source: Compiled from various Annual Reports of DCCB, Ropar.

The analysis given in Table 6 shows that total deposits in the bank increased significantly from Rs. 14909.40 lakhs in 2000 to Rs. 18180.31 lakhs in 2007 at a compound growth rate of 6.35 per cent per annum. This increase was due to the significant increase in demand deposit at the rate of 12.23 per cent compounded annually. However, term deposits could not increase

significantly and the individual deposits remained stagnant during the period of study. But deposits with co-operative societies and institutional deposits witnessed significant growth at the rate of 9.69 and 30.43 per cent compounded annually respectively. The growth in institutional deposits was highly glaring from Rs. 378.35 lakhs in 2000 to Rs. 2715.39 lakhs in 2007.

On the basis of trend equations developed for each component of deposits, it can be said that total deposits of DCCB Ropar would rise by 96.55 per cent in 2015 over 2007 and 132.20 per cent in 2020 over 2007. The increase in individual deposit would be 130.66 and 188.08 per cent in 2015 and 2020 over 2007. Similarly, the deposits with co-operative societies and institutions would increase by 103.57 and 148.92 per cent, 99.52 and 165.32 per cent in 2015 and 2020 respectively over 2007. Therefore the trend in deposits in DCCB Ropar is encouraging. Anyhow banks should also take care of term deposits as well as individual deposits.

Conclusions

The preceding discussion brings out that during the period under study, there has been a consistent growth in all types of deposits in the both high profit as well as low profit district credit co-operative banks under study, though the growth has been more profound in case of deposits of co-operative societies. A closer investigation of the trends in deposits of all the DCCBs reveal that though there is expected to be a significant rise in the total deposits, but the co-operative banks are loosing sheen for the demand deposits and term deposits. This may be mainly ascribed to the market environment and the attractive options available in the market, thanks to the real estate boom and the stock market boom during the corresponding period. This is the high time for the policy makers to give a serious thought to this trend and come out with more attractive options to sustain the business model of co-operative banks in Punjab.

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Consumer Values and Ethics as a Determinant of Buying Decision: An Analytical Study

H.C. Purohit*

Abstract

Consumers have become more conscious of how their consumption choices impact society; their sensitivity to corporate social behavior has also dramatically increased. Consumer purchases often transcend the simple value associated with a product and reflect how they perceive the value of the company producing the product in their community, which includes the company's Corporate Social Responsibility (CSR) activities. Consumers may approve company's activities elsewhere but this does not necessarily increase their purchasing of the company's products. On the other side reciprocal behavior is triggered by the consumers whether the company's activities are beneficial to the society in general and consumers in particular or not. The consumer behaviour of using or not to use a particular product in the market is influenced by the value of a company and ethics of the consumers. The present study is based on the analysis of the components of consumer ethics as a determinant of consumer buying decision. That can be helpful to the marketers to modify/develop their product to capture more and more market share and win the on going globally competitive market.

Key Words: Ethical Beliefs, Consumer Ethics, Buying Decision, Consumer Values, Corporate Social Responsibility.

Introduction

Ethics is a code of behavior that a society considers moral and appropriate for guiding relationship with one another. The issue in ethics includes: honesty, integrity, fair, open and straight-forward dealing. Ethics deals with things to be sought and things to be avoided, with ways of life and with tales (Hartman, 2002). The studies confirmed that the Behavioral Inhibition System (BIS) and the Behavioral Activation System (BAS) are two general motivation systems that underlie affect and behavior of a consumer (Gray, 1990). The BIS controls the experience of anxiety in response to anxiety-relevant cues and is particularly sensitive to signals of punishment and in general to the presence or absence of negative outcomes. Whereas the BAS controls the experience of such positive feelings as satisfaction and happiness when a person is exposed to cues of impending reward and of such negative feelings as sadness and frustration when the reward is unattainable (Carver, 2004; Carver and White, 1994).

Marketers exploits consumers' emotions and feelings by emphasizing the symbolic value of products at the expense of their functional value; that firms favour their profit objective rather than trying to meet consumers' needs and expectations; and that there is an imbalance between buyers' and sellers' legal rights. What these arguments show is that consumers are not essentially against the marketing concept - to satisfy consumer needs and wants - but rather they demand its full

*   Department of Business Economics, Faculty of Management Studies, VBS Purvanchal University, Jaunpur (UP), INDIA

application (Lambin 1997). Meeting the consumer expectations refers to consumerism which includes happiness and wellbeing. In this sense, consumerism is defined by Murphy (2000) as "the doctrine that the self cannot be complete without a wealth of consumer goods and that goals can be achieved and problems solved through proper consumption". A culture that is permeated by consumerism can be referred to as a consumer culture; shift from an economic perspective, to the consumer culture reflects the basic emphasis of economies from exchange or production to consumption. Consumer ethics are defined by Murphy (2002) as the 'systematic study of how moral standards are applied to marketing decisions, behaviors, and institutions', marketing ethics are increasing rapidly in today's globally competitive market.

Consumer values, ethics, morality etc. can be considered in the corporate social responsibility (CSR) programme of a firm. Consumers would be more concerned with locally focused CSR initiatives that directly affect their daily lives. Of the many constructs that reflect behaviors promoting self-gratification (e.g., selfishness, idiocentrism, ethnocentrism), the construct of egoism has been deemed the most relevant for assessing relationships between individuals and greater society (Weigel et al. 1999).

Dale W. Russell & Cristel Antonia Russell (2010) reported that consumers do not explicitly state that their behaviors are driven by self-concern. The consumers may state that they approve of what a company is doing elsewhere but this does not necessarily increase their purchasing of the company's products. Instead, reciprocal behavior is triggered by whether the company's activities are beneficial to oneself or one's own group. This implies that if a company's CSR efforts are not locally focused, then any attempt at promoting these efforts should emphasize a super ordinate identity. Past studies indicate that high ethical standards, and low corruption perception will always be relevant in organizations and human societies (Gbadamosi, 2004). There is common agreement that a country's culture is directly related to the ethical behavior of its managers. Two themes: (1) Public or corporate statements and actions about ethical behavior. (2) The collection of ethical attitudes and values in the country. Organizational culture reflects its values to the consumers, the consumer does not merely use a product but also buy the values of the organizations, Geert Hofstede's study (1979) has suggested following cultural dimensions:

Power Distance
- The willingness of a culture to accept status and power differences among its members

Individualism / Collectivism
- The tendency of a culture's members to emphasize individual self-interests or group relationships

Uncertainty Avoidance
- The cultural tendency to be uncomfortable with uncertainty and risk in everyday life

Masculinity / Femininity
- The degree to which a society values assertiveness or relationships

Long-term / Short-term Orientation
- The degree to which a culture emphasizes long-term or short-term thinking

Consumers are the final judge of a company with their buying and consumption behaviour of products, Consumers' attitude towards a company's products (i.e. buying/consuming or not buying/consuming) is a function of how they view the company (Klein et al. 2004). Trudel and Cotte (2008) reported that consumers are willing to pay more for products that are produced in a socially responsible manner and that they respond negatively (e.g., by not purchasing their products at all) when companies do not act responsibly.

Objectives

The objectives of the study are as follows:
1. To measure marketing ethics of the University students.
2. To find out the relationship between consumer demography and consumer values.
3. To study consumer perception about the marketing ethics.

Methodology

Tool: Consumer ethics was measured on four factor structure of ethical beliefs developed by Muncy and Vitell (1992) & Vitell and Muncy (1992). These factors are: Actively benefiting from illegal activities, (five items were under this factor) Passively benefiting at the expense of others, (six items were constructed in this category) Actively benefiting from deceptive or questionable practices, (five items in this category) and no harm/no foul were having eight items. The complete scale is having 24 items covering all four factors of the ethical issues, ranging from "Highly Acceptable (HA)---Quite High Acceptable (QA)---Acceptable (A)---Uncertain (N)---Unacceptable (U)---Quite Unacceptable (QU)---Highly Unacceptable (HU)"---, the scoring of the scale was done as: Highly Acceptable (HA-7) Quite High Acceptable (QA-6)Acceptable (A-5) Uncertain (N-4)Unacceptable (U-3) Quite Unacceptable (QU-2)Highly Unacceptable (HU-1) higher scores indicating a more tolerant and thus less ethical view and low scores indicates high ethical value.

Survey: The consumer ethical scale developed by Muncy and Vitell (1992) & Vitell and Muncy (1992) and standardized by Bock Tine De & Patrick Van Kenhove (2010) was administered with the University students of VBS Purvanchal University, Jaunpur (UP). More than 125 questionnaires were distributed to the Post Graduate students for the purpose but only 109 questionnaires were found suitable for the analysis, rest of the questionnaires were rejected because of incomplete information.

Reliability: In order to find out the soundness of the scale, reliability of the tool was computed and all 24 items were found reliable as the Cronbach alpha of the scale is .915.

Sample Profile

An overwhelming majority (92%) of the respondents were from younger age group i.e. 20 years to 25 years of age, less than half (47%) of the respondents were from science stream, while less than one third were from arts stream and rest of the respondents were from management stream. A great majority (64%) of the respondents were male, less than one fourth (24%) of the respondents were from low income group i.e. up to rs.10000 per month and only 5% of the respondents were from high income group i.e. more than rs.40000 per month, rest (71%) were belonging to middle income group families. More than half (51%) of the respondents were belonging to large families i.e. more than five family members in the family and almost all (92%) of the respondents were unmarried (Table-1).

Table-1: Sample Profile

Demography Factors	Category	Percentage
Age	Up to 19 years	4
	20 to 25 years	92
	26 and above	4
Education	Management	21
	Science	47
	Arts	32
Gender	Male	64
	Female	36
Income	Up to Rs.10000	24
	Rs.10001-20000	34
	Rs.20001-30000	30
	Rs.30001-40000	7
	Rs.40001 and above	5
Family size	Up to 3 members	5
	3 to 5 members	44
	5 members and above	51
Marital Status	Married	8
	Unmarried	92

Results

Data obtained from the survey with the help of the consumer ethics scale was analyzed and it is found that the three items; drinking a bottle of soda in a shop without paying for it, observing someone shoplifting and ignoring it and using an expired coupon for merchandise, were having mean value < 4 which represents low ethical values of the respondents (higher the score lower the ethical values). However, none of the item was found < 3 mean value which shows that the consumers are not having strong ethical values (Table-2).

Active Benefit from illegal activities: The five items were under the category of active benefit from illegal activities and the item 'drinking a bottle of soda in a shop without paying for it was having mean value < 4 rest of the items mean value was more than 3. None of the items under this factor score less than three; the higher score of the factor shows the lower ethical values of the respondents. In this materialistic society, the university students wish to have active benefit from illegal activities (Table-3).

Passive Benefit at the expense of others: Six items of the factor measures the passive benefit at the expense of others and it was seen that the item 'observing someone shoplifting and ignoring it' is having mean value more than four which shows that the consumers are encountered with this unethical practice in their market behaviour (Table-4).

Active Benefit from deceptive: The factor 'active benefit from deceptive' is having five items and it was found that the mean value of the item 'using an expired coupon for merchandise' is more than four, this indicate the active deception in the society is in the practice (Table-5).

No Harm/No Foul: The last factor of consumer ethical scale is no harm/no foul, eight items are in this category and all the items mean value is more than three but less than four which indicate that the practices of such activities which do not harm any one are popularly practiced and used by the consumers (Table-6).

Relationship of Consumer Ethics and Demography: The demography such as age, education and marital status was found significant relationship with the factors of consumer ethics. The age was having significant negative relationship with the factors; 'active benefit from illegal activities', 'passive benefit at the expense of others', 'active benefit from deceptive' at 0.01 level (r = -.26, -.25, & -.25 respectively). The last factor 'no harm/foul' was not having any significant relationship with age of the respondents. The result indicates that with the growing age of the consumers the ethical values are decreasing. The education was having significant relationship with the factor; 'active benefit from illegal activities' at 0.01 level of significant (r = .325), and the factor 'passive benefit at the expense of others' was having significant correlation at 0.05 level (r = .224). While the rest two factors; 'active benefit from deceptive' and 'no harm/foul' was not having significant correlation with education. And the marital status of the respondents were having significant correlation with all four factors of consumer ethics (r = .215, .203, .215, .200) at 0.05 level of significant. This indicates that the consumers are conscious after ethics after getting married, because after marriage in individual represents/constitutes a separate family itself, the family and social norms make him ethically conscious and responsible (Table-7). Whereas the income and family size of the respondents was not having any significant relationship with the factors of consumer ethics, this indicates that the low or high income level of the consumers does not contribute in the ethics of an individual. Similarly family size of a person can not be considered as a determinant of the ethical values of the consumers. A consumer from low income group may high ethical values and a consumer from high income group may not have high ethical values, and the same may be in case of the family size, a consumer having small family size may have high ethical values and consumer from large family may have low ethical values or vice versa.

Factor Analysis: The factor analysis of the scale shows that there are six factors in the scale; the first factor is having items like; moving into a new residence, finding the cable TV, using it (rather than signing up) without paying for it, using an expired coupon for merchandise, Not telling the truth when negotiating the price of a new car, using a coupon for a product you did not buy, returning a product to a store by claiming that it was a gift when it was not, spending over an hour trying on clothing and not buying it and buying counterfeit goods instead of buying the original manufacturers' brand. The items like; not saying anything when the waiter or waitress miscalculates a bill in your favour, and 'burning' a CD instead of buying it, having loading more than one category (i.e. factor 1, 2 and 1, 3 respectively).

In factor two, the items are giving misleading price information to a salesman for an un-priced item, Returning damaged goods when the damage was your own fault, Observing some-one shoplifting and ignoring it, and returning a product after trying it and not liking it, were loaded. While two items were having loading under more than two factors are: drinking a bottle of soda in a shop without paying for it (loading with factor 2 & 5) and taping a movie off the television (factor 2 & 3).

Under third category of factor loading, the items are copying computer software or games that you did not buy, installing software on your computer without buying it, and downloading

music from the internet instead of buying it. The fourth factor was having two items; reporting a lost item as 'stolen' to collect the insurance claim, and getting too much change and not saying anything. The fifth factor is having two items; lying about a child's age in order to get a lower price, and joining a club just to get some free service with no intention of buying any. And the last sixth is also having the two items; changing price tags on products in a shop, and Stretching the truth on an income tax return were loaded (Table-2).

The factor loading in fourth, fifth and sixth is only two items in each category, and a few of the items are having common loading in the more than one factor, this does not give any clear indication of the factor, which can be shown as the limitation of this study and can be removed with administering a large sample size representing the whole consumer society in future.

Table-2: Consumer Perception about Ethical Issues

Sl. No.	Name of Items	A (%)	N (%)	U (%)	Mean	S.D.	S.E.	Factor loading
1	Changing price tags on products in a shop.	60	6	34	3.8	3.9	0.4	6
2	Drinking a bottle of soda in a shop without paying for it.	43	6	51	4.34	2.1	0.2	2, 5
3	Reporting a lost item as 'stolen' to collect the insurance claim.	51	11	38	3.61	2	0.2	4
4	Giving misleading price information to a salesman for an un-priced item.	39	21	40	3.98	1.9	0.2	2
5	Returning damaged goods when the damage was your own fault.	45	15	40	3.88	1.9	0.2	2
6	Getting too much change and not saying anything.	46	17	37	3.79	1.9	0.2	4
7	Moving into a new residence, finding the cable TV, using it (rather than signing up) without paying for it.	39	21	40	3.96	1.9	0.2	1
8	Lying about a child's age in order to get a lower price.	52	16	32	3.44	2.1	0.2	5
9	Not saying anything when the waiter or waitress miscalculates a bill in your favour.	45	20	35	3.81	1.9	0.2	1, 2
10	Joining a club just to get some free service with no intention of buying any.	58	18	24	3.3	1.6	0.2	5
11	Observing someone shoplifting and ignoring it.	35	25	40	4.14	1.8	0.2	2
12	Using an expired coupon for merchandise.	38	19	43	4.11	2.1	0.2	1
13	Stretching the truth on an income tax return.	46	22	32	3.87	1.8	0.2	6
14	Not telling the truth when negotiating the price of a new car.	49	21	30	3.71	1.9	0.2	1
15	Using a coupon for a product you did not buy.	50	17	33	3.68	1.8	0.2	1
16	Returning a product to a store by claiming that it was a gift when it was not.	47	17	36	3.75	1.9	0.2	1
17	Taping a movie off the television.	50	12	38	3.7	1.9	0.2	2, 3
18	Copying computer software or games that you did not buy.	56	8	36	3.62	2.1	0.2	3
19	Installing software on your computer without buying it.	45	20	35	3.73	1.9	0.2	3
20	'Burning' a CD instead of buying it	48	16	36	3.79	1.9	0.2	1, 3
21	Returning a product after trying it and not liking it.	52	18	30	3.66	2	0.2	2
22	Spending over an hour trying on clothing and not buying it.	51	19	30	3.59	1.8	0.2	1
23	Downloading music from the internet instead of buying it.	57	17	26	3.25	1.7	0.2	3
24	Buying counterfeit goods instead of buying the original manufacturers' brand.	48	18	34	3.53	1.8	0.2	1

Table-3: Active Benefit from Illegal Activities

S.No.	Name of the Items	Mean	S.D.	S.E.
1	Changing price tags on products in a shop.	3.8	3.85	0.36
2	Drinking a bottle of soda in a shop without paying for it.	4.34	2.11	0.2
3	Reporting a lost item as 'stolen' to collect the insurance claim.	3.61	1.96	0.18
4	Giving misleading price information to a salesman for an un-priced item.	3.98	1.91	0.18
5	Returning damaged goods when the damage was your own fault.	3.88	1.92	0.18

Table-4: Passive Benefit at the Expense of Others

S.No.	Name of the Items	Mean	S.D.	S.E.
1	Getting too much change and not saying anything.	3.79	1.94	0.18
2	Moving into a new residence, finding the cable TV, using it (rather than signing up) without paying for it.	3.96	1.85	0.18
3	Lying about a child's age in order to get a lower price.	3.44	2.07	0.2
4	Not saying anything when the waiter or waitress miscalculates a bill in your favour.	3.81	1.91	0.18
5	Joining a club just to get some free service with no intention of buying any.	3.3	1.62	0.16
6	Observing someone shoplifting and ignoring it.	4.14	1.82	0.17

Table-5: Active Benefit from Deceptive

S.No.	Name of the Items	Mean	S.D.	S.E.
1	Using an expired coupon for merchandise.	4.11	2.09	0.2
2	Stretching the truth on an income tax return.	3.87	1.8	0.17
3	Not telling the truth when negotiating the price of a new car.	3.71	1.92	0.18
4	Using a coupon for a product you did not buy.	3.68	1.84	0.18
5	Returning a product to a store by claiming that it was a gift when it was not.	3.75	1.89	0.18

Table-6: No Harm/Foul

S.No.	Name of the Items	Mean	S.D.	S.E.
1	Taping a movie off the television.	3.7	1.85	0.18
2	Copying computer software or games that you did not buy.	3.62	2.06	0.2
3	Installing software on your computer without buying it.	3.73	1.89	0.18
4	'Burning' a CD instead of buying it	3.79	1.87	0.18
5	Returning a product after trying it and not liking it.	3.66	1.98	0.19
6	Spending over an hour trying on clothing and not buying it.	3.59	1.78	0.17
7	Downloading music from the internet instead of buying it.	3.25	1.72	0.17
8	Buying counterfeit goods instead of buying the original manufacturers' brand.	3.53	1.83	0.18

Table-7: Relationship of Consumer Ethics and Demography

Name of the Variables	Age	Education	Income	Family Size	Marital Status
Active Benefit from Illegal Activities	-.26**	.325**	-0.04	-0.128	.215*
Passive Benefit at the expense of others	-.251**	.224*	-0.09	-0.17	.203*
Active benefit from deceptive	-.251**	0.142	-0.136	-0.181	.215*
No harm/Foul	-0.098	0.03	0.057	-0.1	.200*

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

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

Conclusion

      It is clear from the analysis that consumer demography is having a significant relationship with their ethical issues. Income and family size of the consumers not having any significant relationship with the ethical factors indicates that ethics and values of a consumer is not governed with the money or family structure. A person with empty pocket may have high ethical values and the person with full of money in his/her pocket may not have the high ethical values. Similarly a consumer from large family may have high ethical values and vice-versa.

      While, the education level of the consumers is one of the influencing factor in the consumer ethics, as the two factors; active benefit from illegal activities and passive benefit at the expense of others, were having significant relationship with education level of the respondents. The age of the respondents is also one of the important factors in consumer ethics; this shows that the consumers of growing age are more concern with their values and couture. Similarly, marital status of the respondents is having significant relationship with all four factors of ethical issues indicates that after getting married the people are much more concerned of their ethical and culture values.

      The demographical factors like; age, education and marital status are the determinants of consumer ethics. This trend indicates that the ethics is some thing internal and personal feeling of a consumer which may vary individual to individual in different situations and conditions. The marketers should also consider the demography of the consumers when they are highlighting the ethical issues related to a product to the target consumers. The ethical issues can be considered at the time of product development/modification and brand positioning, this will help the marketers to create a distinct image of their product in the target customers' mind to succeed in the on going globally competitive market.

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Critical Issues in Realising Best -Value through Strategically Aligned Supply Chains: A Study of Selected Manufacturing Companies in Tanzania

Flora Lemenge*
Shiv K. Tripathi**

Abstract

The strategic supply chain management has emerged as one of the important areas of studies during recent past. The enormous potential of the supply-chains to contribute value to the different stakeholders make it a strategic competency of the organization. The transition towards the best-value supply chain requires consistent performances of the chain across the defined parameter metrics. The evolution of the chain towards the best value depends on the managerial perception of its value contribution potential and strong facilitating forces, which vary from context to context. The present study, which is exploratory in nature, identifies the major issues that affect the performance of the supply-chains in selected manufacturing units in Tanzania.

Keywords Strategic supply chain, Strategic competency, Exploratory

Introduction

All company executives like to see their organizations perform better and they always seek ways to make that happen. Proper supply chain management is claimed to yield significant improvements in multiple performance areas: it is believed to reduce costs, to increase quality, to improve delivery, to augment flexibility, to cut procurement cost and lead time, and to stimulate innovativeness. During last couple of decades, the managers have focused on reducing costs and maximizing speed within their supply chains. However, with the current business competition, a broader perspective is needed and thus, resulting into shift in the focus from traditional approach of supply chain management to the development of strategically aligned supply chains, focusing on value optimization for organization as a whole.

The traditional view of supply management is that it is mainly a process of obtaining and moving goods and/or services. As a result many organizations focus on making their supply chain tactical and transitional in nature and thus view them as cost centers rather than revenue drivers. This becomes quite contradictory in nature, particularly when the supply chain is also envisioned as one of the fundamental sources of competitiveness in the organizations. This gap between the perceived role and actual practice of supply chain management triggered many studies in the past and eventually led to the emergence of 'Strategic Supply Chain Management' framework.

*   Research Student, Mzumbe University, Tanzania.
**   Professor, Mzumbe University, Tanzania.

The knowledge development in the subject indicates that the Supply-Chains are widely used by the organizations as a central element for strategy, not simply as a means of moving materials. The effectiveness in the performance of the Supply-Chains can be measured in terms of its' contribution to the defined or implied strategic priority-mix of the firm. The Supply-Chains can deliver the optimal value through directly impacting the different strategic priorities of speed, cost, flexibility and quality. The role of Supply-Chains as strategic value-enabler in the organizations has been very well conceptualized in the form of 'Best-Value Supply Chains' (Ketchen Jr., William, Hult and David, 2008). The Best value supply chain are grounded on different set of assumptions and practices with major focus on the use of supply chains as a means to create competitive advantage and thus, enhancing a firms performance through agility, alignment and adaptability (Ketchen Jr. et. al. 2008).

Realization of 'Best-Value Supply Chains' are much easier said than done. The pace of change and the uncertainty about markets has made it essential for the firms to be aware of the supply chains they participate in and to understand the roles that they play. The ability to continuously learn the evolving industry and market dynamics, coupled with competence in aligning the supply chain to changing requirement, is one of the key sources of competitive advantage in present context. But sometimes, despite the ability and competence, the organizations fail to align their supply chains with the fast changing requirement due to a number of context specific factors like infrastructure, technology, attitude, etc.

It is quite evident that the approach adopted to align the supply chain for delivering the 'Best-Value' would differ from context to context, without diluting the outcome of the process and ,therefore, it becomes a critical to determine the context-specific challenges in this task. With this principal problem area at the focal point, the present work broadly aims to identify the strategically important issues in realization of 'Best-Value Supply Chains' in Tanzanian context. The study was undertaken to accomplish the following specific objectives:

- To trace present level of strategic orientation in the manufacturing sector supply-chains in Tanzania;
- To analyze the stakeholder's perceptions regarding the strategic potential of the selected 'supply chains'; and
- To identify the factors affecting the best-value contribution potential of the supply-chains from the strategic perspective.

The dearth of studies in the strategic supply chain management area, particularly in the context of developing or less developed countries, has been the major reason behind selecting this theme of study. The analysis of the present strategic orientation of the supply-chains would enable to identify the possible areas of improvements that may result into significant improvements in the performance of the supply chains. The study is likely to impact the different stakeholders from different perspectives. Although, the study is designed to raise a fresh perspective among the supply chain managers regarding the strategic envisioning of their respective supply-chains, the output of the study is also likely to trigger a debate among about how the context-specific factors should be dealt with in order to minimize their impact on the value contribution potential of the supply-chains.

Literature Review

Originated from the classical functional areas of 'Operations Management', the term 'Supply Chain Management' has a long history of evolution in the present form. There are many contemporary definitions to the term, given by different professional bodies and individual scholars; however, each shares a common spirit of conceptualizing it as a management system with potential to affect the strategic value to the different stakeholders *(Lambert, Douglas et al, 1998, Chopra, Sunil, and Peter Meindl, 2001*, Mentzer et al, 2001, *Ganeshan and Harrison, 2007)*.

The Porter's value-chain wave of mid 80's (Porter, 1985) further added to the increasing acceptance of the 'Supply-Chain' as a 'separate business function' with 'strategic characteristics.' The next two decades followed the evolution of the concept as a 'coordinated and integrated value-enabling activities across the entire flow of the value system network of any organizations'. This growth in theory and practice led to a number of studies focusing on the value creation potential of the supply chains across the different context and organizational situations. One major change in the concept can be identified as a transition from 'one of the sources of strategic priority determination' to 'the separate strategy area in itself'. As a strategy, the supply chain can be conceptualized as a holistic view of demand, product and supply processes aimed at maximizing opportunity and mitigating risk (AMR Research, *2009*). A supply chain strategy differs from a business strategy in terms of its approach; while a business strategy focuses on the overall direction of an organization, a supply chain strategy acts as a bridge between the business strategy and different functional strategies.

The supply chain strategy should be focused on the different aspects of both inbound and outbound logistics including distribution network configuration, distribution strategy, information systems, cash flows, inventory and other value added services *(Lyson and Farrington, 2006)*. The wider scope and coverage of supply chain activities necessitated the firms to adjust their supply-chain competencies to match with the strategic focus of their innovative ways. Different scholars have approached the issue from the different perspectives but at the same time, most of the studies aimed to explore the 'best-value' contribution of the supply-chains to overall strategic objectives *(Lee, 2004, Baily et. al. 2008, Ketchen, Jr et al 2008)*.

In an important work in the subject area of best-value supply chains, *Ketchen, Jr et al (2008)* suggest to focus on three key issues in strategic supply chain management the 3 As i.e. adaptability, agility and alignment. Agility is the supply chain ability to respond quickly towards changes in demand and supply; Adaptability is the willingness and capacity to reshape supply chains where necessary; and Alignment is the consistency creation among all the interested parties in the supply chain. In order to tailor the 3As to the four competitive priorities of Cost, Quality, Speed and Flexibility, they further suggest the firms to ensure the consistency in performance across the following aspects of supply chain management;

    a.   Strategic sourcing
    b.   Logistics management
    c.   Supply chain management information system
    d.   Relational management

The different scholars have agreed on importance of all the four dimensions of the best-value supply chain performance areas in their respective research studies *(Heinritz, et al, 1991, Marien, 2000, Chopra, and Meindl, 2001, Hendricks and Singhal, 2003, Burt et. al. 2003, Monczka, Trent,and Handfield, 2005, Littleson, 2007, Upson, et. al. 2007, Baily et al, 2008,).*

The companies like Wal-Mart, Zara, and Balck Berry have clearly demonstrated how the supply-chains can be tailored effectively with the value-chains *(Indu and Govind, 2008, Wehlage and Roseman, 2009)*. In order to balance the value-chain and supply-chains, the elimination of non-value added activities in the supply-chain is one important way, which can be achieved through the process of optimization *(Lysons and Farrington 2006, Shepherd and Lapide,2009)*. The process of optimization also helps in cost reduction, customer satisfaction and achieving maximum productivity from the resources employed. The process of balancing supply-chains with the value-chain requires consideration of a number of context specific factors and, there-fore, the challenges in the transition of supply chains towards the best-value chain also differ. As identified in the different studies focusing on the different contests, the challenge areas include both the external and internal factors relating to the organizations *(Sahay et. al. 2006, Tummala et. al.,2006,* Thomas, 2008, Hassin, 2008, Obigwe, 2009, Hu et. al., 2010)

There seems to be agreement in different studies on some of the issues, which may be summarized as under;

- The best-value chains have Agility, Adaptability and Alignment as the three essential characteristics; however, the relative proportional variation would depend on a number of other factors like industry, and the competitive strategic focus of the firm.

- The stage of evolution from transactional chains to strategically tailored best value chains depend on
  a. The perceived contribution of the value-chains in terms of accomplishing the strategic priorities.
  b. The focus and importance of the management on different dimensions of Strategic sourcing, Logistics management, Supply chain management information system and Relational management

- The strength of the supply-chain strategy implementation related factors like organization-structure, human resource management, culture and attitude , etc. largely affects the potential of the chain to be best-value chains.

Research Questions

Based on the issues identified in the review of the literature, the focus of the study is to identify the critical factors and issue that affect the value-contribution of the supply-chains in Tanzania. The following are the specific research questions around which the study has been conceptualized;

1.1 How do the stakeholders perceive the value-contribution role of their respective supply-chains?

1.2 What is the present level of focus of the supply-chains on the following dimensions?

1.2.1 Strategic Sourcing

1.2.2 Supplier's Integration

1.2.3 Logistics Management

1.2.4 Supply-Chain Information Management

1.3 What are the important factors, as perceived by different stakeholders that affect the performance of supply-chains?

1.4 What is the level of readiness of the support factors that facilitate the effective supply-chain strategy implementation?

Research Design

The present study is exploratory in nature and is mainly based on literature search, and opinion survey in the selected cases. The study was carried out on basis of the survey administered in the selected cases of three manufacturing companies in Arusha, Tanzania viz. Tanzania Breweries Ltd (TBL), Tanzania Pharmaceuticals Industries (TPIL) and Trishala Rolling Mills Ltd (TRML). The selection of cases was made on the basis of its potential to represent the larger number of manufacturing units in Tanzania in terms of their supply-chain operations. The convenience of data collection in prescribed time frame was another consideration to confine the selection of the cases to be within the geographical territory of Arusha region.

The survey design was selected in order to give a wider room to researcher to have in-depth and detailed investigation as well as contextual analyses of problem under the study. It also facilitated the study within the selected cases in its natural setting. Despite the variation in the supply-chain configuration within the selected organizations, the survey study design ensured rational representation of similar manufacturing industries organizations in Tanzania.

The purposive sampling procedure has been used in selecting respondents within the selected cases. In each of the selected cases, 5 senior managers and 5 supply chain executives were identified for questionnaire survey and structured interviews. In addition, the 5 representatives each from the customer and supplier organizations of each of the identified cases were also selected. While selecting suppliers and customers the snowballing sampling, also known as chain referral sampling, has been used.

In order to ensure sufficient and reliable data, the study involved both primary and secondary data. Primary data were collected using structured questionnaires, which were designed to capture relevant information and made up of both closed ended and open ended questions. The questionnaires were then personally administered to the respondents separately for their responses and were collected after an elapse of six weeks. With regard to interview, respondents were categorized into three groups including nine (9) senior level managers, thirteen (13) procurement staff, and twenty-eight customers/suppliers of the selected cases.

The design of the data collection tool was focused on the issues identified in the research questions. The collected data was analyzed after inspecting erroneous entries and making corrections where possible. The analysis was done by reading through all the qualitative collected data, organizing the comments into similar categories such as concern, suggestions and similar experiences thereafter the categories were labeled.

Data Analysis

Perception of manufacturers, suppliers and customers regarding the strategic value contribution of their respective supply-chains were measured using the direct statement on its contribution to 'profitability' and 'competitive advantage'. At first stage, the data was simply organized to measure the general agreement on the issue as presented in Table 1. Exploring further this issue, the respondents were asked to list the important value attributes of the supply-chains through open ended question. This was confirmed during the interviews while the respondents were asked to link these factors to the different fundamental sources of competitive advantage in any organization. The factors and corresponding competitive dimensions are summarized in Table 2.

Table 1: Executive's Perceived Strategic Value Contribution of the Supply-Chains

Perceived Value Contribution Factor	Manufacturers	Suppliers	Customers
Source of Higher Profitability	67.69%	73.09%	80.77%
Source of Competitive Advantage	73.06%	63.46%	76.92%

Table 2: List of Identified Value Attributes of Effective Supply Chains and their Perceived Contribution to Strategic Advantage Dimension

Sl. No.	List of Perceived Values Attributes	Contribution to Strategic Advantage Dimension
1	Value to the End-User	Quality
2	Customer service	Quality
3	Improved quality and reliability of products	Quality
4	Reduced costs of operations	Cost
5	Waste Elimination Focus	Cost, Quality
6	Higher speed of delivery	Speed
7	Shorter lead times	Cost, Speed, Flexibility
8	Quick response to Market Changes	Flexibility, Speed
9	Demand-Driven orientation	Flexibility

Another important question in the research was to assess the present focus areas of the different supply-chains across the dimensions of strategic sourcing, supplier's involvement and relationship management, logistics management and supply chain information management.

The data presented in Table 3 indicates the perceived importance of the different focus areas in the respective supply chain as measured on the basis of the responses of 26 supply/ procurement executives. The different areas have been ranked in order to the mean score of all the responses, which were recorded on 1 to 5 scales on the basis of the importance.

Table 3: Present Level of Supply-Chain focus on Different Dimensions

SI. No.	Supply Chain Dimension	Number of Respondents (N)	Total Score	Mean	Importance (Significant at Mean >3.0)	Order of Importance
1	Logistics Planning and Management	26	120	4.62	Perceived Significant	I
2	Supply Chain Information	26	96	3.69	Perceived Significant	II
3	Strategic Sourcing Adoption	26	90	3.46	Perceived Significant	III
4	Supplier's Integration	26	55	2.12	Not significant	IV

Table 4: Perceived Factors Affecting Supply Chain Performance

Factors Affecting Supply-Chain Performance	
Broader Dimension	**Specific Perceived Factors**
A. Environmental Challenges	1. Technology cost including MIS
	2. Technological Infrastructure
	3. Logistics Infrastructure
B. Organizational Challenges	1. Organizational culture of 'Operating in Silos'
	2. Customer-Orientation
	3. Lack of Top-Management Support (in Making the function Profit Centre)
C. Resource Related	1. Inadequate Working Capital
	2. Desired Input Quality
D. Channel Related	1. Supplier's Education and Training about Organizations Needs
	2. Insecurity among Channel Partners (Due to possible business loss fear).

While exploring the issue of the factors influencing the supply-chain performance, the respondents were asked to provide their opinion on the different factors under four major dimensions viz. Environmental, Organizational, Resource and Channel related factors. Based on the qualitative data obtained, the factors have been presented in Table 4.

Table 5: Existing Strategic Supply Chain Management Best Practices and Their Importance

Sl. No.	Applicable Management Tools		
	Manufacturers' Units	**Suppliers' Units**	**Customers' Units**
1	Automated stock verification and re-ordering system *(Technological)*	Reliance on cross-functional partnership in problem solving *(Strategic)*	Professionally Trained Supply Chain Employees *(Human Resource Management)*
2	Separate Supply Chain / Procurement Departments *(Organization)*	Separate Supply Chain / Procurement Departments *(Organization)*	Separate Supply Chain / Procurement Departments *(Organization)*
3	Professionally Trained Supply Chain Employees. *(Human Resource Management)*	Shared knowledge with customers and suppliers *(Strategic)*	Automated stock verification and re-ordering system *(Technological)*
4	Shared knowledge with customers and suppliers *(Strategic)*	Professionally Trained Supply Chain Employees *(Human Resource Management)*	Value Added Supply Management Analysis *(Strategic)*

For assessing the present level of preparedness of the respective supply-chains towards evolution to best-value chain, the executives were asked to explain the four best practices of their supply-chains. The best practices are listed in Table 5. It can be observed that organizations are adopting best practices across different dimensions.

Findings and Discussion

The data was organized according to the research questions. The analysis made comparing the views of different category of stakeholders on the various identified parameters for each of the questions under the study.

The perception of the stakeholders regarding the best-value contribution potential of the supply chains were measured by focusing on their views regarding the contribution of the supply-chains to the profitability and competitive advantage of the organizations. Interestingly, the majority of the stakeholders place the strategic role of the supply chains at very high level as evident from the data in Table 1. The different value attributes of effective supply chains are perceived to directly contribute to the basic sources of competitive advantages in the organizations i.e. Cost, Quality, Speed and Flexibility, as presented in Table 2. It is established that these four competitive dimensions are the basis of the different 'Cost-Leadership' and 'Differentiation' strategies in the different product-markets.

The strategic importance of the chains was also assessed by observation regarding:

1. Strategic alignment of chain in the strategic planning system
2. Degree of supply chain integration with the value chain

The strategic alignment was further defined on the basis of the following factors;

a.   Separate Supply-Chain mission and vision
b.   Linkage between the overall strategy and supply strategy

It was observed the there are no separate supply chain vision, mission and objectives despite the high importance placed by the supply chain partners. This indicates the status of poor strategic alignment of the supply-chain function with the strategic planning system. Looking at the emerging global trend of defining the mission and vision at the supply chain functional level, which also represents the evolution in terms of strategic orientation; this can be considered as an improvement area. Regarding linkages between the overall business strategy and supply-chain strategy, it was found there were no formally defined explicit linkages between the two. Although, both the internal and external stakeholders placed this aspect also on the high importance, the evidences of strategic alignment were found to be missing.

Regarding the issue of interrelationship between the business strategy and supply-chain strategy, it was observed that the formally defined relationship does not exist in the chains. This may be due the lack of desired strategic functional independence in planning and implementation of the supply chain management. It was found that the participation of the other functional department in supply-chain was also not to the desired level. Both the indicators reflect that the degree of integration also needs further improvement.

Another important area of the focus was to measure the present level of focus on the required strategic performance areas of the supply chains. From Table 3, it is evident that 'Logistics Planning' is considered to be major focus area in the selected supply-chains. The 'Supply Chain Information Management' is also significant area of focus. Despite the highly perceived strategic value contribution, as assessed in the previous research question, the dimensions of 'strategic sourcing' and 'Supplier's Integration' are needed further improvement in order to move towards the strategic supply-chain functions. It was further observed that;

a.   Despite relatively less formal focus on management dimension of suppliers as clear from Table 3, strategic supply management is well in place as reflected by the strategic selection of suppliers and strong vendor management system. However, the degree of adaptation of the strategic sourcing varied among the selected cases.

b.   The procurement system still appears to follow the traditional transaction based approach contrary to the required strategic focus. This limits the potential of the firms to enhance the value-contribution in the long-term.

c.   Regarding the supplier's involvement in the supply-chain planning, it appears that the companies need to improve in this are significant. The current status is that the suppliers' involvement is in material planning rather than in other issues such as logistics planning, manufacturing, marketing etc. This should not be the case if the partners want to develop a Best Value supply chain.

d.   The logistics planning and implementation system was found not to be on the desired level and also it is well focused area as evident from the perceived importance mean of 4.62 in Table 3. There appears to be a very important need to establish proper logistics planning

and management so that the entire transportation- order execution life cycle is properly managed in the sense that they attain best value for money through building loads that maximizes capacity utilization and increased reliability over each supply chain member.

e. The supply management information system, one of the key performance areas for building best-value supply chains, also requires considerable improvements. The system was not found to be aligned to the strategic priority needs of the organization and appeared just as a platform for providing routine business information relating to day-to-day operational needs of the supply management system. Stakeholders focus on this area but still the focus is on routine information needs rather the alignment towards the strategic needs. An effective system will enable the organizations to manage internal and external resources by facilitating the flow of information towards the supply chain partners thus attain a Best Value Supply chain.

Regarding the factors that affect the performance of the supply chains in context of Tanzanian manufacturing companies, the following have been identified as major impact factors as also summarized in Table 4;

• The manufacturing industries are faced with the challenge of investing extensively in communication and information systems due to the fact that the investment requires a significant amount of money and most of these industries have a small capital. High cost of technological applications and logistics facilities further add to this challenge.

• The lack of shared values and integration among the organizational members, both vertically and horizontally, further creates rigidity in the system, which blocks the evolution potential towards the best-value chains. The departments often work for performance maximization of their respective units and thus, leading to sub-optimization. This leads to a situation which can be referred as 'working in silos' culture. The lack of customer focus and lack of top-management commitments are other significant organizational challenges that affect the overall performance of the supply chains. The traditional outlook of the senior management to view the 'supply function' as a 'cost driver' is also a challenging area. They fail to understand that if the supply chain is properly managed the organization will be able to save a lot of money in the procurement process, which will also lead it to save a lot in the manufacturing process.

• In terms of resources, working capital is a major constraint that prevents the organizations to adopt the strategically aligned customer-need focused systems. The material quality is also found to be a challenging resource related factors in some cases.

• Lack of professional training of the staff in some of the organizations in the entire value-system hinders the value-potential, which can be exploited through the integrations across the chains of the suppliers and the customers. In some cases, the suppliers even do not have the proper education and understanding of the basic supply facts. The fear of losing business to a channel partner is another major issue that limits the integration of channel partners at different levels and stages.

Regarding preparedness of the selected supply-chains to move towards the best-value chains the assessment was made on the basis of the best practices adopted by these organizations as it shows their willingness to improve across different dimensions. Despite of the challenges identified in Table 4, the organizations are trying to invest on human resources quality and quality of technological sub-systems. Organizations are also trying to provide greater autonomy to their supply chain departments and pushing the practice of knowledge sharing with the channel partners, although to a limited extent.

Conclusion

The findings of the research indicate that the manufacturing units in Tanzania have a long journey to go in terms of the supply chain evolution, as the current status of the supply chain are not that of best value. The strategists and the managers perceive that the best value supply chains are potential in manufacturing units because the competition is no longer focusing on businesses, but on supply chains. The strategic alignment and the better linkages within the organizational units are some essential requirements for the chains to move towards the best-value performances. The status of the chain also needs improvement across the dimensions of strategic sourcing, logistics management, supplier relationship management and information management. The research also identified that some factors like high cost of information system, rigidity within the organizations, demand-supply imbalances, etc. are some major challenges that need to be responded effectively in order to improve the supply chain performances.

In future, the research can be extended to identify the challenges in the similar contexts or different contexts in order to make a comparative analysis of the context oriented factors. Further, the findings of the research may be further tested by focusing on the wider samples across the industries. Further, this work was exploratory in nature and aimed to identify the factors affecting the evolution of supply-chain towards the best value. The future research may focus on testing the significance of identified factors with larger samples across different industries and contexts.

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An Assessment of the Impact of Leadership Styles on Organisational Effectiveness: A Case Study of the Jorhat Electrical Circle

A.R.M. Rehman*
Prasanna Kalita**

Abstract

This paper is an attempt to ascertain the overall impact of leadership styles on organizational effectiveness in the Upper Assam Electricity Distribution Company Limited on the basis of a case study of the Jorhat Electrical Circle. The Jorhat Electrical Circle is engaged in the distribution of electricity to domestic, commercial and industrial consumers. Dynamic leadership styles of employees are essential to achieve organizational objectives. Hence, the following three leadership theory models have been used to assess the selected behavioral factors and measure the leadership styles.

- Ohio State University Model (1945) of Hemphill, Stogdill, Shartle and Pepinosky.
- Managerial Grid Style (1985) of Blake and Mouton.
- Tri-Dimensional Model of Hersey and Blanchard

Key words: Initiating Structure, Consideration, Leadership Style, Leadership Effectiveness, Leadership Dimension.

Introduction

The Upper Assam Electricity Distribution Company Ltd. (UAEDCL) is an organization engaged in utility services. The prime function of the company is to purchase the electrical energy from Assam Power Generation Company Limited (APGCL) and Assam State Electricity Grid Corporation Limited (ASEGCL) and to sell the electrical energy to domestic, commercial , industrial , irrigation and general consumers. The surpluses gained from these activities are to be utilized for the infra-structure development of the company so that the company can contribute towards socio-economic development of the region. It has been realized that the status of electrification is not conducive for economic development in Assam. As per census 2001 , there are 25124 numbers of populated villages in Assam out of which 18657 numbers of villages so far have been electrified and 6557 numbers of villages are still remains as un-electrified villages. The Assam State Electricity Board has identified a total number of 2139 villages as the remote villages as on 31.-3.2006 . The UAEDCL still having 590 numbers of remote villages to be electrified as a whole out of which 146 numbers of villages are still found remains un-electrified under J.E.C. This clearly indicates that UAEDCL still have to develop the basic infrastructure for electricity distribution system which requires a huge investment supports. Moreover, JEC is providing services to 1,22,730 consumers out of which 107063 , 11735, 1305,159 and 2468 in numbers are domestic, commercial, industrial, irrigation and general consumers respectively as on June

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*   Professor, Department of Commerce, Dibrugarh University, Assam.

**   Teacher Fellow, Department of Commerce, Dibrugarh University, Assam.

2010. At present, JEC pocesses 25 numbers of 33/11kv sub-station of total 147.00 MVA power capacity for distribution to the different users.

This paper is a humble attempt to study the leadership and organizational effectiveness in Upper Assam Electricity Distribution Company Limited with special reference to Jorhat Electrical Circle. The study aims to assess the organizational effectiveness from both qualititative and quantitative aspects of management practices. It also deals with the process of qualitative assessment of leadership styles in operation and maintenance practices adopted by the employees of Jorhat Electrical Circle.

Objective of the Study

The prime goal of J.E.C., like any other business is to achieve consumer satisfaction and at the same time maintaining reasonable profit level. Therefore, the objective of this study is to

i.   Measure the influence of some selected behavioral factors of employees on leadership style; and

ii.   Assess the overall impact of leadership styles on organizational effectiveness.

Research Methodology

Keeping in view the objective, the methodology comprising universe of the study, sample size, key variables, tools of data collection and device to assess the leadership style and effectiveness are explained here.

Universe

The universe includes the number of all categories of employees as shown in table 1

Table 1: Division Wise Basic Statistics of the Employees of J.E.C.

Sl. No.	Branch/ Divisions	Hierarchical Levels			Number of all categories of Employees
		Top Managers (Nos)	Supervisor (Nos)	Operative Employees (nos)	
1	2	3	4	5	6
1	Administrative (Establishment)	12	29	30	71
2	Jorhat Electrical Division – I	10	51	346	407
3	Jorhat Electrical Division – II	8	24	144	176
4	Golaghat Electrical Division	13	48	306	367
5	Teok Electrical Division	6	18	96	120
	Total	**49**	**170**	**922**	**1141**

Source: Establishment Register as on 05-03-08 maintained by Establishment Department in JEC, Jorhat.

Sample Size

The total sample size is determined as 115 from all categories of employees under the administrative and various electrical divisions. The selection of the respondents has been made proportionately at 10 per cent from all the strata on the basis of stratified purposive sampling. Thus, in the final shape, the present study is based on the actual observational units 5 Top Managers, 17 Supervisors and 93 Operative Employees making a total of 115 observational units.

Key variables

The selected behavioral variables of employees are:

Set-I: Variable of Initiating Structure (Task Behavior)

- Emphasize on meeting standard
- Emphasize on strict supervision
- Encouragement for hard work
- Pattern of organization
- Introduction of new ideas

Set-II: Variables of Consideration (Relationship Behavior)

- Personal favour to employees
- Friendliness to sub-ordinates
- Motivating to sub-ordinates
- Welfare measures implemented for sub-ordinates
- Suggestion for introducing change

Tools of Data Collection

Two types of tools were used to collect the required data. These are:

i. Interview schedule comprising questions in respect of objectives, strategies, programmes, policies, procedures and standard of organization based on the book "Management Principles and Practices: A Contingency and Questionnaire Approach" of R.J. Thierauf; R.C. Klekamp; and D.W. Geeding (1977).

ii. Leadership Behavior Description Questionnaire (LBDQ) of Hemphill & Coons (1957)

Device to Assess Leadership Style and Effectiveness

Three leadership theories and models have been used as a device to assess the selected behavioral factors and measure the leadership styles. These are :

- Ohio-State University Model (1945) of Hemphill, Fleshman, Stogdill, Shartle and Pepinosky.
- Managerial Grid Style (1985) of Blake and Mouton.
- Tri-Dimensional Model of Hersey and Blanchard.

Analysis and Interpretation

Assessment of Leadership Behavior

The selected respondents were asked to assess on twenty (20) different variables of Initiating Structure (Task Behavior) and Consideration (Relationship Behavior) of 10 variables each either in "Mostly Yes" or "Mostly No". Each respondent has got the option of responding to

all twenty (20) variables, and so; the total items for responding becomes 2,300 for all 115 employees as a whole. Accordingly, the assessment made by 115 employees of all three categories depending upon their own perception have been received which is shown in Table-2 and 3.

Table-2: Employees' Responses: Task Behavioral Factor-wise

Sl No.	Initiating Structure (Task Behavior)	Top Managers N=5		Supervisors N=17		Operative Employees N=93	
		Positive Responses in Nos	Negative Responses in Nos	Positive Responses in Nos	Negative Responses in Nos	Positive Responses in Nos	Negative Responses in Nos
1	2	3	4	5	6	7	8
1	Emphasize on Meeting Standard	8	2	20	12	106	80
2	Emphasize on Strict supervision	4	6	12	22	84	102
3	Encouragement for hard work	9	1	19	15	61	125
4	Pattern of organization	4	6	22	12	111	75
5	Introduction of new ideas	1	9	9	25	89	90
	Total	**26**	**24**	**82**	**86**	**451**	**472**

Source: Compiled from the respondent sheets.

Table-3: Employees' Responses: Relationship Behavioral Factor-wise

Sl No.	Consideration (Relationship Behavior)	Top Managers N=5		Supervisors N=17		Operative Employees N=93	
		Positive Responses in Nos	Negative Responses in Nos	Positive Responses in Nos	Negative Responses in Nos	Positive Responses in Nos	Negative Responses in Nos
1	2	3	4	5	6	7	8
1	Personal Favour to Employees	5	5	21	13	95	91
2	Friendliness to Sub-ordinates	6	4	16	18	144	37
3	Motivation to Sub-Ordinates	3	7	18	16	71	109
4	Welfare Measures Implemented for Sub-Ordinates	4	6	15	16	80	99
5	Suggestion for Introducing Change	5	2	15	19	73	113
	Total	**23**	**24**	**85**	**82**	**463**	**449**

Source: Compiled from the respondent sheets.

1. Assessment of Leadership Style as per Ohio-State University Model

The assessment of leadership styles has been made from the level of perception perceived by the employees against the two sets of behavioral variables. The perceived value has been quantified with the help of the percentile method for determining the leadership styles of the employees based on the proposition of the pioneering research. According to the pioneering research, the leadership dimensions can contribute 85 percent of the variance towards leadership style. Hence, the value of responses have been converted into percentages as follows to find out the leadership styles.

$$Leadership\ Style\ in\ Percentage = \frac{Total\ Positive\ /\ Negative\ Responses\ in\ Numbers}{Total\ Employees\ Responses\ in\ Number} \times 100$$

Accordingly, the contribution of behavioral factors of employees to the leadership styles is shown in Table-4.

Table-4: Contribution of Behavioral Factors of Employees to the Leadership Styles as per Ohio-State University Model: Category-wise

Sl. No	Category of Employees	Leadership Dimensions	Behavioral Factors (total Responses in Nos)	Positive Responses (Nos)	Leadership Styles in Percentage	Negative Responses (nos)	Leadership styles in percentage
1	2	3	4	5	6	7	8
1	Top Managers	Task behavior	50	26	52	24	48
		Relationship Behavior	47	23	48.94	24	51.06
2	Supervisors	Task behavior	168	82	48.81	86	51.19
		Relationship Behavior	167	85	50.9	82	49.1
3	Operative Employees	Task behavior	923	451	48.86	472	51.14
		Relationship Behavior	912	463	50.77	449	49.23

Source: The figures in column numbers 4,5 and 7 are taken from Table-2 and 3.

From Table-4, it is observed that the percentages of the leadership style of Top managers are 52.00 percent (positive) and 48.00 percent (Negative) in task behavior; and 48.94 percent (positive) and 51.06 percent (Negative) in relationship behavior. The percentages of the leadership style of supervisors are 48.81 percent (positive) and 51.19 percent (negative) in task behavior; and 50.90 percent (positive) and 49.10 percent (negative) in relationship behavior. Similarly, the percentage of the leadership styles of the operative employees are 48.86 percent (positive) and 51.14 percent (negative) in task behavior; and 50.77 percent (positive) and 49.23 percent (negative) in relationship behavior.

The level of perception against the variables of these two dimension are found to be almost nearing to each other but they are in opposite direction i.e. positive and negative responses. Hence, the pattern of leadership styles would fall either in positive or negative sides leaving something towards organizational effectiveness.

The leadership effectiveness or ineffectiveness depends upon how the members of an organization perceive the various dimensions with respect to task as well as relationship related behavior. Members may perceive the things positively or negatively. However, the difference of the perceptional values create effectiveness towards an organization. From this proposition, the study reveals the contribution of leadership styles of the employees towards their leadership effectiveness. The way in which leadership styles of the employees contributes to leadership effectiveness is shown in Table-5.

Table-5: Way in which leadership styles of employees contribute to Leadership Effectiveness: Category-wise

Sl No.	Category of Employees	Leadership Dimension	Leadership styles in Percentage		Leadership Effectiveness	
			Positive	Negative		
1	2	3	4	5	6	7
1	Top Managers	Task behavior	52	48	(+)4.00	(+)1.88
		Relationship Behavior	48.94	51.06	(-)2.12	
2	Supervisors	Task behavior	48.81	51.19	(-)2.38	(-)0.58
		Relationship Behavior	50.9	49.1	(+)1.80	
3	Operative Employees	Task behavior	48.86	51.14	(-)2.28	(-)0.74
		Relationship Behavior	50.77	49.23	(+)1.54	

Source: The Figure in column numbers 4 and 5 are taken from Table-4

In Table-5; it is noticed that the impact of Task Behavior of Top Managers, Supervisors, and Operative Employees are (+) 4.00; (-) 2.38 and (-) 2.28 respectively and that of Relationship Behavior of Top Managers, Supervisors, Operative Employees are (-) 2.12; (+) 1.80 and (+) 1.54 respectively. The outcome of these impact causes leadership effectiveness of the employees i.e. (+) 1.88; (-) 0.58 and (-) 0.74 respectively for Top Managers, Supervisors and Operative Employees respectively.

The leadership effectiveness for all the category of employees is found very negligible for what the organization may further realize the crises of leadership.

2. Assessment of Leadership Style as per Managerial Grid Model

According to the Managerial Grid Model, the best way to achieve effective leadership is to integrate the task and relationship behavior. So, the grid leadership styles are based on the extent of a person's concern for production and people. The leadership style in this model is measured by a "1 to 9" point scale of Blake and Mouton and accordingly the leadership style may fall in any one grid of the 81 (9x9) grids. The benchmark styles on leadership grid are: Authority-Compliance (9,1); Country Club Management (1,9); Impoverished Management (1,1); Middle of the Road Management (5,5); and Team Management (9,9). To achieve the leadership style, the responses of behavioral factors have been converted into "1 to 9" points scale with the following equation:

$$Leadership\ Style\ in\ Point\ s = \frac{Total\ Positive\ /\ Negative\ Responses\ in\ Numbers}{Total\ Behavioral\ Factors\ Responded\ in\ Numbers} \times 9$$

The way in which behavioral factors of employees have contributed to leadership styles as per Managerial Grid is shown in Table-6.

Table-6: Contribution of Behavioral Factors of Employees to the Leadership Styles as per Managerial Grid Model: Category-wise

Sl No.	Category of Employees	Leadership Dimensions	Behavioral Factors (Nos)	Positive Responses (Nos)	Leadership Styles in 1-9 points scale	Negative Responses (Nos)	Leadership Styles in 1-9 Points Scale
1	2	3	4	5	6	7	8
1	Top Managers	Task behavior	50	26	4.68	24	4.32
		Relationship Behavior	47	23	4.4	24	4.6
2	Supervisors	Task behavior	168	82	4.39	86	4.61
		Relationship Behavior	167	85	4.58	82	4.42
3	Operative Employees	Task behavior	923	451	4.4	472	4.6
		Relationship Behavior	912	463	4.57	449	4.43

Source: The figures in column nos 4,5 and 7 are taken from Table-2 and 3.

From the Table-6; it can observed that the leadership style in 1 to 9 points scale falls in and around the grid (5,5) which is an indication of leadership style in middle of the Road Management. The way in which leadership styles of the employees can contribute to leadership effectiveness is shown in Table-7.

**Table-7: Way in which Leadership Styles of Employees contribute to
Leadership Effectiveness: Category-wise**

Sl No.	Category of Employees	Leadership Dimensions	Leadership Styles in 1 to 9 points scale		Leaderships Effectiveness	
			Positive	Negative		
1	2	3	4	5	6	7
1	Top Managers	Task behavior	4.68	4.32	(+)0.36	(+)0.16
		Relationship Behavior	4.4	4.6	(-)0.20	
2	Supervisors	Task behavior	4.39	4.61	(-)0.22	(-)0.06
		Relationship Behavior	4.58	4.42	(+)0.16	
3	Operative Employees	Task behavior	4.4	4.6	(-)0.20	(-)0.06
		Relationship Behavior	4.57	4.43	(+)0.14	

Source: The figures in column Nos 4 and 5 are taken from Table-6.

From the Table-7, one can observe that the task behavior dimension is positive by 0.36 points and relationship behavior is negative by 0.20 points for what the leadership effectiveness is positive i.e. (+) 0.16 for Top Managers. In the same way, it has been observed that the leadership effectiveness for supervisor and operative employees are (-) 0.06 and (-) 0.06 respectively. The leadership effectiveness of top managerial staff is higher than that of supervisors and operative employees.

This measurement indicates that the employees are suffering from the lack of team sprit in the organization. The role of organizational behavior may be towards building up the employees attitudes, moral and motivation for bringing back the team management.

3. Assessment of Leadership Styles as per Tri -Dimensional Model
The Tri-Dimensional Model of Leadership Style encompasses three dimensions: Task Behavior, Relationship Behavior and Effectiveness. The third dimension "effectiveness" is in fact a continuum from extremely effective to extremely in-effective and a given style in a particular situation may fall anywhere on this continuum between "-4 to +4" depending upon the maturity of the leaders and followers. Hence, the respondent's behavioral factors have been converted into "+4" points for positive responses and "-4" points for negative responses for assessing the leadership styles. The conversion equation has been adopted as

$$Leadership\ Style = \frac{Total\ Positive\ Responses\ in\ Nos}{Total\ Behavioral\ Factors\ responded\ in\ Nos} \times (+4)$$

$$Leadership\ Style = \frac{Total\ Negative\ Responses\ in\ Nos}{Total\ Behavioral\ Factors\ responded\ in\ Nos} \times (-4)$$

The way in which behavioral factors of the employees can contribute towards tri-dimensional leadership styles is shown in table-8.

Table-8: Contribution of Behavioral Factors of Employees to the Leadership Styles as per Tri-Dimensional Model: Category-wise

Sl. No	Category of Employees	Leadership Dimensions	Behavior Factors (Nos)	Positive Response (Nos)	Leadership Styles in "+4" point scaling	Negative Response (Nos)	Leadership styles in "-4" point scaling
1	2	3	4	5	6	7	8
1	Top Managers	Task Behavior	50	26	2.08	24	1.92
		Relationship Behavior	47	23	1.96	24	2.04
2	Supervisors	Task Behavior	168	82	1.95	86	2.05
		Relationship Behavior	167	85	2.04	82	1.96
3	Operative Employees	Task behavior	923	451	1.95	472	2.05
		Relationship Behavior	912	463	2.03	449	1.97

Source: The figures in column Nos 4,5 and 7 are taken from Table-2 and 3.

In Table-8, it is noticed that the effective leadership styles for Top managers are 2.08 and 1.96 respectively for task behavior and relationship behavior and in-effective leadership styles for Top Managers are 1.92 and 2.04 respectively for task behavior and relationship behavior. Just like that, one can observe the effective and in-effective leadership styles of other two categories of employees.

From this table, one can find out the way in which leadership styles of employees can contribute towards leadership effectiveness. This is depicted in table-9.

Table-9: Way in which Leadership Style of Employees contribute to leadership effectiveness: Category-wise

Sl No.	Category of Employees	Leadership Dimensions	Leadership styles in "-4 to+4" points scale		Leadership Effectiveness	
			Positive	Negative		
1	2	3	4	5	6	7
1	Top Managers	Task behavior	2.08	1.92	(+)0.16	(+)0.08
		Relationship Behavior	1.96	2.04	(-)0.08	
2	Supervisors	Task behavior	1.95	2.05	(-)0.10	(-)0.02
		Relationship Behavior	2.04	1.96	(+)0.08	
3	Operative Employees	Task behavior	1.95	2.05	(-)0.10	(-)0.04
		Relationship Behavior	2.03	1.97	(+)0.06	

Source: The figures in column Nos 4 and 5 are taken from Table-8.

In the Table-9, one can notice the "effectiveness and ineffectiveness" of the leadership styles as (+) 0.08, (-) 0.02 and (-) 0.04 for Top Managers, Supervisors and Operative Employees respectively. It means that no respondent could reach the basic styles of leadership except Top Manager. The basic style of leadership is above the value "+4". The basic style is attainable only when the negative attributes become positive slowly and gain at "0" level leadership style and when it can reach at "+4" points as per the model.

The measurement of the selected behavioral variables in respect to task and relationship behavior in this model clearly indicates that most of the organizational members could not attain the minimum level of job maturity and psychological maturity as-stated in this model except the top managerial staff.

4. Overall Impact of Leadership Styles on Organizational Effectiveness:

The overall impact of leadership style on organizational effectiveness has been consolidated through a process of simple addition method. In this method, the leadership effectiveness of all categories of employees as per the given models has been added up for final assessment of the total organizational effectiveness. The details of contributing attributes in this respect are shown in table-10 in order of hierarchial levels of respondents.

Table-10 Total Organizational Effectiveness from all Categories of selected Respondents: Model-wise

Sl No.	Category of Employees	Leadership Dimensions	Hierarchical Levels of respondents			Total Organizational Effectiveness
			Top Manager Effectiveness	Supervisor Effectiveness	Operative Employees Effectiveness	
1	2	3	4	5	6	7
1	Ohio-state University Model	TB+ RB in Percentage	(+)1.88	(-)0.58	(-)0.74	(+)0.56
2	Managerial Grid Model	TB+RB in "1 to 9" points scale	(+)0.16	(-)0.06	(-)0.06	(+)0.04
3	Tri-Dimensional Model	TB+RB in "-4 to +4" points scale	(+)0.08	(-)0.02	(-)0.04	(+)0.02

From the Table-10, one can observe that the organizational effectiveness is (+) 0.56 percent of all categories of respondents together as per Ohio State University Model. Similarly, one could notice (+) 0.04 points and (+) 0.02 points as per Managerial Grid and Tri-Dimensional Models respectively.

The effective leadership style which sub-ordinates desire is the combination of both initiative and consideration structure for generating higher level of performance and to make an origination effective.

Conclusion

The group members desire more in the way of consideration. On the other hand, the managers to whom the supervisory leaders reported; preferred a greater emphasis on initiating structure. The higher the level of management, the greater is the emphasis on initiating structure.

The operation and maintenance practices of the present managerial staff of Jorhat Electrical Circle are not found conducive for an effective organization.

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Measuring Human Resource Functions in Large, Medium and Small Scale Organisations- A Comparative Study

Yogesh Kumar*
A.K.Mishra**

Abstract

The present study is an attempt to measure human resource functions by comparing current service level of HR practices and desired service level of HR practices. Data was collected from the employees of large, medium and small scale organizations. A total of three hundred employees drawn 100 each from each group were contacted. Questionnaire method was used to collect responses from the respondents. A current level HR practices index was computed. Statistical technique like One- way Analysis of Variance ANOVA was used to analyse the data. Results of ANOVA showed all the three organizations i.e. large, medium and small scale differ significantly on current service level of HR practices. Further, a gap between current service level of HR practices and Desired service level of HR practices was observed in each of the three groups- large, medium and small scale organizations.

Keywords Current service level of HR practices, Desired service level of HR practices.

Introduction

Worldwide pressure on corporate houses has demanded a new pattern of work culture leading to rethink, redesign and restructure the organizations to face stiff competition or peril from the business. Present day business organizations are severely striving to establish themselves and earn maximum share in the global market. They have been adopting new technology to produce world standard products with efficient services to the customers. In addition, organizations are deploying skilled, loyal and committed human resources who are capable of controlling sophisticated and high-tech machines and equipments. An integration of new technology and efficient workforce is possible when an organization adopts a strong and progressive human resource approach. An innovative and professionally managed human resource department with a well defined human resource strategy can help the organizations to take up challenges successfully. Farsighted companies have made management of talent as their highest corporate priority. In managing their human resources, companies have constantly focused on values, invested in personnel, emphasized on meritocracy and consequently developed excellence in the HR process. An innovative HR practice must include innovative practices of recruitment and selection, innovative practices of rewards and recognition, motivation, cost cutting, training and performance appraisal (Pallavi and Mishra,2010). Further, every business organization must draw a set of human resource policies and practices that suit the organisation's own policies and situation.

*   Research Scholar, Deptt. of H.R.D, V.B.S. Purvanchal University & Vice-President (HR), Bharatiya Group, New -Delhi.

**   Professor and Head, Department of Management, Mizoram University, Aizawl.

They are formulated to successfully face multiple challenges ranging from micro level issues to macro level issues. Effective HR policies and practices are the tools developed to address such problems rightly(Murthy, 2010). Thus, it is imperative to periodically analyse human resource functions of an organization and develop futuristic HR strategy.

Human resource functions of an organization has two important aspects i.e. procedural and behavioural. The procedural aspect of the human resource function includes framing and implementation of the HR policies and regulations for effective mobilisation of human resources working in the organization. It also includes compliance to the standard norms that have been defined by the organization and regulatory or statutory body. Second aspect of the human resource function is psychological or behavioural in nature. The dynamics of the behavioral side is extremely complex in nature. Complex nature of behavioural aspect of HR function is mainly because it is difficult to predict behavioural responses elicited in different situations. An employee differs from another in his reaction to various HR initiatives. The human resource functions is said to be effective when :

- Desired policies and procedure are established and implemented.
- Desired response to various HR initiatives is received from the employees.

The present study is an attempt to assess the current levels of HR practices followed in large, medium and small sector industries. Further, it is to examine the gap between the desired level and current level of HR practices in these three categories of business organisations..

Review of Literature

The studies relating to the measurement of human resource functions of the business organizations are not much explored. Thus, this particular area has wide scope to undertake further researches. However, few studies which are directly or indirectly related to the topic and helped in conceptualizing the research paper are presented. Serious attempts are required to unfold actual happenings in the HR functioning. Because companies are taking up people related initiatives as there is a need to lose the competitive edge in talent that they have built. Human resources management has, therefore, paramount importance as companies need to learn to think of employee programme. Companies across different sectors should train the right people in the right areas (Pallavi and Mishra, 2010). According to Bonadio(2009) HR leaders are constantly seeking to improve insight into workers effectiveness. The challenges are enablement and empowerment. The key findings of his study are importance of strategic cross -functional metrics, and the need for a single, fully -connected people management platform to drive continuous workforce and business improvement. Cooke(2007) emphasized work place strategies as the integration of human resource and technological capabilities. Farh et.al.(1995) identified major social and economical trends that directly affect the management of human resources and discussed the key implications of these trends with regard to personnel planning, recruitment and selection, training and compensation. Garavan et. al .(2004) examined the concept of HRD from the individual, organizational and community/societal levels. The paper highlights both the distinctiveness and usefulness of each level of analysis, identifies tensions within and between them, and outlines differences in underpinning assumptions, characteristics of HRD provision and delivery of HRD interventions. By adopting this approach, the authors drew the attention to

variations in meaning, intent, content and practice with implications for developing both the theory and practice of HRD.

According to Rao, the HRD function has gained a lot of momentum in the last decade. An earlier survey conducted in 1984 indicated that a number of HRD sub-system were being initiated in Indian industry. A detailed questionnaire was developed covering 94 different activities or tasks the HRD staff or those in-charge could undertake in any organization. This questionnaire was administered to 61 HRD staff from public sector and private sector organizations. The questionnaire assessed how well each of the 94 activities/tasks is being performed as perceived by the respondents. Their assessment indicates there are more similarities than differences in the way the HRD function is being performed in both public and private sector organizations. The study also indicates that conducting human process research, mobilising unions and associations to play a role in HRD and effective monitoring of HRD implementation are perceived as being performed inadequately in these organizations. Overall, while HRD function has caught up, it has a long way to go near to the "excellence". In the words of Chandra Sekhar, human resource planning as a strategic issue of HRM is considered very crucial for repositioning organizations in the context of changing business environment. Further, in response to the ongoing restructuring, human resource planning requires integrating a firm's strategic challenges with human resource strategies and practices. This study intends to explore the status of human resource plan in large database of public sector and private sector undertakings. HR functions from 57 companies responded the questionnaire which includes scales to measure the extent to which HRP practices are considered in their organizations. On comparing, the controlling for the levels of functions of the public sector were found to be more active in their HRP activities than their private sector counterparts. However, the mean variations on HRP activities have not reached the statistical levels of significance indicating HRP orientation and HRP activity profile are global in nature rather than specific type of organization.

Research Methodology

Prime objective of the present research is to study the extent of implementation of HR practices with respect to the current service levels and desired service level of HR practices in large, medium and small sector organizations.

Specific Objectives

1. To study the extent of current service level of HR practices in large, medium and small scale organizations.
2. To compare large, medium and small scale organizations with respect to current service level of HR practices.

Hypothesis

Keeping the above main and specific objectives in mind, the following hypothesis was formulated and tested:

There will be a significant difference among large scale, medium scale and small scale business organizations as regards to current service level of HR practices.

Tools Used for Data Collection

Questionnaire method was used to collect data from the respondents. The questionnaire was developed to measure current HR practices followed in different business organizations. A HR Practice index is computed by adding the score of all the twenty statements. Each statement is rated with a five point scale i.e. strongly disagree(1), disagree(2), neither agree nor disagree(3), agree(4), and strongly agree (5). The minimum score is $1 \times 20 = 20$ and the maximum score can be $5 \times 20 = 100$. Thus, the total scores ranges from 20 to 100 points. Minimum score is $1 \times 20 = 20$ and maximum score is $5 \times 20 = 100$. For the present study ,

Desired Level of HR Practices has been considered as = $4 \times 20 = 80$ score.

Excellent Level of HR Practices has been considered as = $5 \times 20 = 100$ score

Sample

Random and convenient sampling technique was used in this research to collect data. A total of 300 respondents were contacted from the population. Out of 300 respondents 100 are from large, 100 are from medium and 100 are from small sector organizations.

Research Design

Data were collected from three hundred employees drawn from large sector, medium and small sector organizations. For testing the differences on present HR practices among employees of large sector , medium and small sector the population was divided as below:

Large scale (N=100)

Medium Scale (N=100)

Small Scale (N=100)

Current Level Services of HR Index: The index is computed by adding the score of all twenty statements of the questionnaire. That is, current level services of HR index = Q1+Q2+Q3+Q4+Q5+Q6+Q7+Q8+Q9+Q10+Q11+Q12+Q13+Q14+Q15+Q16+Q17+Q18+Q19+Q20. Here Q1 refers to statement no 1 in the questionnaire and Q2 refers to statement no 2 and likewise. The mean score of a group on current services level HR practices index has been computed on the basis of the responses given by the respondents of the same group. One group is compared with other group on the basis of the score obtained by each group. Maximum score and minimum score of the scale are 100 and 20 respectively. Desired level services of HR has been calculated as 80 points(as 4*20=80). The score above 80 is excellent. The current HR services offered are excellent.

One -way Analysis of Variance (ANOVA) was used to analyse the data .

Results

The present study is an attempt to assess current HR practices followed in large scale, medium and small scale organizations. Further, attempt has been made to identify gap, if any, between the current service level of HR practices and desired service level of HR practices in the said categories of business organizations. Results are presented in Table-1, Table-2 and Graph-1.

In Table-1, mean scores and standard deviations of large, medium, and small scale organizations on current HR practices index have been presented. According to the results, the

mean score of large scale organizations on current HR practices index has been found to be on higher side (78.60) and small scale organizations on lower side(57.20). The results indicate that HR services offer in the large organizations are better than medium scale organizations. When compared with the small organizations, large scale organizations are again found to be better. While comparing medium and small sector organizations   on the mean score of current HR practices Index, it was found that medium scale organizations are better placed than the small scale organizations.

When current service level of HR practices and desired service level of HR practices are compared in each category of the organization, results also indicated similar type of findings(Graph-1). The gap was found more in the small scale organizations. HR practices followed in the medium scale organizations are found to be better than small scale organiza-tions. The HR practices followed in the large sector organizations are better than   medium scale organizations.

Table-1: Mean Score and Standard Deviation of Large, Medium and Small Sector Organizations on current level HR Practices index.

Type of Organisation	N	Mean Score	Standard Deviation
Large Scale	100	78.6	10.73
Medium Scale	100	68.4	13.38
Small Scale	100	57.2	17.06

Graph-1
Showing Gap between the Mean Scores of Current HR Practices   and   Desired Level HR Practices among Large, Medium and Small Scale Oranisations.
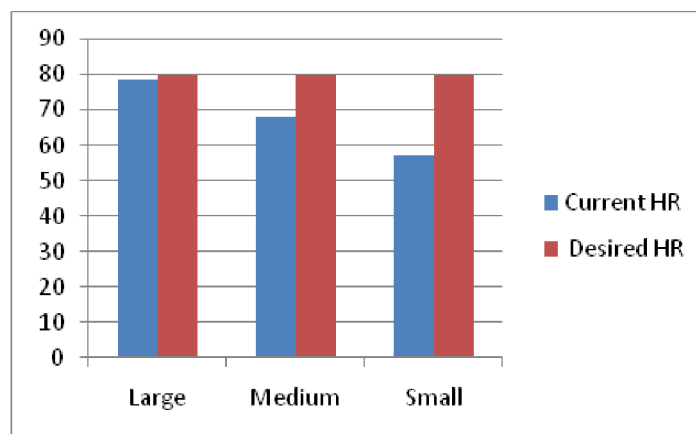
Table-2 : Summary of One-way Analysis of Variance (ANOVA) to Test the Mean Difference in Variance among the Large Scale, Medium Scale and Small Scale Sector Employees on Current Service Levels of HR Practices.

N=300

Source of Variance	Sum of Squares	Mean Squares	F
Between the groups	22914.66	11457.33	58.706**
Within the groups	57964	195.165	
Total	**80878.66**		

One way analysis of variance (ANOVA) was carried out to observe significance of difference among three groups of organizations on the current level services of HR practices. The F-value has been found to be significant both at .05 and .01 level. The result shows a significant difference of variance among the three groups i.e. large scale, medium scale and small scale organizations. It can be inferred here that all the three organizations have different level of HR practices. This finding appears to be true because, all these three types of organization differ in terms of capital invested, number of employees, working culture, mission for the business and statutory provisions.

This finding supports the hypothesis "there will be a significant difference among large scale, medium scale and small scale business organizations as regards to current levels of HR practices".

Conclusion

According to the findings, large scale organizations are offering better HR practices than medium scale or small scale organizations. The reasons for this finding may be due to the reasons like difference in the capital investment, expertise available, number of qualified personnel. Further, large scale organizations are facing stiff competition from other large scale organizations domestically as well as internationally. In order to survive from the competition, a large scale organization has to extend better HR practices. Large scale organizations have adequate budgetary provisions for various HR programmes. They have adequate man power to undertake HR activities. Therefore, they are in a position to give desired shape to the HR policies. Otherwise, winning the race will be difficult for them. Such organizations should go for quality based products and higher level professionalism in the work culture. On the other hand, medium scale organizations do not face such competitions like large scale organizations specifically from MNCs. Whatever, competition they face, is basically from the domestic organizations. But they should also try to implement higher level and better standard HR practices. Such an attempt will help medium scale organisations to retain their star performers and produce quality products. Such organizations can create a potential market for themselves. The results show that small scale organizations are not very professional. They do not have defined HR policies. They even do not properly implement HR initiatives. Lacking of adequate budgetary provision for training and

development programmes also affect proper implementation of HR practices in both medium and small organizations..

Human resource policies of an organisation is pertinent for its existence. The policies need to be professionally thought of and strictly implemented. Whether large, medium or small organizations, they all need to allocate proportionately adequate budget for the success of HR practices. The net result of sound HR policy is the effective organisation. It helps organization in achieving new heights in terms of productivity, cost effectiveness, steady growth, diversification, profits, high morale of employees, team work and public image.

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Services Rendered by Commercial Bank: A Customer Oriented Empirical Evidence from State Bank of India

J. U. Ahmed *

Abstract:

In the modern customer centric competitive arena, satisfaction and quality prove to be key factors reciprocally interrelated in a causal, cyclical relationship. The higher the service quality, the more satisfied are the customers. With the current change in the functional orientation of banks, the main driver of banks success and survival is fulfilling customer needs and expectations. Thus, customer satisfaction is quite a complex issue. The paper is an attempt to examine empirically services rendered by State Bank of India in Garo Hills of Meghalaya. A sample of 100 customers was selected for the purpose of the study. The information has been collected through structured questionnaires. The opinion of the respondents on 25 variables indicating the satisfaction level were measured with Likert five point scale ranging from five to one depending on the importance. Further, Factor analysis technique has been employed to determine the satisfaction level of customers.

Keywords: Satisfaction, Quality, Customer needs.

Introduction

The banking industry is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers and the changing climate which lead to an unprecedented set of challenges. The banking is a customer oriented service industry. There has been a radical shift in the market power from banks to their customers. The effectiveness and efficiency became the buzzword of the success of banking operation and proper functioning particularly in respect of providing services to the customers. Service is an invisible thing which is indispensable from the person who extends it. An efficient or effective service is one which is extended appropriately by identifying and understanding the needs of the individual customer from time to time (Reddy, et. al., 2000). Customer service is a dynamic interactive process which needs continuous improvement. With the advancement of information technology and communication system, the whole world has been reduced to a global village. The customers at the present juncture are well exposed to internet and satellite, T.V and so on. He is aware of the fact of service level available around the world and thus expects the best from his bank (Rao, 2002). Customer service is not only a critical function but becoming key posture for the business. It is the next most business strategy. The improved customer service will definitely increase the profitability. A bank can be said as customer oriented if its various organisational activities like organisational restructuring, staffing, and coordination are geared up to fulfill customers needs (Ambashta, 2000).

*   Associate Professor of Finance, Department of Management, North Eastern Hill University, Tura Campus, Chandmari - 794002, Meghalaya, India

In the era of globalization and liberalization, economic reform has become an imperative to remain in the main stream of global economy. The banking sector being the backbone of the economy can not maintain the status quo. It is legitimately feared that the privileged status, which banks enjoyed for more than last three decades, has already been changed with the entry of new players in the form of private and foreign banks. Under these circumstances, the banks will have to face pronged challenges to retain the existing customers and to create new customers. However, success rate depends on the innovative strategies adopted by the banks including the better customer services and adequate fulfillment of customer's expectations (Joshi, Awasthi and Jinnah, 2000). Thus, customer satisfaction is quite a complex issue and there is a lot of debate and confusion about what exactly is required and how to go about it. The paper is an attempt to review the necessary requirements and examine empirically services being rendered by commercial banks particularly the State Bank of India (SBI) in Garo Hills of Meghalaya.

Problem Identification

The competition for customers' services are reflected in increase use of computer and telecommunication technology by banks to provide improved and faster banking services with greater emphasis on value added services. The improved technology has led to the low cost, instantaneous communications and electronic fund transfers (Zenoff, 1989). This has led to the integration of inter-national financial markets. Moreover, due to increase in awareness and literacy ratio the customer of today has become more learned about the risk, costs, and returns, associated with various financial services. As consequences, banks have to face the brunt of intense competition both from their counterparts and several other privately owned financial institutions. To resist with the volatility and risks associated with these financial markets; a specialized marketing function has to be developed in the banking sector (Watkins et.al. 1989). Today, the concept of banking is not merely the function of accepting deposits, lending and money transmissions. They have now diversified into insurance, brooking, advisory services, merchant banking, factoring and almost other legitimate financial activity. In order to survive in the present day world of competition, the banks will have to formulate marketing strategies in a way to woo the customers towards them. The level of customer satisfaction is becoming one of the major targets in the hands of banks to increase their market share (Aurora. et. al, 1997).

Besides, the credit card schemes, mutual funds, merchant banking, lease financing etc were included in the banking area of operation to attract more customers. They also did a lot of marketing of their services to persuade the customers (Mohamed, 1995). The Narasimham Committee (1991) in this respect stressed for a continuous evaluation and improvement in the level of customers' satisfaction. Further, it suggested as a part of the banking reform that an independent outside agency may be involved to assess customers' satisfaction level, preferably, from March 1994 with signing the memorandum of understanding (MOU) by individual banks with Reserve Bank of India. The Ministry of finance proposed in December 1993 that banks should draw up a comprehensive code of banking practices, outlining standards for disclosure of information about the bank's services and rights and obligations for its customers. The Banking Ombudsman (BO) scheme was initiated in 1995 for expeditious and inexpensive resolutions of deficiencies in banking services. Apart from this, Customer Service Department (CSD) was

constituted in July 2006 to provide proper focus to the entire range of customer service related activities of commercial banks. At present, Indian banking industry is adopting technology at a faster rate to keep pace with the changing environment. It has embraced many new features like internet banking, mobile banking, automated teller machines (ATM), phone banking, debit cards, credit cards, etc.

Despite repeated steps and strategies for better customers' services undertaken, the BO offices receive the complaints from general public relating to their grievances against commercial banks, regional rural banks and scheduled primary co-operative banks. During 2008-09, the number of complaints received by BO offices was 69,117 as against 47,887 complaints received during the previous year. The maximum number of complaints related to credit cards, followed by complaints relating to failure to meet commitments (RBI, 2009).

The SBI is the first state owned commercial bank and has become leader in respect of branch expansion, volume of business, priority sector lending and innovative services provided throughout the country. On June 30, 2008 the SBI and its 7 associate banks together accounted for around 20 per cent of total branches of commercial banks. The banking business with them was roughly 20 per cent (Mishra and Puri). During 2008-09, the number of ATMs of SBI group registering a sharp growth of 34.5 per cent. The SBI has been adopting technology and innovative strategies at a faster rate to render a better service. It has squeezed numerous services to its customers. With the current change in the functional orientation of SBI, the main driver of banks success and survival is changing customer needs and expectations. These frontages the pertinent questions relating to how many of the services of banks are used by customers? How many of them are satisfied with these services? Are the banks offering these services as per customer's requirements? This paper is a holistic attempt in this direction.

Earlier Studies

Customer satisfaction is an important theoretical as well as practical issue for marketers and consumer researchers. It may be considered as essence of success in the present highly competitive scenario. A number of studies are available on service quality and level of satisfaction both in India and abroad. A brief the review of these related studies have been made in the following paragraphs to identify the necessity of the study.

The studies (Gronroos,1982); lewis and Booms, 1983) suggested that service quality stems from a comparison of customers expectations with seller's actual service performance. A broad-based study conducted by Parasuraman et.al. (1985) reinforced the idea that service quality is a function of customers' expectations and performance gap. Several authors have also articulated different attributes that the customers use as criteria in evaluating quality of services. Lehtinen (1982) found three kinds of quality: physical quality i.e. physical aspects associated with the service such as equipment and building; corporate quality i.e. firm's image or reputation in rendering services; and interactive quality, which indicates interaction between service personnel and customers. Berry et.al. (1997) suggested four essential approaches of quality of services. It includes: transaction surveys, customers' complain comments and inquiry, total market survey and employee survey. East (1997) opined that the customer satisfaction is a major out-

come of marketing activity whereby it serves as a link between the various stages of consumer buying behaviour. Realizing the role played by public sector commercial banks in regard to the service quality, Saraiya Committee (1972) suggested seventy seven recommendations for improvement of customer services. Talwar Committee (1975) viewed that customer service is a dynamic concept and recommended that the bank should assess and reassess the customers' perceptions about bank services. In this respect, Goiporia Committee (1991) emphasized on amicable banker customer relationship. Many of the recommendations of this committee were implemented which include introduction of attractive term deposit schemes, fixation of customer services indices and so on.

Global competition continues to heat up in markets around the world and emerging technologies continue to empower customer with more market knowledge and wider choices. As such, quality of service will increasingly become the pivotal determinants on a sustained basis. Moreover, conventional marketing will increasingly appear as a ticket to enter the competitive arena. In this context, Parasuraman (2000) opined that superior customer service and marketing excellence are the two sides of the same coin. Ahmed (2002) established some key antecedents of customer's satisfaction in retail banking in the competitive world of business. Lenskold (2004) observed that customer profitability management requires a multi level marketing return on investment analysis covering a series of marketing activities that can be integrated. Patnaik (2004) stated the importance of ATM and viewed that ATM become an indispensable tool of convenience as most of the people have changed the acronym to anytime money. Selvaraj (2006) studied the customer's perception towards utilization of ATM and offered some suggestions for increasing the level of satisfaction of the services of ATM users. Dash and Mahapatra (2006) gave an insight into the parameters of customers' satisfaction and their measurement. The paper observed that the customer's requirements must be translated and quantified into measurable targets. This provided a way to monitor improvements, and deciding upon the attributes that need to be concentrated in order to improve customer's satisfaction.

Kansal and Singh (2007) studied on customers orientations towards banking services in urban areas of Punjab particularly the innovative services to the customers of some private banks viz, HDFC bank, ICICI bank and Bank of Punjab. They observed that the most of the services offered by private banks have remained unutilized by he urban customers. Mobarek (2007) found it difficult to compete on price and need to look at other ways to retain customers. After conducting this research, it is clearly seen that delivery channels are lacking to meet the demands of the customer by not making them aware of e-banking and using obsolete or not to up-to-date technology. Jham and Khan (2008) studied the customer's satisfaction in the Indian banking sector and inferred that the satisfaction of customers with the services of Indian banks is linked with the performance of banks.

With the current change in the functional orientation of banks, Kumar (2008) observed that the main driver is changing customer needs and expectations. The customers in urban India no longer want to wait in long queues and spend hours in banking transactions. This change in customer attitude has gone hand in hand with the development of ATMs, phone and net banking along with availability of service right at the customer's doorstep. Nukpezah and Nyumuyo (2009) established that the competitive pricing as well as company image contribute to customer

satisfaction and service quality. Lenka, Suar, and Mohapatra (2009) in a case study of Orissa state analysed service quality of Indian commercial banks fosters customer loyalty. The paper found that better human, technical and tangible aspects of service quality of the bank branches increase customer satisfaction. Human aspects of service quality were found to influence customer satisfaction more than the technical and tangible aspects. Mishra (2009) tried to explore the factors that lead to customer satisfaction in retail banking in India. The data from 100 survey respondents were collected from one branch of one of the prominent retail banks in the city of Hyderabad. The study identified that customer satisfaction, a transaction-specific attribute is dependent on several factors which concur with extensive academic literature. Sarlak and Fard (2009) in their work established a positive relationship between customer relationship management and customer satisfaction in Agricultural Bank in Qom providence.

Khattak and Rehman (2010) analyzed the customer's satisfaction and awareness level towards the Islamic Banking Industry of Pakistan. It has investigated the relationship between different demographic variables and the satisfaction and awareness of customers. A sample of 156 respondents from different cities of Pakistan was selected. For the analysis, the Kruskal-Wallis one-way ANOVA was adopted to check the relationship between demographic variables and satisfaction and awareness. The respondents expressed their satisfaction to some of the services and expressed dissatisfaction with few. The customers indicated that they are aware of different products but do not adopt these products. Clancy (2010) in his observation reported that the big high street banks in the UK continue to fall short of customers' expectations as smaller banks make for happier banking. The study based on People's Choice Poll (PCP) which revealed the best and worst financial brands in terms of current accounts, savings, credit cards and mortgages. Nuseir, Akroush, Mahadin and Bataineh (2010) studied the relationship between the e-service quality dimensions and customer satisfaction of banks in Jordan. The data was collected from 457 customers who had e-banking transactions with banks in Jordan. The paper indicated that e-service quality dimensions such as website attributes, reliability, perceived risk, responsiveness and customization have a positive and significant effect on the banks overall customers' satisfaction. The study also indicated that the strongest predictors, based on beta values, of e-service quality dimensions on the overall banks customers' satisfaction and its individual elements are responsiveness, website attributes and customization respectively.

With this backdrop an analysis has been made to examine whether the increased competitive pressure has been leading to increased efficiency in the commercial banks in general and SBI in particular. An empirical study has, therefore, been undertaken to assess the nature of services rendered by the banks in the area under study.

Background of the Study Area

Garo Hills is the westernmost part of Meghalaya and south western corner of Assam state located between latitude 2509/ and 2601/ North and longitude 89049/ and 9102/ East covers an area of 8167 sq. km comprising 16 towns and 19 Community Rural Development Blocks in 6 sub-divisions of three districts (East Garo Hills, West Garo Hills, South Garo Hills) of Meghalaya state (GoM, 2003) . It is bounded on the north by the district of Goalpara and west by Dhubri district of Assam, on the east by West Khasi Hills and on the south by the Rangpur and Mymunsing districts of Bangladesh. The region presents an interesting topography with a vast forested area

grown from the foot hills and containing rich biological resources. This land is traversed from north-west to south east by a central hill range known as the Tura range, dividing the valleys of Bramaputra and Surma. The average height of these hills is two thousand feet and the highest peak, Nokrek (4652 feet), is a little to the east of Tura town. As per 2001 census, the literacy rate in the districts under study is 57.4 per cent which is lower than state's average (63.31 per cent) and national average (65.4 per cent) (GoI, 2007-08). Nearly 55 per cent of the geographical area is under forest and 23 per cent are under agriculture. High lands within the district are generally planted with tea, coffee, betel-nut, cotton, rubber and cashew-nut while plain areas of districts are covered with jute, rice, muster seed etc.

The districts of Garo Hills are identified as one of the industrially backward districts. The number of registered manufacturing industries in the districts is 3 which constituted about 10 per cent of the total number of industries of state Meghalaya in March 2006. As per records available in DIC offices of the districts, total number of registered small scale industries was 50 in 2007-08. Transportation is one of the important infrastructural needs of the people in order to help productive activities and the well being of the society. Unfortunately the road transportation of the area under study is not up to the mark. The districts have a road density of 33 kms per 100 sq kms area during 2001-02. However, regular Helicopter services and movement of Tata sumos, Winger and deluxe buses are available from Tura, the head quarter of West Garo Hills District to Shillong, the capital city of the state Meghalaya. There is no railway in Garo Hills Districts. Guwahati, the capital city of neighboring state Assam is connected with rail transportation with rest of the country.

The adequacy of finance is essential for development of any region. For accelerating the pace of industrialization, the Meghalaya Industrial Development Corporation (MIDC) which was incorporated in 1971 extended a branch office at Tura of West Garo Hills Districts in 2nd October 1980 which is catering the requirements of the study area. The districts of Garo Hills have 20 per cent of bank offices of state Meghalaya (GoI, 2008). At present, State Bank of India with 44 branches, 3 other nationalized banks with 48 branches, RRB (Meghalaya Rural Bank) with one branch and Meghalaya Co-operative Apex Bank with 16 branches are operating in the districts. The following table shows the banking network of the area under study.

Table-1: Banking   Network in Garo Hills Districts as on December 2009

Types of Bank	Number of bank branches			
	East Garo Hills	West Garo Hills	South Garo Hills	Total
1. State Bank of India and its Associates	14	27	3	44
2. Other Nationalized Banks	1	3	0	4
3. Regional Rural Banks	0	1	0	1
4. Meghalaya Co-operative Apex Banks	3	9	4	16
Total	**18**	**39**	**7**	**65**

Source: Govt. of Meghalaya 2009. Statistical Hand Book, Directorate of Economics and Statistics

It may be observed that the existing bank branches are inadequate to serve the population in the districts under study. Therefore, major areas are still remaining un-served by the banks and the rural masses are yet to access the banking services. In order to improve the economic condition of the people of this area, attention for the development and services of banks and financial institutions with appropriate strategy may have to be taken.

Objective of the Study

The major objective of the study is to examine the services rendered by State Bank of India in Garo Hills Districts of Meghalaya. The following specific objectives are-

• To analyse the factors affecting the level of customers' satisfaction of SBI in the districts under study.

• To ascertain whether profession wise groups of customers differ in their level of satisfaction from the banking services.

• To study the customer's orientations towards various innovative services offered by banks.

Hypotheses

The following hypotheses have been framed to meet the objectives of the study.

• The banks are rendering services to the fullest satisfaction of the customer in the area under study.

• The innovative service quality of State Bank of India increases customer satisfaction over the years.

Methodology

Sample design : A sample of 100 customers who are directly associated with the banks i.e. at least having accounts with the banks and operating the same on a regular basis, were selected for the purpose of the study. An equal, 50 each, number of respondents i.e. persons who are directly associated with banks both from rural and urban areas were considered. The information has been collected through structured questionnaire. Since the banks refused to provide the list of customers, the questionnaires were got filled up from the customer personally visiting to the bank premises. The data were collected from the banks during the month of March-April 2010. 10 customers who come out of the banks on the very day were contacted. The purposes of the study were explained and then the customer was requested to provide his/ her responses with regard to the items of the questionnaire. The Table -2 presents the district-wise sample distributions.

Table - 2 : District-wise Sample Distribution

Districts	Branches covered	No of Respondents (Profession wise)			
		Servicemen	Businessmen	General customer	Total
West Garo Hills	2	14	13	13	40
East Garo Hills	2	12	12	12	36
South Garo Hills	1	8	8	8	24
Total	**6**	**34**	**33**	**33**	**100**

Source: Our Sample

40 customers of State Bank of India from 2 branches in West Garo Hill, 36 from 2 branches in East Garo Hill district and 24 from 1 branch in South Garo Hill district are finally taken into consideration for the study. The opinion of respondents on 25 variables indicating satisfaction/dissatisfaction level were measured on a five point sale (Likert scale) ranging from 5 to 1 depending on the importance (Figure - I). For example, 'Highly satisfied' was ranked 5 followed by 'satisfied' with 4, 'Neither satisfied nor satisfied' with 3, 'Dissatisfied' with 2 and 'Highly dissatisfied' with 1.

Figure - I

Code	Reasons for satisfaction/dissatisfaction
C1.	Service charges
C2.	Time taken for opening an account
C3.	Speed of withdrawal.
C4.	Speed of depositing money.
C5.	Décor of bank
C6.	Interest on savings/loans
C7.	Computerization of bank
C8.	Bank's innovativeness in introducing new services
C9.	Bank's parking place.
C10.	Atmosphere in the bank
C11.	Bank's publication regarding services and performance
C12.	Banker - customer meet.
C13.	Attitude of staffs towards customers
C14.	Location of the bank
C15.	Knowledge of bank employees regarding bank services
C16.	Efficiency of the staffs
C17.	Availability of staffs in the respective counter
C18.	Layout of the bank
C19.	Sitting facility
C20.	Bank's advertising regarding services.
C21.	Cash credit facility
C22.	Management of banks
C23.	Genuineness of overdraft facility
C24.	Reputation of banks
C25.	Quality and quantity of services

These variables (reasons) have been derived on the basis of studies conducted by Rao (1987), Kaptan and Sagane (1995), Gavini and Athma (1997), David and Bro (1989), Aurora and Malhotra (1997), Terninko (1997), Reddy, et al, (2000), Bhattacharyy et.al, (2002), Reinartz et al, (2002).

In order to study the customer's orientation towards various innovative services provided by the banks, the ATM services of SBI has been considered due to the reason that SBI is the champion with maximum number of ATMs installed in the country. The convenience sampling

method was followed for collection of data (sample distribution is mentioned in appropriate places).

Tools and Techniques: Factor analysis technique has been employed to determine factors representing satisfaction/ dissatisfactions level customers. It identifies common dimensions of factors from observed variables that link together the unrelated data and provides insight into the underlying structure of the data (Dillion and Goldstein, 1984). The first step involves calculation of correlation matrix which shows the interrelationship among the observed variables. The next step in factor analysis is the choice of factor model depending upon the objective of the analysis. Since the objective in this study is to summarise most of the original information (variance) in a minimum number of factors, Principal component analysis (PCA) *with varimax rotation* has been used. A *Principal component* analysis is a factor model in which the factors are based upon the total variance. In addition to selecting the factor model, we have specified how the factors are to be extracted. In the present study we have used orthogonal factors. Here the factors are extracted in such a way that each factor is independent of all other factors. Therefore, the correlation between the factors is arbitrarily determined to be zero.

An important concept in factor analysis is the rotation of factors. Since the *unrotated factor* solution may or may not provide a meaningful patterning of variables, the factors have to be rotated using unorthogonal or an oblique method. *Varimax rotation* is one of the most popular algorithms for orthogonal rotation. In this study, we have used *varimax rotation* to simplify the factor structure by maximizing the variance of a column of the pattern matrix. Next step in the process is to decide the number of factors to be extracted. The most commonly used technique is referred as the latent root (*Eigen values*) representing the extent of variance in data. Now we have to interpret the factors i.e., which factor loading is worth considering, from the rotated factor matrix. We select those factor loading which were greater then 0.45 (ignoring the signs) and loaded them on the extracted factors. A factor loading is the correlation between is the original variables and the factors squared factor loadings indicate what percentage of the variance in an original variable is explained by a factor. The final step in factor analysis is naming the factors based on appropriateness for representing the underlying dimensions of a particular factor. Variables with higher loadings are considered more important in this type of factor interpretation. They strongly influence the name or level selected to represent a factor.

In order to find out how the customers ranked the various factors in terms of satisfaction, we have used *factor wise average scores* with a view to interpret the results. These average scores have been used to find out the level of satisfaction/dissatisfaction of the customers in relations to each variable. The analysis of data relating to customers orientation towards innovative services of SBI has been made separately with chi-square test, t test etc.

The Analysis and Discussion

The 25 variables used for the factor analysis were coded using a five point scale stated earlier. Initially the inter correlation among the variables were calculated and presented in the Table-3.

Principal Factor: The inter correlation analysis suggests that out of 25 variables 7 are closely related as the values of correlation co-efficient are relatively high in their case. This indicates that

all these variables can be reduced to 7 factors. These variables, stated below, showed higher correlation coefficients which are statistically significant at 5 per cent level of significance.

(1) Décor of banks with sitting facility (C5 vs C19).

(2) Service charges with atmosphere in the banks (C1 vs C10)

(3) Bank's innovativeness to introduce new services with the efficiency of staff (C8 vs C16).

(4) Bank's parking place with atmosphere in banks (C9 vs C10).

(5) Bank's publication regarding services with reputation of banks (C11vs C24).

(6) Knowledge of bank employees regarding bank services with sitting facilities (C15vs C19).

(7) Location of the banks with availability of staff in the respective counter (C14 vs C17).

<div align="center">

Table - 3: Inter-Correlations of Variables

Marked Correlations are Significant at P< 0.05000

N = 100 (case wise deletion of missing data)

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Variables	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25
C1	1																								
C2	–.07	1																							
C3	0.06	–.04	1																						
C4	.05	.04	0.11	1																					
C5	.02	.01	.13	0.03	1																				
C6	–.01	0.04	0.03	–.07	0.08	1																			
C7	0.11	–.16	–.05	–.11	–.06	–.09	1																		
C8	–.02	–.19	–.09	–.02	–.12	–.05	0.1	1																	
C9	0.01	0.07	0.03	0.04	–.09	–.23	–.06	–.08	1																
C10	.23*	–.10	0.03	0.03	0.09	0.04*	–.05	–.11	.21*	1															
C11	–.03	–.02	–.11	–.06	0.03	0.09	0.12	0.11	0.04	–.06	1														
C12	–.08	0.04	0.04	–.15	–.11	0.08	0.11	–.07	–.03	–.15	.20*	1													
C13	.02	0.18	.19	0.06	0.13	0.06	0.08	.03	.08	0.02	.01	0.15	1												
C14	.16	0.02	0.17	0.08	–.16	–.05	0.02	–.09	–.03	–.01	–.11	–.03	–.08	1											
C15	–.17	–.07	0.01	–.01	0	0.11	–.12	–.03	–.08	–.07	–.10	–.03	–.02	–.01	1										
C16	–.03	–.05	–.04	–.09	0.02	–.15	0.06	.23*	–.06	0.03	–.06	0.03	0.02	0.15	–.15	1									
C17	0.06	–.01	–.15	0.04	0.1	0.13	–.07	–.11	0.04	–.09	–.16	–.16	0.03	.20*	0.02	–.16	1								
C18	–.23	–.04	0.05	0.14	0.05	0.18	–.19	0.1	–.07	–.10	0.03	–.01	–.08	–.07	0.01	0.04	–.01	1							
C19	–.12*	–.10	–.02	0.01	.25*	0.07	0.05	–.03	–.15	0.09	–.06	0.05	–.01	–.08	.21*	0.1	–.03	–.05	1						
C20	–.01	0.03	–.12	0.02	–.03	–.09	–.10	0.09	0.04	0.14	–.15	–.12	0.07	0.04	–.02	–.19	–.03	–.01	–.19	1					
C21	.15	0.01	.13	0.04	.15	.04	0.03	0.09	.08	.02	0.13	0.09	.05	.07	0.15	0.14	0.08	0.03	.05	.08	1				
C22	.12	0.14	.11	.02	0.08	0.03	.07	0.04	.05	0.15	0.04	0.16	.08	.06	.02	.08	–.23	.01	0.05	0.03	.05	1			
C23	–.04	0.03	–.04	0.05	0.11	0.08	0.01	0.04	–.02	0.03	0.09	–.07	–.08	0.05	–.10	0.12	–.01*	0.17	–.08	–.03	–.00	0.03	1		
C24	0.03	–.01	0.02	0.01	–.13	–.11	0.07	0.03	0.09	0.14	.21*	0.03	0.04	0.05	0.11	0.09	0.03	–.08	–.06	0.06	–.07	–.00	–.19	1	
C25	–.18	0.03	–.10	–.15	0.08	–.05	0.04	–.16	0.06	0.05	0.1	0.09	0.1	–.20*	–.06	–.10	–.20*	0.16	–.02	0.01	0.07	–.04	–.05	0	1

However, correlation coefficient of variables viz., interest on savings/loans (C_6) and Bank's parking place (C_9) also availability of staff in the respective counter (C_{17}) and management of banks (C_{22}) are found to be negatively significant, hence excluded as the major factor influencing the level of satisfaction.

The Results of Factor Analysis: The Table - 4 represents the results of factor analysis performed to this set of data by *principal component analysis* with varimax rotation - a method which is very frequently used in factor analysis.

Table- 4: Factor Loadings (Varimax raw) Along with Eigen Values
Extraction: Principal Components

Variables	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6	Factor 7
C1	0.272512	−0.490827	−0.125312	−0.333123	0.86096	0.257036	−0.084771
C2	0.523481	0.13364	−0.224282	0.357712	0.313991	−0.059517	−0.140297
C3	−0.500754	0.038019	−0.098998	−0.318511	0.305629	0.05725	0.159382
C4	−0.549598	0.307669	0.066742	−0.203560	0.089354	0.307774	0.114642
C5	0.276659	0.068012	0.513262	0.215479	0.056898	0.265807	−0.274695
C6	0.185215	0.640544	0.359162	−0.071872	0.241106	−0.260461	−0.226651
C7	−0.030896	−0.181397	0.169221	0.009648	0.550941	−0.206462	0.176696
C8	0.120841	0.03905	0.032179	−0.195415	−0.700973*	−0.081388	0.196534
C9	0.062834	−0.072831	−0.542829	0.099162	0.20869	0.299421	0.095262
C10	0.170235	−0.068555	−0.065890	0.069854	0.075735	0.622958	0.119952
C11	0.293443	−0.099788	0.059008	0.215125	−0.047912	−0.538110	0.360449
C12	0.128368	−0.000846	−0.209014	0.087395	0.191229	−0.656170	0.090125
C13	0.146613	−0.038843	0.304534	0.253055	0.025911	0.568896	−0.014386
C14	−0.177327	−0.000189	−0.004386	0.693257	−0.080383	0.002997	−0.098162
C15	−0.153533	0.158905	0.031723	−0.484244	−0.075253	−0.203230	−0.220084
C16	−0.195244	0.009943	−0.148054	0.213524	−0.675498	0.163425	−0.189024
C17	0.202691	−0.006339	−0.083163	−0.004819	0.103577	0.003816	−0.630423
C18	0.074491	0.667399	0.083841	0.026795	−0.099115	−0.040228	0.728120*
C19	−0.037645	0.00002	0.669732	−0.085291	0.119521	0.171269	0.106119
C20	0.292748	0.271876	−0.353094	−0.231131	−0.281509	0.089594	−0.507526
C21	0.057172	0.087318	0.012431	0.043067	−0.115306	−0.284195	0.483362
C22	−0.009919	0.240551	−0.034583	0.582951	−0.162508	0.209017	0.030913
C23	0.027298	−0.016988	0.044245	0.017558	−0.182146	−0.110671	−0.472334
C24	0.308877	0.079055	−0.135016	−0.018528	0.087204	0.076968	0.637386
C25	−0.039439	−0.089227	−0.012772	0.724570*	0.091541	−0.110487	0.01674
Eigen value	1.890183	1.784558	1.688277	1.56862	1.52609	1.49983	1.401386
Total Variance (%)	7.560751	7.138234	6.753108	6.274481	6.10436	5.999321	5.605543
Cumulative Eigen value	1.89019	3.67475	5.36302	6.93164	8.45773	9.95756	11.35895
Cumulative (%)	7.56075	14.69898	21.45209	27.72657	33.83093	39.83026	45.4358

Determinants of Customer's Satisfaction Level and their Ranking: The Table-4 discerns the factor loadings along with the eigen values. It shows close relationship of all variables with seven underlined factors of the analysis. These are clustered in Table-5. It can be extracted from the above tables that 25 different variables based upon their appropriateness for representing the underlying dimensions of a particular factor have been summarized into seven factors. The factors are:-

Factor 1 : Routine Operation Factor
Factor 2 : Price Factor
Factor 3 : Environmental Factor
Factor 4 : Management Factor
Factor 5 : Technology Factor
Factor 6 : Interactive Factor
Factor 7 : Service Factor

Table -5: Influencing Factors of SBI Customers

Factor - 1	Factor – 2	Factor - 3	Factor - 4	Factor - 5	Factor – 6	Factor - 7
Routine Operation factors	Price Factors	Environmental Factors	Management Factors	Technology Factors	Interactive Factors	Service Factors
C2. Time taken for opening an account. C.3 Speed of withdrawal	C1. Service charges C6. Interest on loans/ savings	C5. Décor of banks C9. Bank's Parking Place	C14. Location of the bank. C15.Knowledge of the bank employees regarding bank services.	C8. Bank's innovative-ness in introducing new services C7.Compute riz-ation of banks	C10.Atmos-phere in the bank. C11. Bank's publications regarding services & performance	C17. Availability of staff in the respective counter. C20. Bank's advertising regarding services.
C4. Speed of depositing money	C18. Layout of the banks	C19. Sitting facility	C22.Manageme nt of banks C.25. Quality & Quantity of Services	C16. Efficiency of the staffs.	C12. Banker customer meet. C13. Attitude of banks towards customer.	C21. Cash credit facility C.23 Genuiness of overdraft facility. C24. Reputation of the bank.

It may be noted that the factors loading in some cases are negative but while interpreting the data the minus sign has been ignored. The last row in bottom of the table shows the *Eigen value* of the factors. Each value indicates relative importance of each factor in accounting for the particular set of variables. The cumulative total of Eigen value is 11.35895. Hence, the index i.e., 11.35895 25 = 0.446 shows how well factors account for all variables taken together. A low value of index shows that the variables are unrelated with each other and vice-versa. Thus it indicates that factor *routine operation* ranked first followed by price, environmental, management, technology, interactive and service factors respectively. It may be inferred from the analysis that the respondents are emphasizing more on *routine operations* of banks operating in the area under study.

The *eigen value* of routine operation factor ranks the highest (eigen value = 1.890188) indicating the satisfactions level of the customers in regard to the procedural process relating to the time taken for opening an account, speed of withdrawing and depositing money is not appre-

ciable. The price factor which is second on the list (eigen value = 1.784558) generates slight satisfaction because the customers feel that they are not getting enough for the price they are paying to avail bank services relating to service charges, interest on loans/savings and layout of the banks. They are quite willing to pay more only if the quality of services is enhanced. More over the SBI in the area under study are not making any extra effort to improve the banks condition with regard to the environmental factors (eigen value = 1.688277) viz, bank's parking place, sitting facility, decor of banks which are well within the control of the banks. The other factors which yield poor satisfaction are management factor and technology factor, (eigen value = 1.568620 and 1.526090 respectively). Though much can not be done about the management factor viz. quality and quantity of services knowledge of bank employee regarding bank services, location of banks etc., banks in the area under study are yet to step in enhanced technology up-gradation in the bank branches eg, innovativeness of new services etc to survive in the present day world of competition. Further the banks have a lot to do in regard to the decors of banks. Innovativeness and mechanization is the need of the hour but banks in the districts under study is showing a dismal service performance in this respect. The, *interactive factor* i.e. communication gap between banker and customer, bank's publication regarding services, banks atmosphere etc stands sixth position on the hierarchy of satisfaction list (Eigen value = 1.49830). The services factor pertaining to the availability of staff in the respective counter, banks advertisement relating to services, genuineness of overdraft facility etc indicating lowest level of satisfaction which appeared at the bottom (eigen value = 1.401386) of the satisfaction list.

The Variable-wise Satisfaction Level: The satisfaction level of bank customers with regard to each variable may be measured. In this respect we have followed the following average score (from the 5 point Likert scale) to measures the extent of satisfaction level. This satisfaction level of the factors on the basis of factor wise average scores has been categorized as under-

Average score	Satisfaction level
4.00 – 5.00	Highest
3.00– 3.99	Moderate
2.00 – 2.99	Slight
1.00 – 1.99	Lowest

The satisfaction level of bank customers i.e. the respondents with regard to each variable has been calculated and presented in the following table - 4. It is worth mentioning that the average score has been calculated by using weighted arithmetic mean i.e.,

$$X = \Sigma f_i x_i / N$$

where, x_i = level of satisfaction measured in 5 points scale (Likert)

        i.e., Highly satisfied (HS) = 5

        Satisfied (S) = 4

        Neither satisfied nor dissatisfied (N) = 3

        Dissatisfied (DS) = 2

        Highly dissatisfied = (HD) = 1

    f_i = Number of respondents in each category of satisfaction

level i.e. HS, S, N, DS, and HDS

N = Σf_i = total number of respondents i.e. 100.

The factors wise average score revealed that the bank customers in the area under study appear to be dissatisfied lot. It has been observed that none of the variables found to be ranked 4.00 or above. Out of a total of 25 variables customers are moderately satisfied in only 6 variables, while, 12 variables come under slight and 7 are in the least satisfied group. This signifies that the respondents are entirely not satisfied with the workings of their bank in regard to these factors. Many of the banks have old, dark worn out interiors which makes working an unpleasant task for the staff. The customers have to wait for a long time to get their work done. The computerization and mechanization thus, need to be emphasized on the banks operation in the districts under study. Here it may be argued that, efficiency, diligence and conscientiousness of the staff in carrying out the work assigned to them are the pre-requisite for rendering better customer services.

Table - 6: Satisfaction Level of Bank Customers

Variables	Average score
A. Moderate Satisfaction :	
C8. Bank's innovativeness in introducing new	3.28
C4. Speed of depositing money	3.2
C7. Computerization of banks	3.24
C1. Service charges	3.08
C3. Speed of withdrawal	3.04
C5. Décor of banks	3.02
B. Slight satisfaction :	
C2. Time taken for opening an account	2.94
C10. Atmosphere of the banks	2.9
C6. Interest on savings/loans	2.85
C16. Efficiency of staffs	2.74
C15. Knowledge of the bank employee regarding	2.73
C14. Location of the banks	2.66
C13. Attitude of staff towards customers.	2.4
C18. Layout of the banks	2.37
C17. Availability of staff at the respective counters.	2.37
C19. Sitting facility in the bank	2.23
C9. Bank's parking place	2.2
C11. Banks publication regarding service	2.13
C. Lowest satisfaction :	
C21. Cash credit facility	1.96
C23. Genuiness of overdraft facilities	1.96
C20. Bank's advertising regarding services	1.93
C12. Banker customer meets	1.92
C24. Reputation of the banks	1.82
C22. Management of banks	1.8
C25. Quality and quantity of services	1.78

The Customers Orientation towards Innovative Services: The information technology has enabled banks to increase the range of their products and market them more effectively. Commercial banks now a days use electronic delivery channel to provide effective services to its customers in order to reduce cost of transactions. These delivery channels include ATM (Automated Teller Machine), smart cards, tele banking, internet banking etc. An attempt has been made in the following paragraph to study the customer's orientation towards various innovative services provided by the banks in the study area. For these purpose ATM services of State Bank of India has been considered due to the reason that SBI has become champion with maximum number of ATMs throughout the country. The number of ATM installed in SBI group was 11,339 as on March 2009. During 2008-09, the total number of ATMs installed by the banks grew by 25.4 per cent, with number of ATMs of SBI group registering a sharp growth of 34.5 per cent (RBI, 2008-09). ATMs were originally developed as just cash dispensers. It includes many functions viz., deposit currency recognitions, paying routine bills, updating pass book, printing bank statement, ticket purchases etc. In the study area, mostly ATM services of SBI provide cash to its customers.

The customers having ATM card of SBI in the study area has been covered. A total of 50 customers of SBI having ATM cards from West Garo Hills district of Meghalaya have been cosidered for collection of data. The convenience sampling method was followed for selection of sample respondents. The relevant data were collected through an appropriate questionnaire. The sample distribution can be had in Figure -II.

Figure- II: Distribution of Respondents: Age wise, Profession wise, Nature of Account wise and Income wise

N=50

Category	Respondents	Total	Per cent
Profession wise	Service man	25	50
	Business man	15	30
	Students	10	20
	15 – 25	15	30
Age-wise	25 – 45	18	36
	45 and above	17	34
Account wise	Saving	25	50
	Current	25	50
Income Level	Below Rs. 10,000	10	20
	Rs. 10,000 – Rs. 20,000	25	50
	Rs. 20,000 and above	15	30
Total		**50**	**100**

The Satisfaction of ATM Users Based on Income Level: The satisfaction level of ATM users according to their income level is presented in Table- 7. Out of 50 respondents considered for this purpose, 33 are satisfied. It is also clear that more the income of the customers lower the satisfaction level. The half of the customers is satisfied from the ATM services whose income level exceeded Rs. 20,000/-. In order to examine the relationship between income level of customers and satisfaction towards bank's innovative services, hypothesis framed as *"the high income level of customers led to the more satisfaction of ATM users"*. To test this hypotheses the chi square test was used.

$$X^2 = \sum_{i=1}^{r} \sum_{j=1}^{c} \frac{(A_{ij} - E_{ij})^2}{E_{ij}}$$

where,

A_{ij}	=	actual frequency in the i-th row, j-th column
E_{ij}	=	expected frequency in the i-th row, j-th column
r	=	number of rows
c	=	number of columns

Table-7: Satisfaction of ATM Users Based on Income Level

(N=50)

Income Level p.m.	Satisfied	Dissatisfied	Total
Below Rs. 10,000	6	4	10
Rs. 10,000 – Rs. 20,000	17	8	25
Rs. 20,000 and above	10	5	15
Total	**33**	**17**	**50**

Chi square value (calculated)	=	1.00
Significance at 5 per cent level	=	5.99 at 2 df. (Chi distribution)

The calculated value of Chi square (X2 value) 1.00 is less than the table value 5.99 at 5 per cent level of significance at 2 degree of freedom. Hence the hypothesis is accepted. It can be concluded that there is a significant relationship between the income level and use of ATM services. This may otherwise be inferred that more the income, higher may be the use of ATM services.

The Satisfaction of ATM Users According to Profession: The professional group-wise satisfaction level of customers is presented in Table-8. It is observed that 5 are dissatisfied out of 25 businessman, 3 are dissatisfied out of 6 servicemen. The satisfaction of ATM users in professional groups has been tested with the chi-square testing. In this respect our hypothesis *"there is no difference in profession-wise use of ATM services"*.

Table-8: Satisfaction of ATM Users According to Profession

(N=50)

Profession	Satisfied	Dissatisfied	Total
Businessman	20	5	25
Serviceman	9	6	15
Students	7	3	10
Total	**36**	**14**	**50**

Chi square= 0.864
Table value at 5 per cent level =5.990 at 2 df. (Chi distribution)

X^2 value indicates that calculated value of chi square is less than the table value. Hence the hypothesis is accepted. It may be observed that use of ATM services is not differed in respect to the professional group-wise customers. This ultimately leads to the conclusion that the tendency to use ATM services are not significantly varies between the customers of different profession.

Reasons for Dissatisfaction: An identification of reasons for dissatisfaction of customers (ATM users) has been made in the following paragraph. Out of total dissatisfied customers, 42.9 per cent are dissatisfied due to queuing problems at ATM counters followed by insufficient counters (35.7 per cent), network failure (14.2 per cent) and inadequate cash balance (7.1 per cent). Table- 9 presents the position of displeasure.

Table-9: Reasons for dissatisfaction

Reasons for dissatisfactions	Respondents	Per cent
1. Queuing problem at ATM counter	6	42.9
2. Network failure	2	14.2
3. Inadequate cash balance	1	7.1
4. Insufficient ATM counter	5	35.7
Total	**14**	**100**

The 't' test is employed to examine the whether the ATM problems resulted dissatisfaction of bank customers. In this connection our hypothesis is *"problems in ATM leads to dissatisfaction of customers"*.

$$t = \frac{(x - \mu) \sqrt{n}}{S}$$

Where,

X = the mean of the sample
? = hypothetical mean of the population
n = the sample size
S = standard deviation of the sample

The calculated value of 't' is 0.60 is much lower than the table value 7.82 at 5 per cent level of significance. Thus the hypothesis found invalid. The problems in ATM do not lead to dissatisfaction of bank customers. In other words, it may be observed that ATM problems and usage are independent.

Conclusion

The study revealed that the factors affecting the customer's satisfaction level in the districts under study are grouped in routine operation factor, price factor, environmental factor, management factor, technological factor, interactive factor and service factor. It is observed that the SBIs are yet to make full efforts to improve the environmental factors like decor of banks, sitting facilities etc. The management and technology factor attributed comparatively lower satisfaction than routine operations as well as price factor. The technology upgradation, innovativeness of new services etc is essential in the present global competition but banks in the districts have rarely stepped in this respect. This is due to the management factor viz, dismal service quality, inadequate knowledge of employee regarding bank services and locational inconveniences. The communication gap is one of the root causes of all ills of the banking services. The factor wise average score revealed that none of the variables ranked 4.00 and above which indicates that the customers of SBI are dissatisfaction with the working of the bank. Thus, condition of banks in regard to the service rendered is quite dismal. Even the routine operations factors indicating daily procedural processes like depositing and withdrawing money, the banks fail to serve the customers fully. The factor wise average scores in respect of management factors, technology factor and interactive factors are concerned, reveal that the customers are turned to be dissatisfied lot. Hence an urgent step is warranted to improve the quality standards. The customer's orientations towards innovative services of banks observed that the most of the services offered by SBI have remained unutilized due to the problems inherent to it. The banks in the area under study have to improve a lot for innovative services particularly for satisfaction of ATM users. There is need to adopt certain specific marketing strategies in order to survive in the present globalized environment and in the present world of competition.

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Perception about the Attributes of Selected Fast Food Retailers and their Impact on Consumer Satisfaction and Sales

Rajul Bhardwaj*

Abstract

The present study attempts to measure the links between attribute perceptions and consumer satisfaction, and between consumer satisfaction and sales performance, in the food retail sector of India. The study relies upon an extensive data set of consumer satisfaction and sales information from approximately 180 consumers. Hypothesis constructed addresses the inherent nonlinearities and asymmetries in these links. Further, an example of how firms can use the estimated linkages to develop satisfaction policies that are predicted to increase store revenues has been presented. First, nonlinearities and asymmetries in the satisfaction-sales performance have been examined. Second, the study advances the measurement of behavioral links between consumer satisfaction and performance in the food retail sector with firm-specific data. Third, the study shows how firms can employ such results to develop appropriate consumer satisfaction policies.

Keyword Supra System, Hedonistic, High Tech Lighting, Perceived Atmosphere, Psychological Environment, Psychological Impression, Sight Appeal, Intensity, Sound Appeal, Scent Appeal, Touch Appeal.

Introductions

Retailing is a highly labour intensive industry, accounting for over two million employees in the UK (Central Statistics Office 1996b). The structure and nature of retailing has undergone major changes over the last two decades, and many developments have resulted in an increasingly competitive industry, and created employment opportunities (Sparks, 1987; 1992; Smith, 1988, Marchington and Harrison, 1991; Penn and Wirth, 1993; Freathy and Sparks, 1994; 1995; Broadbridge, 1996; Uncles, 1995). Many large companies have gained significant competitive advantage via market concentration, implementation of new technologies, sophisticated management information systems, new store formats, and locational and international decisions. Many of these innovations, however, are easily copied (Uncles, 1995)and some companies have realised the need to sustain competitive advantage via other means. Some have realised that the people they employ represent an important business resource in terms of maintaining competitive advantage to secure improvements in productivity and quality.

Reliable information on developments in Asia is not always easy to obtain. In some countries this difficulty stems from the previously noted problem of defining what is meant by a supermarket. In other countries there are no agencies to collect accurate data. Nevertheless, it is clear that there has been a significant growth both in the number of supermarkets and conve-

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* Assistant Professor,Faculty of Management Studies,Gurukul Kangri University,Haridwar (Uttarakhand), India.

nience stores and in the role of multinational chains such as Carrefour, Pizzahut, Domino's, McDonald's and Tesco. Different yardsticks are used for the size of various retail outlets and it is possible that a hypermarket in one country may be considered as a conventional supermarket in another. For example, in Malaysia, which has recently adopted the standards of the OECD (Organization for Economic Co-operation and Development), a convenience store is considered smaller than 500m^2, a conventional supermarket is between 500 and 2000m^2, a superstore is between 2000 and 5000 m^2, and a hypermarket is above 5 000 m^2. In China, a size above 10000 m^2 is considered to be a hypermarket. Though conventional supermarkets are still very important in most countries, there has been a trend toward increased penetration of large hypermarkets and small convenience stores.

Organized retailing in India is gaining wider acceptance. The development of the organized retail sector, during the last decade, has begun to change the face of retailing, especially, in the metros of the country. Experiences in the developed and developing countries prove that performance of organized retail is strongly linked to the performance of the economy as a whole. This is mainly on account of the reach and penetration of this business and its scientific approach in dealing with customers and their needs. But retailing as an industry in India has still a long way to go. To become a truly flourishing industry, retailing needs to cross the many hurdles like lack of trained workforce, lower level skill for retailing management, rapid price changes, low margins, threat of product obsolescence, cumbersome regulations and local laws etc.

The retailers in India have to learn both the art and science of retailing by closely following how retailers in other parts of the world are organizing, managing, and coping up with new challenges in an ever-changing marketplace. Indian retailers must use innovative retail formats to enhance shopping experience, and try to understand the regional variations in consumer attitudes to retailing. Retail marketing efforts have to improve in the country - advertising, promotions, and campaigns to attract customers; building loyalty by identifying regular shoppers and offering benefits to them; efficiently managing high-value customers; and monitoring customer needs constantly, are some of the aspects which Indian retailers need to focus upon on a more proactive basis.

In spite of the positive prospects of this industry, Indian retailing faces some major hurdles which have stymied its growth. Early signs of organized retail were visible even in the 1970s when Nilgiris (food), Viveks (consumer durables) and Nallis (sarees) started their operations. However, as a result of the roadblocks (mentioned in Table 1), the industry remained at a rudimentary stage. While these retailers gave the necessary ambience to customers, little effort was made to introduce world-class customer care practices and improve operating efficiencies. Moreover, most of these modern developments were restricted to south India, which is still regarded as a 'Mecca of Indian Retail'.

Table 1: Problems in Retailing

Factors	Description	Implications
- Barriers to FDI	- FDI not permitted in pure retailing - Franchisee arrangements allowed	- Absence of Global Players - Limited exposure to best practices
- Lack of Industry status	-Government does not recognize the industry	- Restricted availability of Finance - Restricted growth and scaling up
- Structural impediments	- Lack of urbanization - Poor transportation infrastructure - Consumer habit of buying fresh foods Administered pricing	- Lack of awareness of Indian consumers - Restricted retail growth - Growth of small, one-store formats with unmatchable cost structure
4) High cost of Real Estate	-Pro-tenant rent laws -Non-availability of government land, zoning restrictions -Lack of clear ownership titles, high stamp duty (10%)	-Difficult to find good estate in terms of location and size -High cost and complexity of sourcing & planning
5) Supply Chain Bottlenecks	-Several segments like food and apparels reserved for SSIs -Distribution, logistics constraints-restrictions of purchase and movement of food grains, absence of cold chain infrastructure -Long intermediation chain	-Limited product range -Makes scaling up difficult -High cost and complexity of sourcing and planning -Lack of value addition and increase in costs by almost 15%
6) Complex Taxation System	-Differential sales tax rates across states -Multi-point Octroi -Sales tax avoidance by smaller stores	-Added cost and complexity of distribution -Cost advantage for smaller sores through tax evasion
7) Multiple Legislations	-Stringent labour laws governing hours of work, minimum wage payments -Multiple licenses/clearances required	-Limits flexibility in operations -Irritant value in establishing chain operations; adds to overall costs
8) Customer Preferences	-Local consumption habits -Need for variety -Cultural issues	-Leads to product proliferation -Need to stock larger number of SKUs at store level -Increases complexity in sourcing and planning -Increases the cost of store management
9) Availability of Talent	-Highly educated class does not consider retailing a profession of choice -Lack of proper training	-Lack of trained personnel -Higher trial and error in managing retail operations -Increase in personnel costs
10) Manufacturers Backlash	-No increase in Margins	-Manufacturers refuse to disintermediate pass on intermediary margins to retailers

Similarly, Indian food retailers are also facing many problems. Prominent among them are:

1)   Retailers are facing high degree of competition these days as there are several retail outlets of the same food product in metropolitan cities, so retailers are not only facing competition from other food product outlets but they are facing a stiff competition from their own counterparts also.

2)   Due to increased literacy rate and widespread of media, customers are extra aware about the food products as well as the ingredients and promotion schemes given by different retailers.

3)   Many customers want to eat those food products which are of foreign origin but with Indian ingredients (According to their customs and traditions).

4)   Young generation is a big consumer of fast food these days. Young people want to take fast food from those retail outlets where they can eat those products with their friends and can also get the home delivery of the same, so to meet these requirements of young customers; retailers have to invest more in their retail outlets.

5)   Rapidly changing tastes of customers due to increased marketing and advertising.

Generally, restaurants cater to the numerous ethnic groups in India, each of which has distinct food habits. However, foreign mass media have had an impact on the food habits of the Indian consumers. They are shifting away from traditional Indian food served in restaurants, and are increasingly turning to hotels and restaurants that serve foreign foods. Restaurant chains are creating awareness about their service and brands. As a result, speciality and theme restaurants are opening more frequently than typical traditional Indian food restaurants. Specialty restaurants in India serve a focused menu of Chinese, Italian, Thai, or Mexican food. The fast food industry, after a slow start, has registered prolific growth in recent years. Most U.S. fast food chains - McDonald's, KFC, Domino's Pizza, Pizza Hut, Pizzaland - along with local chains such as Nirulas and Pizza Inn are doing a good business in major urban areas and are now spreading to smaller cities. Pubs and independent bars are also becoming popular among higher income Indian consumers in India's major metropolitan cities. Increasing demand from middle class consumers is expected to spur robust growth in value-for-money restaurants. Although most restaurants source their raw materials locally, products such as frozen potato fries, speciality cheeses, some meats and fishery products, condiments, and flavorings and other ingredients are often imported.

Present study intends to measure the links between attribute perceptions and consumer satisfaction, and between consumer satisfaction and sales performance in the food retail sector of India.

Literature Review
The study has focused on the relations between attribute perceptions, overall customer satisfaction and store sales performance and such links are part of a broader conceptual framework proposed by Heskett et al. (1994), namely the Service-Profit Chain. Anderson and Mittal (2000) strengthened this framework by accommodating nonlinearities and asymmetries in the links, and they renamed it the Satisfaction-Profit Chain. Hereafter we used the acronym CSSP, Customer Satisfaction-Sales Performance, to refer to the links of interest. To capture the rela-

tionship between attribute perceptions and overall customer satisfaction, we have identified how customers interpret and respond to the products and services they buy and experience. Here it is essential to distinguish between specific attributes of a product or a service and the satisfaction factor they represent. In food retailing, for instance, consumers may put high value on a factor that might be called "customer service" provided by the supermarket. This is an example of an abstract or subjective benefit. This abstract benefit depends on a set of related measurable attributes such as the disposition of the cashiers and sales associates, speed and accuracy of checkout, and availability of everyday grocery items and store cleanliness, among others. In addition to customer service, other relevant factors affecting overall customer satisfaction in grocery stores include the store ambiance, the perceived product quality of (growing) perishables departments--now 50 percent or more of store sales in some stores--such as fresh produce, daily/bakery, seafood, fresh meat and floral, as well as the perceived value of products relative to their price.

These findings have been the subject of sphere concentration by marketing researchers. Since the seminal behavior-oriented research by Oliver (1981), several articles have focused on the antecedents of customer satisfaction in a wide variety of contexts, ranging from firm-specific studies to nation-wide assessments. Although satisfaction factors vary according to the type of products, services and business sectors considered, empirical studies provide vast evidence of their impact on overall satisfaction (e.g. Szymansky and Henard 2001). Most studies on antecedents of customer satisfaction utilize models reviewed by Johnson (1998) and show significant correlation between various satisfaction factors and overall satisfaction (Szymansky and Henard 2001; Bernhardt et al 2000; Mittal et al 1998; Wittink and Bayer 1994). In general, these studies tend to collect information on consumer ratings of specific attributes. Often, multivariate statistical models are constructed to identify latent variables representing satisfaction factors (e.g. Johnson and Gustafsson 2000; Johnson 1998; Fornell et al. 1996; Bolton and Drew 1991). In the majority of past research, overall customer satisfaction is then modeled as a linear function of these latent variables. Much recent research, however, is critical of the incomplete treatment of the CSSP links, and researchers call for more elaborate analysis (e.g., Anderson and Mittal 2000).

Keeping in mind the Consequences of Customer Satisfaction Unlike the antecedents of satisfied customers, the consequences of satisfied (or dissatisfied) customers have received little attention from researchers (Szymanski and Henard 2001). Perhaps the first study was the pioneering research conducted by Zahorik and Rust (1992) on the consequences of customer satisfaction. Their work included a mathematical framework to evaluate the financial value of satisfaction (Rust and Zahorik 1993) based on the effect of satisfaction on customer retention, and the subsequent impact on market share. Anderson and Sullivan (1993) addressed the simultaneous estimation of the antecedents to and consequences of customer satisfaction, with data from more than twenty thousand Swedish consumers patronizing a hundred or so Swedish companies. Their model identifies factors that determine customer satisfaction, which in turn have a positive association with financial performance. Perhaps the most important contribution of this work is the identification of asymmetries in the linkages between disconfirmation of expectations and customer satisfaction. After Anderson and Sullivan (1993), several studies have

examined the relationships in the Satisfaction-Profit (or Service- Profit) Chain with data from a variety of channels (c.f., Kamakura et al., 2002; Scharitzer and Kollarits 2000; Soteriou and Zenios, 1999; Johnson 1998; Loveman 1998; Anderson et al 1994).

Mittal et al (1998) and Anderson and Mittal (2000) pointed out that, for the most part, earlier researches had ignored nonlinearities and asymmetries in the links of the CSSP chain. They maintained that the relationships in the CSSP chain are far more complex than originally postulated and, specifically, that linear models are insufficient. To illustrate the asymmetry concept, consider the quality of the produce department and the friendliness of cashiers in a supermarket. Stronger consumer evaluations of the quality of the produce department might not imply strongly positive effects on customer satisfaction, while weaker quality might be quite damaging. Or, improvements in customer-oriented dispositions of cashiers and associates could have a large positive impact on customer satisfaction while reductions in cashier performance may be only mildly negative.Now consider the important role of nonlinearity in the link between customer satisfaction and sales performance. A retail store with low current levels of customer satisfaction may require only small investments in satisfaction drivers to improve sales performance. In contrast, a store with high current levels of satisfaction is likely to need a much larger investment in drivers to produce impacts on performance of a similar magnitude. Ignoring relevant nonlinearities and asymmetries inevitably leads to incorrect estimates of the linkages in the CSSP chain. Furthermore, if the results of CSSP chain research are to be adopted by retail managers, incorrect measures are certain to lead to incorrect strategy formulation thus dooming further strategic use of satisfaction data.

Bernhardt et al (2000) suggested that another pitfall of many satisfaction studies is the tendency to rely on cross sectional analysis for statistical inference (Anderson et al 1994, provides an exception). Bernhardt, Donthu and Kennett argue that a proper analysis of the links between satisfaction and performance requires a dynamic approach. This argument echoes Rust and Zahorik's (1993) contention that efforts to improve customer satisfaction must be financially accountable over time. Bernhardt et al (2000) study customer satisfaction in a fast-food chain based on monthly data. Although based on simple correlations, the study shows that a dynamic model outperforms a cross-sectional model in the examination of the CSSP links. Extant research has focused primarily on the CSSP links at the aggregate level and for selected sectors such as telecommunications, banking, healthcare, automobile and pharmaceuticals, among others (cf., Anderson and Fornell 2000; Scharitzer and Kollarits 2000; Mittal et al 1998; Bryant and Cha 1996; Anderson et al 1994). Conversely, only a few firm-specific CSSP assessments have been conducted. Examples include fast-food restaurants (Bernhardt et al 2000) and department stores (Rucci et al 1998). Anderson and Mittal (2000) discuss several examples where the incorporation of non-linearities and asymmetries added significant value to a firm's understanding of the CSSP links. It is especially desirable to use firm-specific data so the linkages between satisfaction and performance are examined in the context of a firm's strategy. Academic research on the CSSP linkages in the food retail sector is scarce. Practically all empirical investigations on food retailing, in the U.S. as well as internationally, addressed the drivers of customer satisfaction but did not address their ultimate impact on store revenues. Among the drivers often identified are: perceived value of products relative to their prices, staff friendliness and willingness to help, quality and freshness of products, store appearance, and

the degree of customer service (cf., Jin and Jai-Ok 2001; Hackl et al 2000; Gail and Scott 1995). However, while the drivers of satisfaction are known qualitatively, and managers believe that satisfaction affects performance, it is necessary to measure explicitly the impact of satisfaction on store sales in order to prioritize strategies to manage the drivers of satisfaction. This study advances the measurement of the behavioral links in the CSSP chain in the food retail sector. A link has been tried to establish attribute perceptions, overall satisfaction, and store sales, and to examine nonlinear and asymmetric effects. It was attempted to specify the model in first differences and to study time lags between changes in satisfaction and changes in store sales performance. Further, it was attempted to show how managers can use the results to develop appropriate customer satisfaction policies.

Significance of the Study

The food and beverage market is often the largest industrial sector in developed economies. In India, expenditures on food in both retail stores and food service establishments account for nearly 30 percent of all retail spending. Food retailing alone is among the largest of all retailing sectors in most countries. Current sector trends of increased competition, enhanced retailer ability to analyze markets and greater shopper expectations make satisfying customers especially critical to food retailers. Furthermore, food retailing has unique characteristics that make it different from other retail sectors with regard to customer satisfaction. Food retailers offer a variety of goods and services simultaneously, as opposed to other sectors that frequently specialize in offering either goods or services. Indeed, for the customer there is more to visiting a supermarket than the mere acquisition of consumption goods. Differences in the "shopping experience" between food retail outlets (e.g. store ambience, disposition of associates, store services) are often as important to the customer as differences in the physical characteristics of the goods they buy (price, quality, etc). Another factor that differentiates the food retail sector from other retail industries is high and frequent customer traffic. According to the Food Marketing Institute, customer traffic in supermarkets is roughly two times per person per week, the second highest among all establishments in the retail channel after only convenience stores (Progressive Grocer 2001). However, customer counts in the convenient store industry are only a fraction of those in the supermarket industry. Thus it is not surprising that (Anderson and Sullivan 1993) the elasticity of repurchase intentions with respect to customer satisfaction in the supermarket industry is one of the highest among all retail sectors. Because of high customer frequency and presumed low switching costs due to the proliferation of supermarkets and competing retailers with similar product offerings, unsatisfied customers are unlikely to remain loyal. After an unsatisfactory experience in a given supermarket, the customer decision to shift stores might follow almost immediately, thus affecting store sales performance in a short period. Conversely, food retailers who understand the linkages between consumer satisfaction drivers and sales performance may be able to avoid creating the unsatisfactory experience in the first place. Thus, by making the right decisions to satisfy their consumers, informed retailers may enjoy greater sales payoffs relative to their competitors.

Objectives of the Study

Followings are the objectives of the present study:

Objective 1:-   To study the relationship between stores attribute perceptions and consumer satisfaction.

Objective 2:-   To examine non - linearity and asymmetric affects in the satisfaction - sales performance links based on empirical study.

Objective 3:-   Measurement of behavioral links between customer satisfaction and performance in food retail sector.

Objective 4:-   To suggest firms how to employ such results to develop appropriate customer satisfaction policies.

Hypothesis

Following hypothesis has been formulated and tested:

H_1 = Store attribute perceptions do not have a significant impact on consumer satisfaction.

H_2 = All outlets have same sales figure irrespective of consumer satisfaction.

Methodology

In the present study, relationship between attribute perceptions and consumer satisfaction, and between consumer satisfaction and sales performance, in the food retail sector have been measured. Firstly, specific and measurable attributes that are expected to influence overall satisfaction are identified. The attributes are summarized into factors to accommodate commonality and to minimize multi- co- linearity. These satisfaction factors capture product and service variables that lead to overall satisfaction. It is assumed that improvements in these satisfaction factors, in turn, should increase overall consumer satisfaction. And increased consumer satisfaction should lead to greater store sales, via increased likelihood of repurchase and favorable word of mouth. To estimate how changes in the satisfaction factors affect changes in sales performance and to determine the non-linear and asymmetric affects in the relations between satisfaction factors and satisfaction related attributes perceived by the consumer, an empirical study has been done. Extensive data set consisting of consumer satisfaction information, store sales and store characteristics of selected stores from Northern India during the research period have been used. At each store, consumer satisfaction data is collected from approximately 60 consumers based on the random sample with the help of a questionnaire. The survey instrument consists of 15 questions pertaining to attribute perception and consumer satisfaction. Store level panel data has been created by averaging the consumer responses for each store.

Data Collection

An extensive data set consisting of consumer satisfaction information, store attributes and store characteristics from more than 180 consumers was collected. At each store, consumer satisfaction data are collected manually from three Top Fast-Food stores i.e. McDonald, PizzaHut and Domino's in three cities viz. Dehradun, New Delhi and Jalandhar. We have taken the responses from one hundred eighty consumers, based on a random sample from the stores. Thus, the data do not represent the entire consumer base. By working with a sample of the consumers, data pertaining closely to store wise activity were collected. In the survey instrument, consum-

ers rate the store, from 1 (Strongly Agree) to 5 (Strongly Disagree), on 15 questions pertaining to attribute perceptions and consumer satisfaction. (Table 2). Additionally, the survey collects demographic information, such as respondent's age and household size. These variables serve as controls in the statistical model that follows. Random samples are drawn independently, thus the relevant unit of observation is the store, not the individual consumer. By averaging the consumer responses for each store, store-level panel data on three units has been created.

Table-2: Factors Undertaken for Research

Factors
Friendliness of Cashiers
Service provided by supporting staff
Overall Friendliness of the Associates
Speed of Checkout
Outlet Visibility
Overall Store Service
Cleanliness of Parking Lot
Variety in the store
Quality of the Product
Overall Store Cleanliness from Inside
Scent Appeal
Sound Appeal
Availability of Demanded Fast
Overall value for the Money
Overall prices as compared to Competition

Results

Respondents to the consumer satisfaction survey rated fifteen store attributes relevant to their shopping experience. All fifteen survey elements have been shown in the research instrument because those attributes apply to a subset of the stores. However, inclusion of all fifteen attributes separately in the model weakens statistical analysis and makes it difficult to identify managerial implications. Consequently, a principal components factor analysis, employing SPSS was conducted , to reduce the store attribute measures to a smaller set of factors, each of which is a linear combination of a subset of the attributes. All factors with eigen values exceeding one are considered. Factor loadings for the three-factors solution are shown in Table 3, 4&5. These three factors account for 76 percent of the variation in the fifteen attributes. The three satisfaction factors have been defined as "consumer service", referring largely to the overall attitude of the employees toward consumers, including service levels; "Quality", relating to quality and variety of meats and produce, availability of everyday grocery items as well as cleanliness inside

the store; and "value", referring to the price-performance ratio of the items purchased and the benefits of being loyal to the store.

Table-3: Factor Analysis Communalities

	Initial	Extraction
Friendliness of the Cashier	1.000	.666
Availability of the Demanded Fast Food Items	1.000	.685
Overall Store Service	1.000	.781
Speed of Checkout	1.000	.491
Scent Appeal	1.000	.661
Overall Frendliness of the Associates	1.000	.683
Overall Store Cleanliness form inside	1.000	.266
Variety in the Store	1.000	.787
Overall value for the Money	1.000	.579
Cleanliness of Parking Lot	1.000	.757
Outlet Visibility	1.000	.784
Sound Appeal	1.000	.853
Service Provided by Supporting Staff	1.000	.893
Quality of the Product	1.000	.824
Overall Prices as Compared to Competition	1.000	.822

Extraction Method : Principal Component Analysis

Table-4: Component Matrix

Component Matrix			
	Component		
	1	**2**	**3**
Friendliness of the Cashier	✓.580	•-.375	•-.434
Availability of the Demanded Fast Food Items	.354	✓.644	•.373
Overall Store Service	✓.560	•-.170	•-.362
Speed of Checkout	✓.455	•-.440	•.299
Scent Appeal	•.507	✓.631	•.074
Overall Frendliness of the Associates	✓.796	•.078	•-.209
Overall Store Cleanliness form inside	.105	✓.534	•-.029
Variety in the Store	.436	✓.606	•.478
Overall value for the Money	•.399	.233	✓.637
Cleanliness of Parking Lot	✓.760	•.038	•-.423
Outlet Visibility	✓.836	•-.254	•-.142
Sound Appeal	.485	✓.786	•-.027
Service Provided by Supporting Staff	✓.616	•-.706	•.117
Quality of the Product	•.117	✓.887	•.150
Overall Prices as Compared to Competition	•.255	•.084	✓.621

Extraction Method: Principal Component Analysis.
3 components extracted.

Table-5: Variables chosen for research

Variables chosen for the research:

Satisfaction Factor	Survey Elements - Specific Attributes
Consumer Service	-Friendliness of Cashiers
	-Service provided by supporting staff
	-Overall Friendliness of the Associates
	-Speed of Checkout
	-Outlet Visibility
	-Overall Store Service
	-Cleanliness of Parking Lot
Quality	-Variety in the store
	-Quality of the Product
	-Overall Store Cleanliness from Inside
	-Scent Appeal
	-Sound Appeal
	-Availability of Demanded Fast-Food items
Value	-Overall value for the Money
	-Overall prices as compared to competition

Discussion

Questionnaires were received from 180 respondents. Of these, 43% were male and 57% female. Their ages ranged from 21 to 73, the mean age being 47 years. In the Plotter Graph 1 it has shown that variable "Customer service" has a positive impact on the Total satisfaction of the consumers because as the customer service increases the total satisfaction also increases among consumers. Whereas in the Plotter Graph 2, it has been shown that variable "sum quality" has a positive impact on the total satisfaction of the consumers because as the quality of the product increases the total satisfaction also increases among consumers and in the Plotter Graph 3 it has been shown that variable "sum quality" does not have a positive impact on the total satisfaction of the consumers because the value of the product increases the total satisfaction is not continuously increases among consumers. After this, the correlations of different values are calculated. The correlations tables display Pearson correlation coefficients, significance values, and the number of cases with non-missing values. It assumes that the data are normally distributed. It is a measure of linear association between two variables. The values of the correlation coefficient range from -1 to 1. The sign of the correlation coefficient indicates the direction of the relationship (positive or negative). The absolute value of the correlation coefficient indicates the strength, with larger absolute values indicating stronger relationships. The correlations of all variables with total satisfaction have been calculated. According to the results presented in Table-6, the value of correlation is 0.843 which is relatively close to 1. It means that the variables "customer service"

and "total satisfaction" are positively correlated. Whereas in Table 7,the value of correlation is 0.877 which is relatively close to 1. It means that the variables "sum quality" and "total satisfaction" are positively correlated and in Table 8, the value of correlation is 0.084 which is not very close to 1. This means that the variables "sum value" and "total satisfaction" are not much closely related. After finding the result from SPSS it has been observed that store attribute 'value' was not showing a significant relationship with satisfaction hence it can be said that value is not closely linked with consumer satisfaction.

Further, in the first hypothesis it has been assumed that store attribute perceptions do not have a significant impact on consumer satisfaction. To prove this one way ANOVA test (Table 9) between Store Attribute values and Consumer Satisfaction value has been applied. F value has been found to be 3.356. which is less than tabulated value of F which means value of F lies in rejected region, it means hypothesis H1 is rejected which says that store attributes have a significant impact on consumer satisfaction. To study the relationship between consumer satisfaction and sales performance in food retail sector the approximate sales per month figure of all the stores at all the locations have been taken. Then, sales figure was put in SPSS with the variable name sales figure (SF). In order to find the relationship between consumer satisfaction and sales figure , correlation test was applied the results of which has been presented in Table 10. The correlations table displays Pearson correlation coefficients, significance values, and the number of cases with non-missing values. It assumes that the data are normally distributed. It is a measure of linear association between two variables. The values of the correlation coefficient range from -1 to 1. The sign of the correlation coefficient indicates the direction of the relationship (positive or negative). The absolute value of the correlation coefficient indicates the strength, with larger absolute values indicating stronger relationships. According to the Table 10, the value of correlation is 0.184 which is close to 1. This means that the variables "sales figure" and "total satisfaction sum" are positively correlated.

Further, in second hypothesis it has been assumed that all outlets have same sales figure irrespective of consumer satisfaction. To prove this Chi-Square test between Sales Figure values and Consumer Satisfaction value has been applied. The results are presented in Result Sheet 3 (Table 11).The calculated value is 11.278 at 15 degree of freedom and tabulated value as 8.547 at 15 degree of freedom and at 0.90 level of accuracy (Result Sheet 3 Table 11). As the calculated value is more than tabulated value, hypothesis H2 which shows that all outlet have different sales figure according to their consumer satisfaction has been rejected.

Result Sheet I
Graph I:
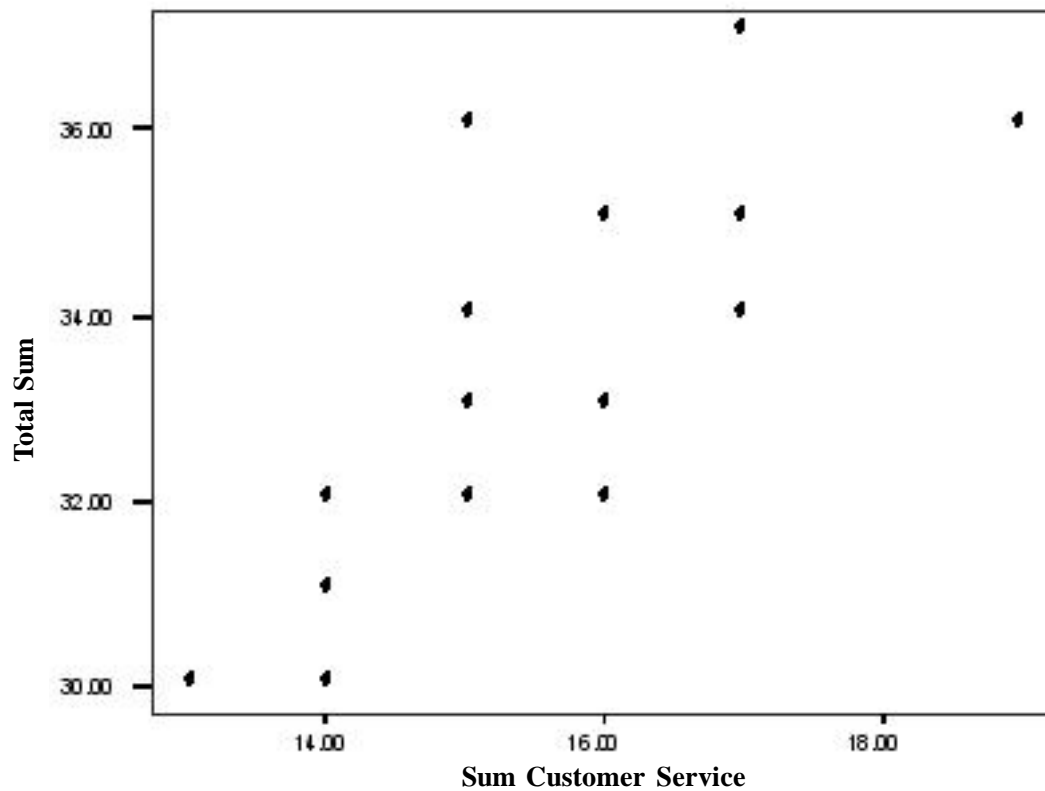**Interactive Graph between variables "Total Sum" and "Sum Customer Service"**

Table-6: Correlation between total satisfaction and Customer service
Correlations

		Total Sum	Sum Customer Service
Total Sum	Pearson Correlation	1	.843**
	Sig. (2-tailed)	.	.000
	N	180	180
Sum Customer Service	Pearson Correlation	.843**	1
	Sig. (2-tailed)	.000	.
	N	180	180

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

Graph II:
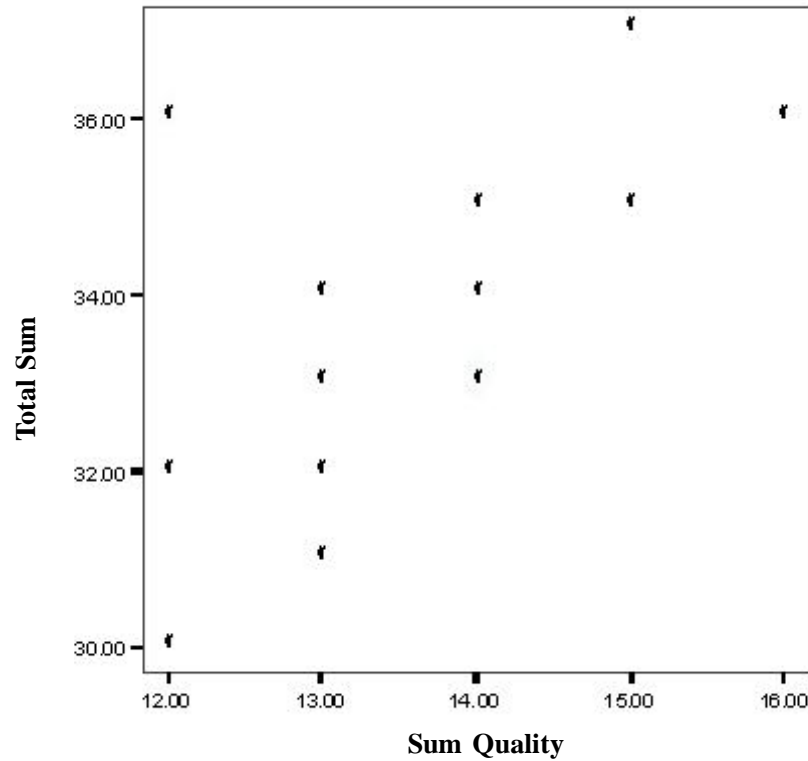**Interactive Graph between variables "Total Sum" and "Sum Quality"**

Table-7: Correlation between total satisfaction and Sum Quality

Correlations

		Total Sum	Sum Quality
Total Sum	Pearson Correlation	1	.877**
	Sig. (2-tailed)	.	.000
	N	180	180
Sum Quality	Pearson Correlation	.877**	1
	Sig. (2-tailed)	.000	.
	N	180	180

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

Result Sheet II
Graph III:
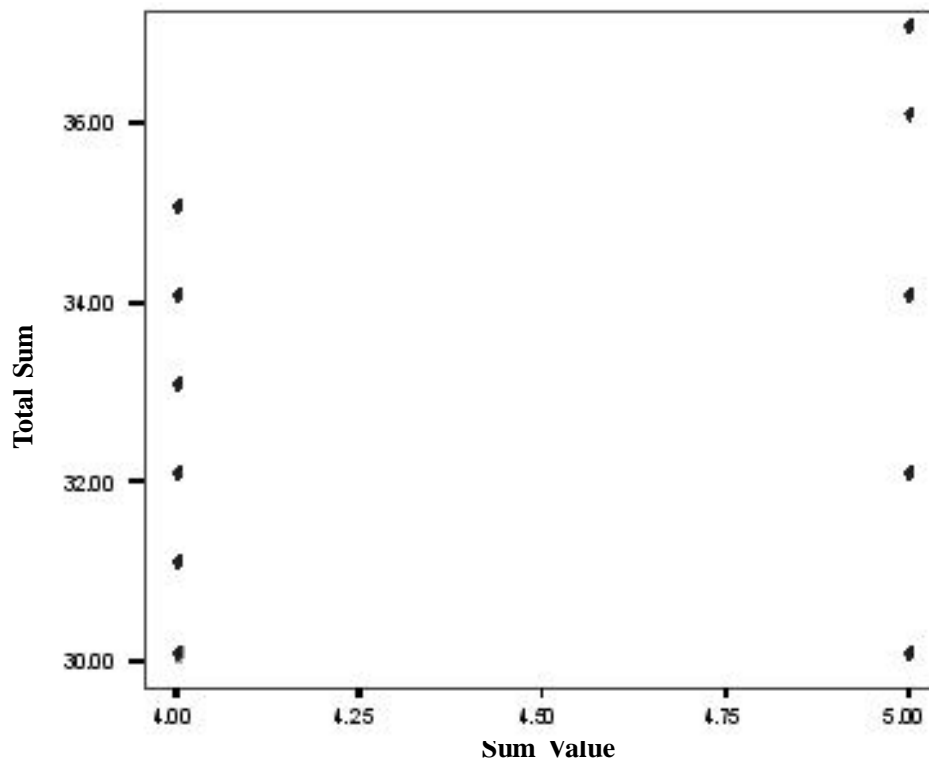**Interactive Graph between variables "Total Sum" and "Sum Value"**

Table -8: Correlation between total satisfaction and Value Correlations

		Total Sum	Sum Value
Total Sum	Pearson Correlation	1	.084
	Sig. (2-tailed)	.	.260
	N	180	180
Sum Value	Pearson Correlation	.084	1
	Sig. (2-tailed)	.260	.
	N	180	180

Table-9: ANOVA TEST

Total Sum	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	216.3	2	108.15	3.356	0.037
Within Groups	5703.9	177	32.225		
Total	5920.2	179			

Table-10: Correlation between total satisfaction and Sales Figure Correlations

		Total Sum	Sales Figure
Total Sum	Pearson Correlation	1	.184*
	Sig. (2-tailed)	.	.013
	N	180	180
Sales Figure	Pearson Correlation	.184*	1
	Sig. (2-tailed)	.013	.
	N	180	180

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

Result Sheet III:
NPar Tests
Table-11: Chi-Square Test Frequencies

	Observed N	Expected N	Residual
1	17	15.4	1.6
2	3	4.6	-1.6
3	12	15.4	-3.4
4	8	4.6	3.4
5	14	15.4	-1.4
6	6	4.6	1.4
7	18	15.4	2.6
8	2	4.6	-2.6
9	13	15.4	-2.4
10	7	4.6	2.4
11	16	15.4	.6
12	4	4.6	-.6
13	35	30.8	4.2
14	5	9.2	-4.2
15	14	15.4	-1.4
16	6	4.6	1.4
Total	180		

Test Statistics

	category
Chi-Square	11.278
df	15
Asymp. Sig	.733

a. 7 cells (43.8%) have expected frequencies less th
5. The minimum expected cell frequency is 4.6.

Suggestions and Managerial Implications

This study demonstrates that the degree of consumer satisfaction influences store sales performance in the fast-food sector. Managers must regard their satisfaction surveys not simply as a mechanism to learn to what extent their stores are satisfying consumer needs and expectations. Instead, consumer satisfaction monitoring should be viewed as a timely managerial tool that can help to increase store sales. Even if real-world managers in food retailing understand from their experience that consumer satisfaction influences sales, the linkages are not intuitive and cannot be determined from observation, simple logic and descriptive statistics alone. Thus a quantitative study, that converts raw consumer satisfaction data into usable information to support management decisions provides value for the food retailing business and can justify efforts to compile and analyze satisfaction data continuously. This is especially critical in today's era of major structural and competitive changes in food retailing in which companies are seeking more aggressive strategies simply to survive. In the case of the cooperating retail company in this study, our results suggest that managers must focus on consumer service, quality and value to affect overall consumer satisfaction and its ultimate impact on sales. The results also paved the way to discuss more subtle managerial implications of the CSSP chain. The parameter estimates, on one hand, indicate that changes in overall consumer satisfaction are particularly sensitive to changes in consumer service. On the other hand, consumers may consider quality as a pre-condition to satisfaction: positive changes in quality have modest effects on sales performance but negative changes in quality result in substantially reduced sales per square foot. The cooperating company is taking the initial steps towards implementing a system to monitor the CSSP links. In the past, it employed CS data in the same way that characterizes many other supermarket companies. In certain instances, the satisfaction results were also used as a crude metric to determine store management bonuses. Although management was aware that consumer satisfaction should affect performance, responses from CS data were not linked to store revenues prior to this studying India. The company is now facing unprecedented competition from other channels, in particular from large mass merchandisers. In the past, the company emphasized low prices as the primary means to increase consumer satisfaction -- equivalent to an emphasis on the value factor (VA) in our research. However, because it is extremely difficult to compete with mass merchandisers strictly on price, the management team recognizes the urgent need to adjust its strategies aimed at increasing consumer satisfaction and at more effective monitoring of the CSSP links. Therefore, our results contribute to their planned strategy focusing on consumer service rather than one of emphasizing low prices.

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