

An Empirical Study of Relationship between Customer Satisfaction and Service Recovery Strategies of Telecommunication Companies

Purva Kansal*
Tejinderpal Singh**

Abstract

The present study explores the relationship between an organizational functioning variable i.e. service recovery strategies and quality of services delivered to the customers, in the telecommunication industry. This study expands the concept of service quality to post purchase stage to include service recovery, the much neglected aspect of services marketing in India. Data was collected using RECOVSAT, from 100 customers who had service failure experience with their telecom service provider, with help of a structured self administered questionnaire. Data analysis was done using correlation and regression analysis. Results of the study highlight that customer satisfaction was strongly correlated to three variables of service recovery i.e. feedback, empowerment and atonement. The study further highlights that gender was associated with tangibility, explanations, feedback, empowerment and atonement. Similarly, age was associated with tangibles, empowerment dimension of service recovery and satisfaction; and income was associated with tangibles, explanation, feedback, atonement, communication, empowerment, atonement dimensions of the service recovery strategy and satisfaction. These results highlight that, if managed properly, service recovery strategies could be a source of core competence and inimitability through competitive ambiguity.

Key words: Service recovery, Customer satisfaction, RECOVSAT, Telecommunication

Introduction

In service industry customer satisfaction tends to be a function of a customer's perception of services received, attitude and behavior of the individuals providing the service (Lovelock, 1983; Parasuraman, Zeithaml, & Berry, 1985; Rust & Oliver, 1994; Siehl, Bowen D.E., & Pearson, 1992). Researchers in the past have found customer satisfaction to be strongly related to customer loyalty, retention and profitability (Curasi & Norman, 2002; Parasuraman, et al., 1985; Schneider, Gunnarson, & Niles-Jolly, 1994; Taylor S.A. & Baker T.L., 1994; Tomkins, 1992). Therefore, cost of customer dissatisfaction is not only in terms of revenues lost but also in terms of spillover variables. Customer satisfaction, in a service process, depends upon customers' evaluation of performance of telecom service provider during the process. Interestingly, dissatisfaction is not due to initial failure to deliver the core service alone but rather the employee's response to the failure (Bitner, Booms, & Tetrault, 1990). It is due to this complexity of relationship between service performance quality and customer satisfaction/dissatisfaction that practitioner follow a varying degree of relationship based approach to doing business rather than hard core transactional approach in service industry (Gutek, Groth, & Cherry, 2002). In the past, a lot of work has been done on satisfaction side of the equation and what can be done to increase satisfaction (Charles Glisson & Mark Durick, 1988; Muse, Rutherford, Sharon, & Raymond, 2005; Schmit & Allscheid, 1995) However, the other side of the equation i.e. what can be done to satisfy the dissatisfied customers has been an under researched area (Widmier & Jackson, 2002). It is within this backdrop that present study was undertaken to study the efforts of telecom service providers to recover dissatisfied customers and customers' perceived satisfaction from these recovery strategies. These recovery strategies are essential in a mature and declining market when the marketers start to feel the pinch of declining growth rates. The present study contributes to the existing literature by helping expand the understanding of customer recovery strategies.

* Assistant Professor, University Business School, Panjab University, Chandigarh. E-mail : purvakansal@pu.ac.in

** Assistant Professor, University Business School, Panjab University, Chandigarh. E-mail: tejinderubs@gmail.com

Review of Literature

It is inevitable for best of service providers, at some point, to find themselves in a situation where failures occur in their process and encounter with customers and they need to deal with customer dissatisfaction. The actions that a service provider takes to respond to service failures and ensure that the customer receives a reasonable level of service is termed as service recovery (Bitner, et al., 1990). Researchers have indicated that customers placed most of the blame for the service failure with the intended source, and thus the source of the fault manipulation was successful (Widmier & Jackson, 2002). This school of thought, over past few years, has contributed to increase in number of studies on service recovery strategies as part of linkages research. The need for service recovery systems has emerged from elements in the business environment and factors related to patterns of customer complaining and business response. The business environment is characterized by increasing consumer awareness and sophistication; customers want more in terms of quality service and do more about it when they do not receive it.

Research Methodology

The study was undertaken with an objective to understand the relationship between customer satisfaction and service recovery strategies in telecom industry. First step of this research was to identify a construct to quantify service recovery strategies. In the recent study, Boshoff (2005) investigated the relationship between RECOVSAT with customer satisfaction in the context of National Bank in South Africa (Boshoff, 2005). He utilized RECOVSAT items as independent variables while customer satisfaction and loyalty as dependent variable. Boshoff (2005) suggested that the refinement of RECOVSAT itself a model had seven dimensions i.e. Communication, Empowerment, Feedback, Atonement, Empathy, Explanation, and Tangibles (Boshoff, 1999). Atonement; refers to ratio of outcomes and inputs that people receive, relative to the ratio of outcomes and inputs of other parties in social exchanges, Communication; refer to the amount of communication, the timing of communication, the frequency of communication, and communication style (Boshoff, 1997), Empathy; refers to individualized attention that the firm provides to its customers (Zeithaml, 2000), Feedback; refers to the situation in which, once the problem is solved, the service firm provides information about the problem and what is being done to resolve it, Empowering; refers to empowering employees i.e. giving them authority to act, Tangibles; refers to the appearance/standard of dress of employees, the equipment they use, and the physical environment in which they handle complaints and Explanation; refers to explanation given by the employees to defend their reputation in the face of a complaint, and in an attempt to ensure that the customer remains loyal, despite the dissatisfaction (Boshoff, 1999). This study uses RECOVSAT to quantify service recovery strategies. Therefore, on basis of the model the hypotheses of the study were

H₁: There is significant relationship between communication and customer satisfaction in the context of telecom industry.

H₂: There is significant relationship between empowerment and customer satisfaction in the context of telecom industry

H₃: There is significant relationship between feedback and customer satisfaction in the context of telecom industry.

H₄: There is significant relationship between atonement and customer satisfaction in the context of telecom industry.

H₅: There is significant relationship between explanations and customer satisfaction in the context of telecom industry.

H₆: There is significant relationship between tangibles and customer satisfaction in the context of telecom industry.

H_7 : There is significant relationship between Empathy and customer satisfaction in the context of telecom industry.

The target population for this research includes all those who have had service failures in context of telecomm industry. Therefore, for this study a list of people who had recently switched over from their service provider was generated. This was done by contacting three main players in North India i.e. BSNL, Vodafone and Airtel. Respondents were chosen randomly from these lists for telephonic interviews. Data was collected from 100 respondents.

The survey instruments were adapted based on feedback received during pre-testing of the questionnaire. As the instruments were adapted an in-depth analysis was undertaken to test psychometric properties of the scale. The internal consistency method (using Cronbach co-efficient alpha) was used to examine the reliability of the scale. According to works of Nunnally, 1978, for purpose of basic research, a Cronbach alpha of 0.70 or higher is sufficient (Nunnally, 1978). Cronbach alpha for the adopted scale met this limit.

Profile of Respondents

Profile of respondents covered under the study has been shown in Table 1. Table shows that sample consisted of 55 percent males and 45 percent females. Majority of the sample size was '21 and above' indicating that the sample was mature enough to have strong opinions. The sample had representation from all the three leading players in the industry i.e. BSNL, Vodafone and Airtel. Thereby, indicating that the sample was adequate for the study.

Table 1:
Profile of respondents

			(N=100)
		Frequency	Percent
Gender			
	Male	55	55.0
	Female	45	45.0
Age (years)			
	Less than 20	6	6.0
	21-25	37	37.0
	26 and above	56	56.0
Qualification			
	Graduate	26	26.0
	Post graduate	59	59.0
	Others	15	15.0
Annual Income (Rs)			
	Less than 1 lakh	10	10.0
	1-2 lakh	22	22.0
	2-3 lakh	17	17.0
	3 lakh and above	51	51.0

Source: Primary data

Normality of data

The data set was checked for normality with help of one sample Kolmogorov Smirnov test. P values were less than 0.05 i.e. $p < 0.05$, thereby, indicating that the data was not normally distributed and therefore non probability tests were done on the data set to test the hypothesis.

Table 2
One-Sample Kolmogorov-Smirnov Test

N=100

	Tangibles	Explanation	Empathy	Feedback	Communication	Empowerment	Atonement	Satisfaction
Kolmogorov-Smirnov Z	1.814	1.660	2.560	1.857	2.379	1.633	1.136	1.441
Asymp. Sig. (2-tailed)	.003*	.008*	.000*	.002*	.000*	.010*	.151	.031

**Distribution is Normal*

As the data was not normally distributed Spearman's correlation was interpreted.

Findings and Discussion

Spearman's correlation between satisfaction and RECOVSAT Items has been shown in Table:3

Table:3
Correlation between Satisfaction and RECOVSAT Items

RECOVSAT Items		Tangibles	Explanation	Empathy	Feedback	Communication	Empowerment	Atonement	Satisfaction
Satisfaction	Correlation Coefficient	-.127	-.067	-.072	.297**	-.081	.683**	.644**	1.000
	Sig. (2-tailed)	.209	.508	.478	.003	.422	.000	.000	.

**Significant at 0.01Level

Table shows that customer satisfaction was strongly correlated to three variables of service recovery i.e. feedback, empowerment and atonement. The results indicate that a telecom service provider during service recovery should concentrate on providing adequate feedback in terms of what is being done to rectify the error during service encounter. The strategy would help customer feel part of the process. The results further indicate that empowering employees to deal with the customers at the point of failure results in better customer satisfaction than other recovery strategies. The results indicate that others variables were also related to satisfaction however, the relationship was not significant. Therefore, we accept three hypotheses i.e. H2, H3 and H4. Indicating that in service recovery in telecom industry the telecom service provider should frame strategies within the premise of increasing empowerment, feedback and atonement. These results were in agreement with past research which stated that an employee-based recovery was important for quality and satisfaction evaluation (Swanson & Kelley,

2001). The researchers state that it is important in a service recovery strategy to clearly convey to the customer that the recovery received is consistently implemented by the service organization be good representatives of in the rare instances when a service failure occurs. Furthermore, empowerment is necessary to help a employee provide sense of justice to the customer. Past research has indicated that if a customer feels that the service recovery was just then the satisfaction level was higher (Smith, Bolton, & Wagner, 1999). One of the easiest points of providing this sense of justice is at the point of service failure. This is possible only when the employee is empowered to take decision. This strategy during feedback stage would help organizations achieve higher satisfaction.

The results further indicated that in order to target maximum satisfaction from service recovery strategies, the telecom service provider could target the customers on basis of certain demographic variables i.e. gender, age, qualification and income. Association across demographics and RECOVSAT Items has been shown in Table:4

Table: 4
Association across Demographics and RECOVSAT Items

RECOVSAT Items	Chi-Square	Demographics		
		Gender	Age	Income
Tangibles	Pearson Chi-Square	15.723	55.714	88.301
	Degree of freedom	8	24	24
	Asymp. Sig. (2-sided)	.047*	.000*	.000*
Explanation	Pearson Chi-Square	20.693	28.399	44.769
	Degree of freedom	8	24	24
	Asymp. Sig. (2-sided)	.008*	.244	.006*
Empathy	Pearson Chi-Square	13.369	31.456	34.537
	Degree of freedom	8	24	24
	Asymp. Sig. (2-sided)	.100	.141	.076
Feedback	Pearson Chi-Square	21.856	20.117	45.885
	Degree of freedom	5	15	15
	Asymp. Sig. (2-sided)	.001*	.167	.000*
Communication	Pearson Chi-Square	5.230	14.979	36.416
	Degree of freedom	5	15	15
	Asymp. Sig. (2-sided)	.388	.453	.002*
Empowerment	Pearson Chi-Square	22.735	104.306	105.43
	Degree of freedom	10	30	30
	Asymp. Sig. (2-sided)	.012*	.000*	.000*
Atonement	Pearson Chi-Square	21.393	35.542	50.273
	Degree of freedom	9	27	27
	Asymp. Sig. (2-sided)	.011*	.213	.004*
Satisfaction	Pearson Chi-Square	19.051	69.037	106.773
	Degree of freedom	12	36	36
	Asymp. Sig. (2-sided)	.087	.001*	.000*

* Significant at .05 Level

The study highlights that gender was associated with tangibility, explanations, feedback, empowerment and atonement. Similarly, age was associated with tangibles, empowerment dimension of service recovery and satisfaction; and income was associated with tangibles, explanation, feedback, atonement, communication, empowerment, atonement dimensions of the service recovery strategy and satisfaction.

Though these demographics were significantly related to other dimensions of RECOVSAT, for strategy purposes their relationships to dimensions which are significantly associated with satisfaction have been considered. Therefore, a telecom service provider in scenario of service recovery should work on empowerment, feedback and atonement strategies however for maximum satisfaction these strategies should be gender, age and income specific.

To further test the strength of the relationship logistic regression was done on the data set. In the first step of logistic regression the overall strength of the model was estimated. Results of the model summary table indicated that overall accuracy of the model to predict satisfaction from service recovery strategies was very good. To further test the strength of the model the Hosmerand Lemeshow (HL) Goodness-of-Fit Test was run. The HL Goodness of fit test divides subjects into deciles, based on predicted probabilities, then computes a chi-square from observed and expected frequencies. The p-value for HL Goodness-of-fit test was $\chi^2(7, N=100) = 3.258, p=0.860 (p>0.05)$. P value for the test was higher than .05 the null hypothesis of the test was accepted i.e. there is no difference, implying that the model's estimates fit the data at an acceptable level.

Table 5 Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square	Hosmer and Lemeshow Test		
				Chi Square	Degree of freedom	Sig
1	19.017 ^a	.692	.928	3.258	7	.860

a. Estimation terminated at iteration number 10 because parameter estimates changed by less than .001.

The results indicated that the model was a strong model and therefore, in step II the variables table was analyzed. The model seemed to be valid with 4 variables out of 6 variables from the original model i.e. RECOVSAT. An analysis of the p values of six dimensions indicated that, participating customers satisfaction level was influenced by tangibles, explanation, feedback and empowerment. Further considering the ODDS ratio we can interpret that out of these variables empowerment and feedback were most important variables for the customers. These results were in agreement with those of past research which indicated that it is possible to manipulate service failures on the basis of attributions, particularly locus (whether the failure was the organization's or the customer's fault) and controllability (whether the failure was preventable by the organization or beyond its control)(Smith, et al., 1999). Therefore, targeting tangibles, explanation, feedback, and empowerment will help the service provider improve the quality of customer-organization relationship. Customer organization relationship has been found to be most important variables in protection against service failures (Vázquez-Casielles, Río-Lanza, & Díaz-Martín, 2007).

Table 6. Variables in the Equation

Step 1 ^a		B	S.E.	Wald	df	Sig.	Exp(B)
	Tangibles	-8.550	3.531	5.865	1	.015	.000
	Explanation	-7.139	2.641	7.307	1	.007	.001
	Empathy	1.190	2.152	.305	1	.580	3.286
	Feedback	6.092	2.757	4.882	1	.027	442.459
	Communication	1.866	1.841	1.027	1	.311	6.460
	Empowerment	9.124	3.575	6.513	1	.011	9175.698
	Atonement	4.723	2.460	3.686	1	.055	112.546
	Constant	-27.257	13.098	4.331	1	.037	.000

a. Variable(s) entered on step 1: Tangibles, Explanation, Empathy, Feedback, Communication, Empowerment, and Atonement.

Conclusion

As per above analysis, three of the above seven hypotheses were accepted. Customer satisfaction is positively correlated with empowerment, atonement and feedback. The study also indicated that there was an impact of socio-demographic variables (gender, age, telecom service provider) on satisfaction, tangible, communication, feedback, atonement, explanation and empowerment. A telecom service provider should make sure that during feedback stage the employee stresses on the fact that failure was a rare occurrence in the telecom service providers blueprint. Therefore, the results highlight that a telecom service provider in scenario of service recovery should work on empowerment, feedback and atonement strategies however for maximum satisfaction these strategies should be gender, age and income specific. A telecom company concentrating on service recovery strategies should be able to dictate superior customer-organization relationship a key protector against negative perception in future service failure scenarios.

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A Study on the Indian Venture Capital Companies Value-Added Services to the Investee Companies

M. P. Shiva Kumar*

Abstract

Today, globally venture capital has become an increasingly important source of financing for new companies, particularly when such companies are operating on the frontier of emerging technologies and markets. However, value-added service is the important characteristic which distinguishes venture capital with traditional industry investment and importantly during the course of post-investment activities they offer value-add to potential venture firms. Venture capital companies as part of their business practice scout for several startups and identify the markets or entrepreneurs that would respond most favorably and profitably to their domain expertise. Once the venture team or entrepreneur is identified they evaluate the investee company's business in totality, with an insightful and deep understanding of the core competence of the investee company, its business model, and the market vision and then wholeheartedly work through adding value to the entrepreneurs/venture teams to take the company forward. The present study focuses on venture capital companies' value add to their portfolio firms or investee companies and by their fund size. There has hardly been any study on venture capitalists value-added the importance they attach to value added services in the Indian context. Such a study is quite relevant for a developing country such as India where venture capitalists are attracting considerable attention and hence it is found necessary to conduct a study. The study is based on both the secondary and primary sources of information. The sample companies are selected from the data published by Indian Venture Capital Association (IVCA).

1. Introduction

The venture capital industry as an institution is a good example that prides itself on 'nursing' companies, rather than just financing them, as money is only part of the contribution venture capitalists make to growing businesses, the roles played by venture capitalists are many, they offer knowledge and contribute to the growth of companies, help the firm obtain alternative sources of equity finance, interface with the investor group, monitor the financial performance, help their portfolio firms attract alternative sources of financing, help to build a distribution network, assist in marketing plans and also help to attract top-flight management. Generally venture capital firms strategy is to target companies with innovative products and services, which they feel have the potential to become successful brands in the years to come. As most of the venture firm's management team will initially have significant gaps in its experience, technical expertise, limited marketing and general management expertise, they believe in the necessity to build the product and thus the role of the venture capitalist does not stop just with investment in the venture, they take an active role in the development of their portfolio firms. Venture capitalists technical background and experience allow them to quickly assess technologies, products and markets and help developing through hands on participation across different functions like product design, technology, operations, marketing, sales, fund raising, team building, finance etc. Venture capital firms value added efforts are highly focused on to provide strategic and business direction across functions and in varied business situations for development of clear market leadership for their

* Associate Professor, Food and Agribusiness School (FABS), Hyderabad. E-mail: malladichanak@gmail.com

portfolio firms by active intervention and assistance. Thus venture capital firms act to increase the chances of survival and rate of growth of the new firm through their involvement which extends adding new capabilities to the investee companies.

2. Review of Literature

Rosenstein et al. (1988) evaluated that the appointment of outside directors to the boards of small private companies as a result of venture capital can bring benefits through networking and specialized commercial or marketing expertise. Maula(2001) documented that a venture capitalist is not a mere financier of a start-up they play different roles, and reported the following among the several roles of venture capitalists: serving as a sounding board to the entrepreneur team, helping the firm obtain alternative further sources of equity financing, interfacing with the investor group, monitoring financial performance, monitoring operating performance, helping their portfolio firms attract alternative sources of financing. Hence, the provision of venture capital is an institution does more than the financing of the start-ups; it helps a new and risky enterprise to get established in the marketplace. MacMillan et al. (1988) documented because of venture capitalists experience with numerous ventures and their extensive exposure to financial, labor and other resource markets, they are uniquely positioned to provide valuable assistance to their portfolio companies in key aspects and these services include business referrals, extensive mentoring, and financial assistance. Jarillo (1989) in his study evaluated that the venture capitalists can provide a social or supportive role, acting as a mentor or confidant and the venture capitalist can also provide access to a network of other venture capitalists, tax experts, lawyers, patent agents, grant agencies, prospective customers and suppliers, etc. Gorman and Sahlman (1989) documented that the role of venture capitalists is not just limited to organizing the financial aspects of the firms they finance (in general the entrepreneur provides the ideas and devotes her labor time to run the project, while the venture capitalist provides the funds) but they also monitor the activities of the firm, provide consulting services, get actively involved in strategic planning, use their business contacts to introduce the entrepreneur to potential customers and suppliers, and even take part in some operational aspects. Gupta and Sapienza (1992) documented that there are at least three potential tasks in which venture capital firms can add value and justify their existence in their role as intermediaries, they are (1) by bringing investors and entrepreneurs together more efficiently than might otherwise happen (2) by making investment decisions that are superior to those the limited partners could make on their own and (3) by providing nonfinancial assistance to and, thereby, improving the risk-return mix associated with the ventures being funded. The first task places emphasis on networking and negotiating skills, the second task pertains to the venture capitalists superior selection of investment opportunities, and the third task focuses on the use of specific knowledge to provide post investment advice. Barry (1994) documented there is anecdotal evidence that because venture capitalists frequently specialize in a particular technology or stage of development and they can offer strategic, technical, and commercial guidance to their investee companies. Coopers and Lybrand (1996) explained that when the entrepreneurs were asked what kind of post investment activity they perceived to make the highest contribution for the development of the firm, they ranked "advice regarding financial issues" as number one. Hellmann (2000) documented that venture capitalists also serve as coaches for their portfolio enterprises, but the intensity and the way they support their portfolio enterprises differ from venture capitalist to venture capitalist. Smith (2001) summarized that from the perspective of the portfolio firm, the ability to provide value-adding services constitutes an even more important selection criterion than their willingness to provide funding for the firm, such services may take many forms, and these have been studied both from the perspectives of the venture capital firm and the portfolio firm. Repullo and Suarez (2004) analyzed that the early-stage companies that attract venture capital investment can take advantage of the venture capitalists experience, knowledge, understanding of the entrepreneurial process, and network of relationships. De Bettignies and Chemla

(2008) documented that venture capital funds are sophisticated value-added active investors that provide strategic, marketing, financial, and administrative advice to small high-tech investee entrepreneurial firms. It can be concluded that new innovative venture capitalist benefits through addition of value added services which helps them to accelerate growth.

3. Objectives of the Study

The objective of the study is as follows:

- (1) To understand the provision of value added services of venture capital firms operating in India to their portfolio firms
- (2) To study the importance of value added services and the degree of operating fund size.

4. Methodology

The study is based on both the secondary and primary sources of information. The sample companies were identified from the data published by Indian Venture Capital Association (IVCA) (2008). The primary data for the study was collected during 2010 March – Nov 2010. The data was collected by sending a questionnaire to the venture capital firms listed in IVCA (2008). We administered a questionnaire to venture capital companies. All the venture capital firms were sent an introductory letter and an eleven page questionnaire. Next a follow-up telephone call was made, 85 venture capital firms agreed to participate in the survey. A week later, reminder cards were sent as suggested by Dillman (1978) and continuous mailings were sent to non-respondents. The response rate is merely 22%, the poor response rate is due to the schedules of the VCs. Spending significant time on a survey is simply out of question for most of them. A survey by fax or mail may get lost in the hundreds of business plans that lie unattended on their desks. We understand that a sample of 22% constitutes a reasonable sample in a study of this nature, as management time is a critically scarce resource for this group and therefore Gaedeke and Tootelian (1976) forecasted a 20 percent response rate from surveys of top executives. The present study assumes importance because there are only few studies which concentrated on value added services in the Indian context. The study is subjected to the following limitations; the collection of information through primary sources was very limited, since most of the venture capital companies interacted adopted a confidential approach in providing information about the companies and commented that the study is seeking proprietary information. Another constraint was the venture capital industry in India is not developed and comprises few players from which only limited players could be accessed. During the course of study various venture capitalists admitted that they are not supposed to declare their investment practices and strategies and therefore only very limited data could be collected. Data thus collected was processed and analyzed to draw valid inferences. For analyzing the data and providing the realities of the research outcomes suitable statistical techniques were employed, viz., mean, standard deviation and skewness.

5. Results and Discussion

Venture capital firms in India are increasingly competing on value added services; they provide sound advice from first-hand experience and benefit the portfolio firm from their experience and expertise in private equity and finance, marketing, sales, planning, and overall organization development. As shown in the above table 1, the classification of venture capital firms by the value addition they provide in marketing shows that they (15.62%) provide marketing services and help in brand building for their investee companies. And 9.38% of venture capitalists add through better customer servicing. However 59.38% of venture capital firms reported that they can provide other services to the entrepreneurs or to their investee companies.

Table 1. Classification of venture capital companies by their value addition in marketing

	Value addition in marketing				
	Marketing services	Customer service	Brand building	Others	Total
No of VC firms	5	3	5	19	32
(%) of VC firms	15.62	9.38	15.62	59.38	100.00

(Source: Field Survey) *Some venture capital firms reported more than one value added service

The venture capital firms provide a wide range of services to their investee companies besides providing the all needed finance. The venture capital firms were queried to highlight the services provided by them. From the table 2 given below, it can be noticed that the services venture capital firms provide besides the capital investment to the investee. As may be seen from the table, (53.33%) of venture capital firms operating in India are providing all sorts of services to the entrepreneurs. 23.33% of venture capital firms opined that they add services like managerial services to their investee companies, 16.67% of informed that they add portfolio firms through network services.

Table 2. Classification of venture capital companies by the services they provide besides the capital investment to the investee company

	Services venture capitalists provide besides the capital investment to the investee company				
	Managerial services	Employment resources	Network services	All the services	Total
No of VC firms	7	2	5	16	30
(%) of VC firms	23.33	6.67	16.67	53.33	100.00

(Source: Field Survey) *Some venture capital firms reported more than one service they provide to entrepreneurs

Table 3 below refers to the value added services provided by venture capital companies to their portfolio companies. We enquired with the venture capital firms operating in India about the importance they attach to various value added services and to rate on a five point scale from very important to not important. As may be seen from the table, it is observed that venture capital firms rated highserve as sounding board for new ideas, monitoring financial performance of the venture capital undertaking or Investee Company mean being (4.57) are the very important factors considered in order to position their fund in a better way in the industry. The mean for other factors such as monitoring is (4.47), development of new strategy to meet changing circumstances factor mean is (4.47). Other factors that are treated as very important by the venture capital firms include strategic involvement in the portfolio companies (4.42), monitor the portfolio of firm (4.15), manage crises and problems (4.15), evaluate acquisitions (4.10), seek additional equity financing (4.05), make introduction to potential customers and suppliers (3.89), make introduction to potential service providers (3.89), search/recruit management (3.89), assist with marketing plans (3.57), monitoring operational performance (3.57), motivate personnel (3.52), involvement in operational planning (3.36), and resolve remuneration issues with a low mean score (2.52).

Table 3. Value added services of venture capital companies

Value added services	Mean	Std. Dev.	Skewness
Serve as sounding board for new ideas	4.57	0.961237	-3.18605
Monitor financial performance	4.57	0.841191	-1.96957
Monitoring	4.47	1.123903	-2.41993
Development of new strategy to meet changing circumstances	4.47	0.772328	-1.11558
Strategic Involvement	4.42	1.017393	-2.41463
Monitor the portfolio of firm	4.15	1.167293	-1.5105
Manage crises and problems	4.15	1.30227	-1.33641
Evaluate acquisitions	4.10	0.936586	-0.22736
Seek additional equity financing	4.05	1.31122	-1.09865
Make introduction to potential customers and suppliers	3.89	0.994135	-0.52833
Make introduction to potential service providers	3.89	1.293257	-0.88648
Search/Recruit management	3.89	1.286457	-0.83323
Assist with marketing plans	3.57	1.426565	-0.81936
Monitoring operational performance	3.57	1.121298	-0.08784
Motivate personnel	3.52	1.50438	-0.82234
Involvement in operational planning	3.36	1.42246	-0.47903
Resolve remuneration issues	2.52	1.466986	0.119314

(Source: Field Survey)

As may be seen from the table 4 below, it refers to the classification of Indian venture capital companies in terms of rendering various services to their portfolio companies with operating fund size less than \$ 25 million. It is observed that venture capital firms operating in India with less than \$ 25 size of fund in million attached high importance to the service monitoring financial performance of the investee company mean being (4.7), and serve as sounding board for new ideas for the firm with mean (4.5), monitor the portfolio of firm with mean (4.5), strategic involvement mean being (4.5), and monitoring with mean (4.2). However it should not go unnoticed that the services such as resolve remuneration issues and assist with marketing plans are attached lower importance by a Indian venture capitalists mean being (3.2) and (3.0).

Table 4 Classification of venture capital companies in terms of rendering various services and by less than \$ 25 million fund size

Value added services (21.052% of venture capital firms)	Mean	Std. Dev	Skewness
Monitor financial performance	4.7	0.5	-2
Serve as sounding board for new ideas	4.5	1	-2
Monitor the portfolio of firm	4.5	0.57735	
Strategic involvement	4.5	0.57735	
Monitoring	4.2	1.5	-2
Development of new strategy to meet changing circumstances	4.2	0.957427	-0.85456
Monitoring operational performance	4.2	0.957427	-0.85456
Search/recruit management	4.2	0.957427	-0.85456
Seek additional equity financing	4	0.816497	
Evaluate acquisitions	4	0.816497	
Motivate personnel	3.7	0.957427	0.854563
Make introduction to potential customers and suppliers	3.7	0.5	-2
Make introduction to potential service provider's	3.7	0.5	-2
Involvement in operational planning	3.2	1.258306	1.129338
Manage crises and problems	3.2	0.957427	-0.85456
Resolve remuneration issues	3.2	0.957427	-0.85456
Assist with marketing plans	3	0.816497	

(Source: Field Survey)

Table 5 below shows the classification of venture capital companies in terms of rendering various services and by 25-50 fund size in \$ million. As may be seen from the table, it is observed that venture capital firms operating in India with 25-50 size of fund in \$ million (26.31 % of venture capital firms) rated

Table 5. Classification of venture capital companies in terms of rendering various services and by 25-50 fund size in \$ million

Value added services (26.31 % of venture capital firms)	Mean	Std. Dev	Skewness
Monitoring	5		
Serve as sounding board for new ideas	4.6	0.547723	-0.60858
Development of new strategy to meet changing circumstances	4.6	0.547723	-0.60858
Monitor financial performance	4.4	0.547723	0.608581
Strategic involvement	4.4	0.894427	-1.25779
Search/recruit management	4.4	0.894427	-1.25779
Seek additional equity financing	4.4	0.547723	0.608581
Manage crises and problems	4.4	1.341641	-2.23607
Evaluate acquisitions	4	0.707107	
Make introduction to potential customers and suppliers	4	1	
Make introduction to potential service provider's	4	1	
Monitor the portfolio of firm	3.8	1.30384	-0.54139
Assist with marketing plans	3.6	1.140175	-0.4048
Involvement in operational planning	3.4	0.894427	2.236068
Motivate personnel	3.4	1.516575	-1.11808
Monitoring operational performance	3.4	1.67332	-0.51224
Resolve remuneration issues	2.4	1.341641	-0.16563

(Source: Field Survey)

high monitoring of the venture capital undertaking or investee company mean being (5.0), and serve as sounding board for new ideas of the firm with mean (4.6) and development of new strategy to meet changing circumstances mean being (4.6), monitor financial performance mean being (4.4), strategic involvement with mean (4.4) are the very important factors considered by a venture capital firm who are operating in India with \$ 25-50 size in million. It can be noted that few value added services such as resolving remuneration issues provided by Indian venture capital firms are giving less importance, mean being (2.4).

Table 6 below shows the services delivered to investee companies by venture capital firms (51-100 fund size in \$ million) in order to compete and become successful in the market place. We enquired with the venture capital firms the importance they attach to various services provided to position the venture capital fund in a better way in the industry in India. We examined whether the services provided by Indian venture capitalists are varying by operating fund size of a venture capital firm.

Table 6. Classification of venture capital companies in terms of rendering various services and by 51-100 fund size in \$ million

Value added services (26.31 % of venture capital firms)	Mean	Std. Dev	Skewness
Evaluate acquisitions	5	0	
Serve as sounding board for new ideas	5	0	
Development of new strategy to meet changing circumstances	4.7	0.5	-2
Monitor the portfolio of firm	4.5	0.57735	0
Search/recruit management	4.5	0.57735	
Monitor financial performance	4	2	-2
Seek additional equity financing	4	2	-2
Make introduction to potential service provider's	4	0.816497	0
Strategic involvement	4	2	-2
Assist with marketing plans	4	0.816497	0
Motivate personnel	3.5	1.732051	-1.5396
Make introduction to potential customers and suppliers	3.5	1	-2
Involvement in operational planning	3.5	1.732051	-1.5396
Monitoring	3.5	1.732051	-1.5396
Monitoring operational performance	3.5	1.914854	-0.85456
Manage crises and problems	3.25	1.5	0.37037
Resolve remuneration issues	3.25	1.5	-2

(Source: Field Survey)

As may be seen from the table 6, the venture capital firms that are operating in India with \$51-100 size of fund in million rated high evaluate acquisitions mean being (5.0), serve as sounding board for new ideas of the investee company mean being (5.0), and development of new strategy to meet changing circumstances mean being (4.7) and monitor the portfolio of firm with mean (4.5), search/recruit management mean being (4.5) and also considering that these services are very important in order to position their fund in a better way in the industry. It also should be noticed that the venture capital firms operating with 51-100 size of fund in \$ million in India attaching very low importance to the services such as manage crises and problems and resolve remuneration issues, mean being (3.25).

Table 7 Classification of venture capital companies in terms of rendering various services and by fund size 101-350 in \$ million

Value added services (26.31 % of venture capital firms)	Mean	Std. Dev	Skewness
Monitor financial performance	5		
Monitoring	4.6	0.57735	-1.73205
Serve as sounding board for new ideas	4.6	0.57735	-1.73205
Strategic involvement	4.3	0.57735	1.732051
Evaluate acquisitions	4	1	
Search/recruit management	3.6	1.154701	1.732051
Make introduction to potential customers and suppliers	3.3	1.527525	0.93522
Monitoring operational performance	3	1.732051	1.732051
Monitor the portfolio of firm	3	2	
Manage crises and problems	3	2	
Motivate personnel	3	2	
Seek additional equity financing	3		
Development of new strategy to meet changing circumstances	3	1.732051	1.732051
Involvement in operational planning	2.6	2.081666	1.293343
Make introduction to potential service provider's	2.6	2.081666	1.293343
Assist with marketing plans	2.3	2.309401	1.732051
Resolve remuneration issues	1		

(Source: Field Survey)

Table 7 refers to the classification of venture capital companies in terms of rendering various services and by fund size 101-350 in \$ million. In order to minimize risk venture capitalists take an active role in the development of their portfolio firms. As part of their active role they often add value to the portfolio companies in various ways. We enquired with the venture capital firms operating with \$ 101-350 size of fund in million (26.31 % of venture capital firms) and their importance attached to these services. As may be seen from the table 7, it is observed that venture capital firms in India operating with \$101-350 size of fund in million rated high monitoring financial performance of the investee company mean being (5.0). Further it can also be noticed that the value added services provided towards marketing and human resources such as make introduction to potential service providers, assist with marketing plans, resolve remuneration issues by venture capital firms to their portfolio companies are attaching very less importance mean being (2.6), (2.3) and (1.0).

Table 8 refers to the classification of venture capital companies in terms of rendering various services and by fund size 351 and above in \$ million. There is anecdotal evidence that because venture capitalists frequently specialize in a particular technology or industry or stage of development and gain domain expertise, so they can offer strategic, technical, commercial guidance and add value to their portfolio companies through various services. As may be seen from the table below, we tried to understand Indian venture capital companies value added services to their investee companies and by their operating fund size \$ 351 and above in million (26.31% of venture capital firms). Venture capital firms operating in India reported that monitoring, monitor the financial performance, monitor the portfolio of firm, strategic involvement, development of new strategy to meet changing circumstances, make introduction to potential customers and suppliers, manage crises and problems and search or recruit top management for the investee company are the very important services to be provided, mean being (5.0) in order to position their fund in a better way in the industry. However it should not go unnoticed and can be highlighted that the venture capital firms operating in India with 351 and above size of fund in \$ million

are attaching very low importance to the services such as assist with marketing plans and resolve remuneration issues mean being (3.0) and (2.3).

Table 8 Classification of venture capital companies in terms of rendering various services and by fund size 351 and above in \$ million

Value added services (26.31 % of venture capital firms)	Mean	Std. Dev	Skewness
Monitoring	5	0	
Monitor financial performance	5	0	
Monitor the portfolio of firm	5	0	
Strategic involvement	5	0	
Development of new strategy to meet changing circumstances	5	0	
Serve as sounding board for new ideas	5	0	
Make introduction to potential customers and suppliers	5	0	
Manage crises and problems	5	0	
Search/recruit management	5	0	
Seek additional equity financing	4.6	0.57735	-1.73205
Evaluate acquisitions	4.6	0.57735	-1.73205
Monitoring operational performance	4	1.732051	-1.73205
Make introduction to potential service provider's	3.6	2.309401	-1.73205
Motivate personnel	3.6	2.309401	-1.73205
Involvement in operational planning	3	2	0
Assist with marketing plans	3	2	0
Resolve remuneration issues	2.3	2.309401	1.732051

(Source: Field Survey)

Conclusion

Entrepreneurs face many challenges and venture capital firms address them through providing a wide range of services to the entrepreneurs besides providing the all needed finance but in order to remain competitive and successful, venture capital firms must have clear understanding of the market, their competitor's expertise and the financial dynamics of the industry they are addressing to differentiate and add value. Generally venture capital firms consider that they have an advantage in respect of adding value through superior positioning of the product or service, in establishing a network, in recruiting superior personnel, in establishing a new technology, help recruiting senior personnel etc. to the investee companies in addition to the finance they provide. However it also should be seen that this confidence is built in the minds of potential entrepreneurs for the value addition they provide. Finally it can be said that venture capital firms operating in India should also attach greater importance to the marketing and human resource efforts. Further it can also be noticed that the value added services provided towards marketing and human resources such as make introduction to potential service providers, assist with marketing plans, resolve remuneration issues and offer value-added services that are specifically geared to the needs of portfolio companies or potential entrepreneurs and go beyond.

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Analysis of Motives Influencing Investors in Favour of Different Financial Instruments : An Emperical Study

D.S.Chaubey*
Ritika Aggrawal**
Manish Gurung***

Abstract

Over the past few decade the investors' expectation and behaviour has changed significantly. The economic theory of investment states that investors think and behave "rationally" when buying and selling stocks. The growth in the number of financial instruments and products has given investors a lot many choices. Generally investors are presumed to use all available information to form "rational expectations" in investment decision making. In reality, individual investors do not think and behave rationally. His motives influencing in favour of different financial instrument is driven by greed and fear. They are misled by extremes of emotion, subjective thinking and the herd mentality. The paper intends to analyse the determinants of the individual investor motives towards various financial instrument and factors affecting their investment decisions. An empirical study is conducted to analyse the investment motives and behaviour and decision making style of individual investors. The different factors' inter-relationships were evaluated after which conclusion and suggestions were drawn. Some future scope of study is also suggested for the improvement in financial products and services marketing

Keywords: *Investor behaviour, Overconfidence, Involvement, Risk preference, Investment, Investors preference, Fund Reputation, Capital Appreciation, Tax Benefits, Process Effectiveness, etc.*

Introduction

Understanding investor motive is a difficult task. The unpredictability of human nature generates a seemingly endless variety of motives that manifest themselves in interesting ways when individuals involve themselves against the markets. There is a growing body of literature that acknowledges that investors don't behave in the fashion typically assumed by traditional finance theory. Specifically, we discuss evidence that suggests individuals do not always act as if they were homogeneous with respect to mean-variance optimisation. We then look at some systematic differences in the way investors behave.

Review of Related Literature

Much of the basic theories of behavioural finance concern with cognitive limitations on decision-making. As a result, human behaviour is made on the basis of simplified procedures or *heuristics* (Tversky and Kahneman, 1974). This is consistent with the study done by Slovic (1972) on investment risk-taking behaviour. He found that, man has limitations as a processor of information and show some judgmental biases which lead people to overweight information. People also tend to be over react to information (De Bondt and Thaler, 1985, 1987).

Xiao and Anderson (1993) incorporated Maslow's (1954) theory of the hierarchy of needs and the behavioral life cycle hypothesis to their model and find that saving motivations vary between families and that they save according to different categories of mental accounting, which supports Thaler and Sefrin's (1988) findings. Xiao and Noring (1994) find that families with little resources save primarily to

* Dean, Research and Studies, Uttaranchal University, Dehradun. E-mail: chaubeyds@yahoo.com

** Research Scholar, Utrakhand Technical University, Dehradun. E-mail- ritikaaggrawal2007@gmail.com

*** Asst Professor, Utranchal institute of Management, Uttaranchal University, Dehradun. E-mail: manish.gurung2008@gmail.com

survive from daily expenses. When the family's resources increase, the motivation to save for emergencies also increases. At the highest income levels, motivations concerning retirement, children and improvement in the standard of living become important.

Shefrin and Statman (1985) highlighted that cognitive biases and emotion affect investors, thus detracting from the traditionally assumed rational behaviour. Normal investors often manage their stocks individually rather than as portfolios, they are reluctant to realize losses, as Snyder observed almost 30 years previously, possibly because they use 'mental accounts' and selling a stock at a loss closes each account with a finality which allows no recovery of value and causes emotional distress

C. S. Shylajan and Sushama Marathe (2006) in their research article "A study of attitudes and trading behaviour of stock market investors", identify the major factors responsible for determining the attitudes and trading behavior of stock market investors. Based on their shared investing attitude and behaviour, the stock market investors are classified into two categories i.e. aggressive investors and non aggressive investors.

Jaakko (2011) study revealed that most investors had affected based extra motivation to invest in stock, over and beyond financial return expectations. Zaghlami (2009) study revealed that some psychological particularities that are not expected by the financial behavioral literature, the study was conducted on Tunisian investors.

Mahendra (2008) study stated that irrational investment decision making is a widespread phenomenon. They study the perils of irrational decisionmaking in investments choice which finally can lead to great risk.

Verma, (2008) identified the demographic profile and investor personality can be the two determinants for making perception about the investor psychology, which if scientifically studied could help the Wealth Management professionals to advice their clients better.

Commins (2009) in their article discussed the hedonistic psychology of investors. It cites that the pursuit of happiness becomes hedonistic when people want to get the most of their investment and gaining wealth is no longer confining that one becomes overly materialistic.

Phillip (1995) reported changes in financial decision-making and investor behaviour as a result of participating in investor education programs sponsored by employees. In India, SEBI started such awareness program for small investors, which has started giving benefits, in terms of value investing and informed investing from retail investors.

Nasir and Khalid (2004) concluded that Savings in Pakistan showed a positive response to GDP growth and government's current expenditure while it remained insensitive to interest rates.

Ippolito (1992) and Bogle (1992) reported that fund selection by investors is based on past performance of the funds and money flows into winning funds more rapidly than they flow out of losing funds.

Gupta (1970) using annual time series data from India analyzed the determinants of saving. He found that permanent income hypothesis is a better fit in the urban areas in India whereas in the rural area saving behaviour is more in accordance with the absolute income hypothesis. He found that marginal propensity to save is an increasing function of income at lower level of development.

Shanmugasundaram and Balakrishnan (2011), they conducted research to analyse the factors influencing the behaviour of investors in capital market. They concluded that demographic factors influence the investors' investment decisions.

Horvarth and Zuckerman (1993), suggested that one's biological, demographic and socio-economic characteristics, together with his/her psychological makeup affects one's risk tolerance level.

Vladas Griskevicius, Douglas T. Kenrick, "Fundamental motives: How evolutionary needs influence consumer behavior" in their paper identified seven fundamental motives. These are Self protection, Disease avoidance, Affiliation, Status, Mate acquisition, Mate retention and Kin kare.

Objective of the study

1. To analyse the investment pattern of investors.
2. To study the motive/s of the investors that influences them to go for investments and identify the factors influencing investors in selecting particular financial product.
3. To analyse the relationship between motive of investor and their investment pattern.
4. To classify the investor according to their investment motives.

Following hypothesis was used to

H1: there is no significance difference in the mean of different motives of investment across the respondents of different age category.

H2: there is no association between investors investment motive and their investment pattern in different financial instruments. .

Research Methodology:

The present study is the descriptive in nature and is based on primary as well as secondary data. To measure the intensity of parameters fixed on the basis of literature review and motives identified by Vladas Griskevicius, Douglas T. Kenrick, "Fundamental motives: How evolutionary needs influence consumer behavior" open ended and close ended questionnaire was used. A well structured questionnaire was designed covering various parameter laid down in objectives and was piloted on 311 respondents selected conveniently from Dehradun using snowball sampling method. To collect the necessary information, various parameters were developed with the help of literature. The responses to these parameters were gathered, coded, tabulated and analyzed. Cronback alpha test was carried out and found to be .871 which indicates that data is reliable for further test. KMO value was checked using SPSS software to assure data sufficiency. The value was found to be .707 that indicates that data is sufficient to go far factor analysis. To test the hypothesis, Mean, standard Deviation Anova and c^2 test was applied. . Table 1 indicates the profile of respondents.

Data Analysis

Table1 Demographic characteristics of Respondents

	<i>Categories</i>	<i>Count</i>	<i>Percentage</i>
Age	Upto 30 Years	103	33.1
	30-40 years	76	24.4
	40-50 Years	70	22.5
	More than 50 Years	62	19.9
Gender	Male	226	72.7
	Female	85	27.3
Income	Upto Rs. 200000/-	135	43.4
	Rs.200000/- to Rs. 300000/-PA	101	32.5
	Rs.300000/- to Rs. 400000/-PA	54	17.4
	More than Rs.400000/-- Rs500000PA	21	6.8
Occupation	Service Class	230	74.0
	Businessman	66	21.2
	Retired	15	4.8

The demographic characteristic of respondents reveals that 33.1 % in the age bracket of upto 30 years. In 30-40 years group there were 22.4 %, in 40-50 years group there were 22.5 % respondents. The remaining 19.9% respondents were in age bracket of above 50 years. The survey reveals that 72.7% respondents are male and remaining 27.3% respondent belongs to female category. It was also observed in the income category that 43.4 % of respondents were earning less than Rs 2 lakhs per annum, whereas 32.5 % were earning between Rs 2 lakhs to Rs 3 lakhs per annum. In Rs 3 lakhs to Rs 4 lakhs income range there were 17.4 % and in above Rs 4 lakhs there were 6.8% respondent respectively. The occupational structure of respondents is also very important in deciding the investment pattern. The salaried respondents taken in the survey were found to be 74%, followed by businessmen (21.2%) and retired 4.8% people.

Table 2. **Investment Pattern**

	Responses		Percent of Cases
	N	Percent	
Government Securities	223	20.4%	71.9%
Commercial Papers	123	11.3%	39.7%
Equity Shares	53	4.9%	17.1%
Preference Shares	41	3.8%	13.2%
Certificate of Deposits	57	5.2%	18.4%
Options and futures	21	1.9%	6.8%
Debentures/bonds	34	3.1%	11.0%
Industrial securities	45	4.1%	14.5%
Mutual funds	31	2.8%	10.0%
Postal savings	82	7.5%	26.5%
Fixed Deposits	69	6.3%	22.3%
Life Insurance	189	17.3%	61.0%
Provident Funds	71	6.5%	22.9%
Others	52	4.8%	16.8%
Total	1091	100.0%	351.9%

a. Group

The results from the multiple response question regarding various investment tools adopted by the respondent, shows that most respondents have invested in the government securities (71.9 %) followed by life insurance products (61 %). Commercial papers were also used by respondents (39.7%) along with opting for postal savings (26.5 %). A large segment of respondents also went for fixed deposits and mutual funds i.e. 22.3 % and 10 % respectively. There was lesser exposure taken by the respondents in equity shares (17.1 %) and preference shares (13.2%). Provident funds were opted by 22.9 % and debentures were opted by 11 % respondents.

Table 3. **Motives of Investment**

Age wise classification	Safety	Status	Affiliation	Kincare
Upto 30 Years	3.2977	3.2913	3.0049	2.8956
30-40 years	2.7215	2.5316	2.4079	2.4605
40-50 Years	2.9548	2.9914	3.5071	2.9750
More than 50 Years	3.0914	2.9871	3.0968	3.0040
Total	3.0386	2.9775	2.9904	2.8288

Most of the respondents invested with the aim of reducing future risk (33.4 %). The other motive was gaining tax benefit which influenced the respondents (29.3%) for making investments. The third motive which influenced the respondents for investment was protection of losses which was indicated by 10% respondents. There were comparatively few respondents who opted for capital appreciation (10.3 %) and keep their funds in liquid form (9.0 %).

Table 4. the Degree of Association of Investors Investment Pattern and Investment motives

	Frequency	Percent	Valid Percent	Cumulative
Capital Gain	32	10.3	10.3	10.3
Short term gain	28	9.0	9.0	19.3
Reducing future risk	104	33.4	33.4	52.7
Valid Protection of Loss	31	10.0	10.0	62.7
Tax benefit	91	29.3	29.3	92.0
liquidity	21	6.8	6.8	98.7
others	4	1.3	1.3	100.0
Total	311	100.0	100.0	

It was hypothesis that investment pattern of investor and various investment motives are not associated with each other. Chi square test was carried out to assess the relationship between investment pattern and investment motives using SPSS20 software. The calculated value of chi square is 124.8466 which more then the table value (79.082) at 78 degree of freedom and 5% level of significance. Hence null hypothesis is rejected and indicated that investment pattern and investment motives are associated with each other.

Table 5. Influencing factor while selecting a particular financial instrument

Motives of Investment	Government	Commercial paper	Equity shares	Preference Shares	Certificates f	Call money market	Debentures /	Industrial	Mutual Funds	Postal Savings	Fixed Deposites	Life Insurance	Provident Funds	Others	Total
Capital Gain	20	9	5		8	3	1	11	5	6	5	18	9	4	104
Short term gain	26	12	7	1	1	1	7	1	7	9	14	5	12	2	105
Reducing future risk	74	54	12	23	18	10	6	18	5	27	18	73	33	17	388
Protection of Loss	19	11	4	4	10		1	10	2	15	8	26	2	8	120
Tax benefit	69	27	22	10	12	8	6	15	8	20	18	53	13	17	298
Liquidity	12	10	2	2	2	1	2	4	3	3	6	11	1	4	63
Others	3		1	1		1			1	2		3	1		13
Total	223	123	53	41	51	24	23	59	31	82	69	189	71	52	1091
Chi square (X^2)= 124.8466															

The investment motives of investors are affected by various external influences such as advertising and suggestions from relatives and friends. It found in the study that 39.5% of respondents selected the financial instruments on the basis of self evaluation and decision. Also suggestions given by friends and television advertisements played vital role in taking investment decisions (23.8 % and 19 % respectively). The new paper and magazines was indicated by 11.3% respondents the role of brokers and agents were found less important in this study and only 6.4% respondents took their advice regarding investment decisions

Table 6. Mode of communication for receiving updates and performance regarding Scheme

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Friends Suggestions	74	23.8	23.8	23.8
Newspapers/magazines	35	11.3	11.3	35.0
Television and commercials	59	19.0	19.0	54.0
Brokers and Agents	20	6.4	6.4	60.5
Self evaluation and decision	123	39.5	39.5	100.0
Total	311	100.0	100.0	

After investment, it is very important to get updates regarding the performance of the invested tools. Continuous tracking of the performance is easier in this era of information technology. Today we get the performance reports through variety of mediums. It was found that 43.4 % of respondents use telephones to receive updates. They call their respective investment offices to know about the updates. 34.1% of respondents preferred to visit the offices or advisors personally to inquire about the updates. The number of respondents going for email or internet options was 14.8%. There were 7.7% respondents

who preferred to get their updates through postal delivery. They opted to get performance reports and relevant materials directly through mail.

Table 7. Analysis of Means of various factor influencing investment across the income Level of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Telephone	135	43.4	43.4	43.4
E-mail/ Internet	46	14.8	14.8	58.2
Valid Direct Mail	24	7.7	7.7	65.9
personal contact/visit	106	34.1	34.1	100.0
Total	311	100.0	100.0	

From the table it is seen that Motives of tax benefits of investment has scored highest mean among the income group of respondent drawing more than Rs 400000 as salary per year.

Table 8 .ANOVA across age

	Sum of Squares	df	Mean Square	F	Sig.	
Safety	Between Groups	15.224	3	5.075	9.475	.000
	Within Groups	164.424	307	.536		
	Total	179.648	310			
Status	Between Groups	25.272	3	8.424	12.759	.000
	Within Groups	202.691	307	.660		
	Total	227.962	310			
Affiliation	Between Groups	45.202	3	15.067	14.048	.000
	Within Groups	329.269	307	1.073		
	Total	374.471	310			
Kincare	Between Groups	14.168	3	4.723	7.285	.000
	Within Groups	199.027	307	.648		
	Total	213.195	310			

Inference: One way Anova was carried out to check the hypothesis that there is no significance difference in the mean of different motives of investment influencing customers across the respondents of different age category. From the table it is clear that calculated value of F is greater than the tabulated value of F (2.60) at ($p < 0.05$) level of significance in the case of motives like Safety, Status, Affiliation and Kin care. . Hence null hypothesis is rejected indicating that there is significant difference in the mean of different motives influencing customer to invest in different financial instrument across the age categories of respondents.

Segmentation of Investors using Cluster Analysis

Cluster analysis is a major technique for classifying a 'mountain' of information into manageable meaningful piles. It is a data reduction tool that creates subgroups that are more manageable than individual datum. Like factor analysis, it examines the full complement of inter-relationships between variables. Using cluster analysis, a investor 'type' can represent a homogeneous segment. Identifying their particular needs allows products to be designed with greater precision and direct appeal within the segment. Targeting specific segments is cheaper and more accurate than broad-scale marketing.

Customers respond better to segment marketing which addresses their specific needs, leading to increased market share and customer retention.

Table 9. Number of Cases in each Cluster

	1	116.000
	2	26.000
Cluster	3	111.000
	4	58.000
Valid		311.000
Missing		.000

Table 10. Final Cluster Centers

	Cluster			
	1	2	3	4
Safety	3.04	4.37	3.24	2.04
Status	3.11	4.51	3.15	1.71
Affiliation	3.84	4.40	2.41	1.78
Kin care	3.13	4.10	2.71	1.89

A cluster analysis was run on 4 motive shorted out of 22 variable each responding to different motive of investment. A K-mean cluster analysis method produced four clusters, between which the variables were significantly different in the main. From the table it could be seen that cluster 1 has 116 respondents. For them affiliation motive is the prime motive (3.84) followed by kin care motive (3.13). the other two motives safety (3.04) and status (3.11) are important as well. In cluster 2 there are 26 respondents. Their prime motives are status (4.51) and affiliation (4.40), followed by safety (4.37) and kin care (4.10). In cluster 3 their 111 respondents, for them the prime motive is safety (3.24) followed by status (3.15), kin care (2.71) and affiliation (2.41). In cluster 4, safety (2.04) is the prime motive followed by kin care (1.89), affiliation (1.78) and status (1.71).

Conclusions and Suggestions

The behavior represents the actions which are readily seen by others but it is very important to know the basic motive which is behind the action. Investing in any financial instrument is just an action taken to fulfill some motives. According to our findings these could be classified into four motives. These are Safety motive, Status motive, Affiliation and Kin care. Hence it is suggested that financial planner must focus on these issue to position their product effectively in the mind of investors.

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A Study of Job Satisfaction of the Employee in Mizoram Rural Bank

Bidhu Kanti Das*

Abstract

Employees' job satisfaction has always been considered as an important issue in the field of Human Resource Development and the success of the organization. Job satisfaction cannot be overnight and it results from individual feelings of managers about everything that they experience in and out of their workplace. Banking sector was one of the highest paid sectors earlier in India. But in last one decade or so it has lost that attractiveness in terms of salary and the duty they are performing in terms of number of working hours as well as complexity of the task. Mizoram Rural Bank (MRB) is a public sector bank owned by the Mizoram Government and State Bank of India and it has the largest number of branches in Mizoram. Due to changing banking scenario in India as well as in Mizoram, it is very important to study the satisfaction level of employees regarding their job as well as their organization. In this paper an attempt has been made to find the satisfaction level of employee working in MRB, also try to find out reason behind satisfaction and degree of satisfaction only.

Keywords: Job-satisfaction, Mizoram Rural Bank, Quality of work life, Salary,

Introduction:

Employees' job satisfaction has always been considered as an important issue in the field of Human Resource Development and the success of the organization. Job satisfaction cannot be overnight and it results from individual feelings of managers about everything that they experience in and out of their workplace. Banking sector was one of the highest paid sector earlier in India. But in last one decade or so it has lost that attractiveness in terms of salary and the duty they are performing in terms of number of working hours as well as complexity of the task. Mizoram Rural Bank (MRB) is a public sector bank owned by the Mizoram Government and State Bank of India and it has the largest number of branches in Mizoram. Due to changing senerio in India as well as in Mizoram, it is very important to study the satisfaction level of employees regarding their job as well as their organization. In this paper an attempt has been made to study the job satisfaction level of the employee of Mizoram Rural Bank.

Profile of Mizoram Rural Bank

Mizoram Rural Bank has the privedge of being sponsored by the premier and largest Bank of India, State Bank of India and owned jointly by Govt. of India, Govt. of Mizoram and State Bank of India. It has been established on the 27th September 1983 under the Regional Rural Bank Act, 1976. It covers the entire State of Mizoram having 8 Districts and 26 R.D Blocks with a network of 65 branches comprising of 13 in urban, 11 in semi and 41 in rural centers. The population of the State as per 2011 census is been declared the greenest state in India and forests account for about 66% of the geographical area. Agriculture in the main stay of occupation and nearly 80% of the total population is engaged in the activity. It has good scope for development of horticulture, fisheries, animal husbandry etc with abundant rainfall during monsoon period. The infrastructural deficiencies, however, bottleneck the potentials from being exploited fully still leaving much to do with the Govt. financial /banking institutions. The literacy rate at 91.58% is one of the highest in India next to Kerela and Lakshadeep. MRB is the largest

*Assistant Professor, Department of Management, Mizoram University, Aizawl, Mizoram
Email: bidhukantidas@gmail.com

bank in terms of branches and second in terms of business in Mizoram, next to its sponsored bank, in the State.

The bank witnessed significant development as well as improvement in some keys areas. It has a market share of 8.55 percent in deposits and 17.64 percent in advances in Mizoram.

Objectives of the study

- a. To study the job satisfaction and determine the level of satisfaction of the respondents regarding their job in Mizoram Rural Bank (MRB).
- b. To study the various factors which influencing job satisfaction by analyzing the working environment.
- c. To study the relationship between the behavioral factors of the employees and their job satisfaction in the organization.

Literature Review

For the study of job satisfaction among the managerial employees of Mizoram Rural Bank employed in various branches across Mizoram, following literature were consulted to get a fare view about the job satisfaction scenario throughout the world and in different sector of business and professions.

Lawler & Porter (1963) in their study explain that wages play a significant role in the determining job satisfaction and are significant to both white-collar and blue-collar workers. In their study they found that the amount of wages received was very positively related to satisfaction, even with managerial level held constant.

Smith et. al. (1969) in their study found a strong relationship between mean annual earnings of blue-collar workers in twenty one plants and their mean job satisfaction level.

Vroom (1962) found a very strong relationship between the opportunity for self-expression in the job and job satisfaction for 500 hourly blue collar workers in Canadian oil refineries. Again (1964) he suggests, a promotion to a higher level in the same organization typically involves changes in supervision, job content, co-workers, and pay.

Van Zelst (1951) found a strong relationship between feeling valued by co-workers and job satisfaction. Gilbreths & Gilbreth (1919) believed that a great deal of inefficiency in industry stemmed from the fact that workers who were given a job to do were also permitted to decide how that should be done.

White's (1959) pioneering work on motivation suggests that people derive pleasure from coping successful with their environments. The organizational research on the use of skills and abilities substantiates White's work. Using valued skills and abilities provides workers with a sense of self-confidence.

Maslow (1943) connects the creation of the existence of people's sense of satisfaction with the maintenance of the classified needs. These are: physiological needs, the need to love, need to self-esteem i.e., self-confidence, recognition, adoration, to be given importance, status, etc. and need of self-actualization i.e., maximization of the latent & potential power and capacity, development of abilities which enhance the working capacity of the employee as well as make them more satisfied in work-life.

Research Methodology

The Research process involves a series of steps that investigates a problem or an opportunity. This series of steps provide a broad outline applicable to this research project. The study is based on both primary data and secondary data. Data were collected from the different branches operating in Aizawl district only. A sample of 30 managers was drawn from 8 branches of MRB. Care was taken to include all level of managerial staff in the sample. It was ensured that there was a fair representation of managers at supervisory and decision making levels from each branch. Though individuals were not randomly

selected, the sample from each bank was representative of the population of employees in each of the branch. The mean age of the respondent was 39, all of them are graduate and above. Average service rendered by the respondents are 15 years and above. A structured questionnaire was used for getting the data.

Data Analysis

Responses of the employees of MRB were taken for different parameters and analyzed statistically as well as qualitatively. Statistical analysis and its findings were given below:

Sl. No	Parameter	Total no of respondents	Response					Mean	SD	t-value
			1	2	3	4	5			
1	Overall work environment	30	0	1	6	21	2	3.8	.610	34.106
2	Working hours	30	0	1	6	20	3	3.8	.647	32.415
3	Relation with supervisor/Manager	30	0	0	1	16	13	4.4	.563	42.788
4	Relation with subordinates	30	0	0	3	15	12	4.3	.651	36.164
5	Meeting target or deadlines	30	0	3	3	20	4	3.8	.791	26.528
6	Sharing experience to help each other	30	0	0	2	20	8	4.2	.550	41.761
7	Responsibility	30	0	1	6	21	2	3.8	.610	34.106
8	Work culture	30	0	2	3	22	3	3.8	.681	31.079
9	Salary, promotion & recognition is given according to your expectation	30	0	3	4	19	4	3.8	.805	25.850
10	Coligeque of MRB employees share their experiences	30	0	2	6	19	3	3.7	.727	28.342
11	Attitude of higher management	30	0	0	5	19	6	4.0	.614	35.924
12	Retention policy of MRB	30	0	0	4	20	6	4.0	.583	38.187
13	Participation in Management	30	0	8	10	10	2	3.2	.924	18.953
14	Feedback & encouragement given by superior	30	0	8	11	9	2	3.1	.912	19.000
15	Overall job satisfaction	30	0	0	0	20	10	4.3	.479	49.503

From the above Table No. – 1. Item no 1. i.e., overall work environment of MRB it may be seen that t-value is 34.106 with a mean value is 3.8 and SD is .610 which is significant at 0.05 level with df =29. It

shows that managers of MRB are shown in between average and satisfied. They are not highly satisfied with the overall working condition of the organization. There is a scope to provide better working environment relating to employees job satisfaction or to find out the reasons of employees lower level of satisfaction.

From the above Table No. – 1. Item no 2. i.e., working hours in MRB it may be seen that t-value is 32.415 with a mean value is 3.8 and SD is 0.647 which is significant at 0.05 level with $df = 29$. It shows that there the managers satisfaction level falls between average and satisfied because of changing banking environment throughout India. They have to undergo for long working hours generally 10 to 12 hours perday and have to finish their works on time.

From the above Table No. – 1. Item no 3. i.e., relation with supervisor and top level managers of MRB it may be seen that t-value is 42.788 with a mean value is 4.4 and SD is .563 which is significant at 0.05 level with $df = 29$. It shows that there is a good relation between managers and their superior in MRB. Their satisfaction level is falls in between satisfied and highly satisfied shows that a good relation in between superior and subordinates.

From the above Table No. – 1. Item no 4. i.e., relation with subordinates in MRB it may be seen that t-value is 36.164 with a mean value is 4.3 and SD is .651 which is significant at 0.05 level with $df = 29$. It shows that there is a good relation between managers and their subordinates. The score falls in between satisfied and highly satisfied shows that the managers are very comfortable with their subordinates.

From the above Table No. – 1. Item no 5. i.e., meeting target or deadline given by the superior in MRB it may be seen that t-value is 26.586 with a mean value is 3.8 and SD is .791 which is significant at 0.05 level with $df = 29$. It shows that the managers are little shaky about meeting their target and deadlines. The mean value falls in between average and satisfied. This may be because of continuous pressure on new business, customer demand and intense completion in the banking sector.

From the above Table No. – 1. Item no 6. i.e., sharing experience to help each other in MRB it may be seen that t-value is 41.761 with a mean value is 4.2 and SD is 0.550 which is significant at 0.05 level with $df = 29$. It shows that the managers of MRB are sharing their experiences with other employees of the organization. The score falls in between satisfied and highly satisfied, means that the managers are sharing their experiences with others and getting good results.

From the above Table No. – 1. Item no 7. i.e., responsibility assigned by the MRB to its employees, it may be seen that t-value is 34.106 with a mean value is 3.8 and SD is 0.610 which is significant at 0.05 level with $df = 29$. It shows that the managers in MRB are somehow satisfy about the responsibility assign to them. The score falls in between average and satisfied.

From the above Table No. – 1. Item no 8. i.e., work culture of MRB it may be seen that t-value is 31.079 with a mean value is 3.8 and SD is 0.681 which is significant at 0.05 level with $df = 29$. It shows that the managers have a different say about work culture of the MRB. The score come in between average and satisfied.

From the above Table No. – 1. Item no 9. i.e., salary, promotion and recognition is given of MRB it may be seen that t-value is 25.850 with a mean value is 3.8 and SD is 0.805 which is significant at 0.05 level with $df = 29$. It shows that the mean value fall in between average and satisfied. Their satisfaction level is little less because of longer duration of promotion and less scope to get promoted.

From the above Table No. – 1. Item no 10. i.e., experience sharing by employees of MRB it may be seen that t-value is 28.342 with a mean value is 3.7 and SD is 0.727 which is significant at 0.05 level with $df = 29$. It shows the mean value fall in between average and satisfied for the experience sharing by the employees of MRB.

From the above Table No. – 1. Item no 11. i.e., attitude of higher level of management in MRB it may be seen that t-value is 35.924 with a mean value is 4 and SD is 0.614 which is significant at 0.05 level with

df =29. It shows that the attitude of higher level management of MRB to junior level employees are very good so the employees are satisfied with their senior employees.

From the above Table No. – 1. Item no 12. i.e., retention policy of MRB it may be seen that t-value is 38.187 with a mean value is 4 and SD is 0.583 which is significant at 0.05 level with df =29. It shows the employees of MRB are satisfied with the retention policy of the organization. Being a bank owned by Government of Mizoram there is hardly any inter-bank mobility among the employees. They prefer to be the employee of MRB only.

From the above Table No. – 1. Item no 13. i.e., participation in management of MRB it may be seen that t-value is 18.953 with a mean value is 3.2 and SD is 0.924 which is significant at 0.05 level with df =29. It shows that the MRB are not encouraging much to their employees for participating in management. The mean score is fall in between the lower side in between average and satisfied. It can be understood that employees are not given much opportunity to participate in management process of the organization. From the above Table No. – 1. Item no 14. i.e., feedback and encouragement given by superior of MRB it may be seen that t-value is 19 with a mean value is 3.1 and SD is 0.912 which is significant at 0.05 level with df =29. It shows that the satisfaction level of managers about feedback and encouragement given by their superior is just average. Managers are not very much satisfied with their superior about their job activity.

From the above Table No. – 1. Item no 15. i.e., overall job satisfaction level in MRB it may be seen that t-value is 49.503 with a mean value is 4.3 and SD is 0.479 which is significant at 0.05 level with df =29. It shows that the managers in MRB their overall job satisfaction is good, it falls in between satisfied and highly satisfied. From this item it can be concluded that managers in MRB are satisfied to a great extent regarding their job.

Findings

From the study, the researcher has come to know that most of the respondents have job satisfaction; the top managers have taken the best effort to maintain cordial relationship with the employees. Due to the working condition prevailing in the bank, job satisfaction of each respondent seems to be the maximum. From the study, I have also come to know that most of the employees were satisfied with the welfare measures provided by MRB and the employees of MRB get more benefits.

- 1) Most of the Officer in MRB is working for a longer period still they fell satisfied with the overall working condition of the organization with certain exceptions.
- 2) Employees of MRB have to undergo for long working hours generally 10 to 12 hours per day to finish their work on time. Still they feel its fine for their job to match with accountability and responsibility.
- 3) The respondents are satisfied with the environment and the nature of the work. It was found that there is a good relation between superior and subordinate in the organization. Specially subordinates are satisfied with the behavior of their superior.
- 4) Employees in MRB are agreeing with their target and deadlines are tuff but still they are satisfied with
- 5) Officers of MRB are very satisfied with the sharing of experiences to help each other for solving problem in the organization.
- 6) MRB also provide good safety measures for the employees.
- 7) It was found that the managers in MRB are somehow satisfy about the responsibility assign to them. The score falls in between average and satisfied. MRB employees are normally agreed with their top management.
- 8) It shows that the managers have a different say about work culture of the MRB. The score come in between average and satisfied.

- 9) It shows that the mean value fall in between average and satisfied. Their satisfaction level is little less because of longer duration of promotion and less scope to get promoted.
- 10) It shows the mean value fall in between average and satisfied for the experience sharing by the employees of MRB. Employees share their experience and helping each other among them.
- 11) It was found that the attitude of higher level management of MRB to junior level employees are very good so the employees are satisfied with their senior employees. Employees are also agreeing with their salary according to their works and their salary increase which make the employees most motivate. The pay and promotion activities are also good in MRB.
- 12) It was observed that the employees of MRB are satisfied with the retention policy of the organization. Being a bank owned by Government of Mizoram there is hardly any inter-bank mobility among the employees. They prefer to be the employee of MRB only. Lunch and tea time are really enjoy by the employees in MRB while there are also who are not enjoying their lunch and tea time
- 13) The mean score is fall in between the lower side in between average and satisfied. It can be understood that employees are not given much opportunity to participate in management process of the organization.
- 14) It shows that the satisfaction level of managers about feedback and encouragement given by their superior is just average. Managers are not very much satisfied with their superior about their job activity.
- 15) It shows that the managers in MRB their overall job satisfaction is good, it falls in between satisfied and highly satisfied. From this item it can be concluded that managers in MRB are satisfied to a great extent regarding their job.

Limitations

In this study only the branches in Aizawl district were covered which include the Urban and semi-urban branches. Comparison was not made with any other national banks or private banks about the satisfaction of the employees working in the same field. This is an obvious limitation of the study.

Conclusions

The present study examined only subjective satisfaction of employees in MRB. Job satisfaction has been assessed basically in terms of the extent of satisfaction that employees experience with various facets of their jobs such as work itself, work environment, pay promotion, sharing of experiences, and the relation with superior and subordinates in the organization. Apart from it job satisfaction also includes work-life management. In this study it was found majority of employees of MRB are satisfied with the different parameters of job in their organization with certain exceptions. Here, it can be concluded that the organization is offering a very good working environment, where its majority of the employees are satisfied with the organization which will help the organization for its growth and development.

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Origin and Performance of Social Enterprises in Manipur

Elangbam Nixon Singh*

E. Romen Kumar Singh**

Abstract

Manipur is the worst-case scenario in the North-East India as far as militancy and ethnic conflict is concerned. Then again come to the distribution of geographical area, scattered population, literacy rate, unemployment, health scenario in the state, and other social ills etc., are the few factors which leads to the present conflict state. Any effort, made on these conditions, in the prevailing system is drowned in the whirlpool of conflicting demands on meager resources. After learning from these past experiences that acknowledged about the drawbacks of the prevailing system as well as organizational models working in the system, it is understandable argument that, to fulfill the aspirations, the only means to improve the quality of human life is through improving the existing organisations. Here the present study brings social enterprise as a good organisational model particularly in the state. Hence, the genesis of this paper comes from the need for exploring and obtaining the clarity about the problem situation and looking for possible solutions in the state. Data relating to organisations' year of establishment, types of organisations, area of scale of operations, gender of the social entrepreneurs, paid staffs as well as core activities of the organisations are used for examining the origin and performance of social enterprises in the state of Manipur.

Keywords: Social enterprise, civil society, non-governmental organisations (NGOs)

1.1 Introduction

Social enterprise can be considered primarily as civil society organizations (CSOs) like NGOs because other organizational forms that can be interpreted as social enterprises are negligible in terms of their impact to the society in the state. So we need to define social enterprise on the basis of NGOs or Non-profit social organizations. Simply it can be defined as Not-for-profit organisations having their own income earning activities. They have to balance mainly between their commercial and socially constructive activities. In another sense, it can be said that social enterprises are the organisations which seeks to manage 'triple bottom line'. This phrase of triple bottom line means 'people, planet and profit' (Elkington J., 1997). This type of organisation can give benefits to all the stakeholders or constituencies and also ensures sustainable development. Thus, social enterprises earn profit and are controlled by a volunteer Board and ploughed back into the community for their betterment instead of sharing among the owners.

Looking into the prevailing system or working model it will come to know easily that in spite of huge amount of money spent for the developmental works by the government; very less is reaching to the needy people. This may be due to the existence of favoritism among the higher officials (Singh, Romesh: 2003) or failure of the whole implementing system or implementing agencies or organizational model of the system. Further, private sector is mainly looking for profit maximization. And they are not meant for the disadvantaged people. In another side; traditional NGOs (civil society organisations) depends on external funding, so all their activities have been depending on these funds, and chances of external influences on their activities are always there. Why it's important to remind these drawbacks of the present organizational models, which have been delivering all of the societal needs, is to propose a solution in order to overcome these drawbacks. That is '*social enterprise working model*' can be used

*Associate Professor, Department of Management, Mizoram University, Aizawl, Mizoram
Email: singhnixon@yahoo.co.in / enix1969@gmail.com

**Research Scholar, Department of Management, Mizoram University, Aizawl, Mizoram.
Email: rksingh.romenkumar@gmail.com

an alternative to deliver the developmental programmes. Thus, Social enterprise organizational model is the one that proposes a feasible plan of action for social change, one that works towards a peaceful and sustainable state as well as global civilization as a whole.

1.2 Origin of social movements in Manipur-Literature review

Tracing back to the origin of voluntary movements in the state of Manipur, it can consider the well known 'First women's agitation' or women's war (first Nupi-lal) in 1904. It can be considered as the starting point of socio-economic as well as political related movements. But the origin of well established 'civic association movements' in the state was probably considered as 1934 session of the Nihil Manipuri Mahasabha (J.Dev, Bimol & K Lahiri, Dilip: 1987), an organization established by then Sadar Panchayat member Hijam Irawat Singh (popularly named as Lamyamba Irawat i.e. pioneer Irawat) and also he took the in-charge of vice-president in the organisation. He acknowledged and realised that without well organised organisational support it would be difficult to realise the fruits of all the attempts made by the then civilians to change the system. He acted with the masses for bringing change in-their social, political as well as economic systems of the then Manipuri society through his well shape political mobilisation. The intensity of social movements increases day-by-day due to the rising aspirations of the people, which could not be fulfilled by the then prevailing systems. These movements made people aware about their positions as well as sense of voluntarism that could spread throughout the society. Thus, this laid to the fertile foundation of voluntary spirit amongst the people of Manipur. Voluntary spirit throughout generations is the same but the forms of their engagement may differ according to the needs of time and situation. That means whether it may be 1934 'Nihil Manipuri Mahasabha' or today's well organised civil society organizations or not-for-profit organisations or social enterprises but in all, the same spirits prevails. Again, the meanings and forms of civil society or civic association have varied enormously across time, political aspirations as well as relating to place to place and time to time. There have been many concepts of civil society across the historical development like 16th century English political thought, Western liberal and Marxist notions of civil society. Hegel's 19th century notion of civil society included the market, whereas current concepts tend to treat civil society as a non-profit sector (Singh: 2013), but the concept requires adaptation in relation to the prevailing political scenario. Even though, the concept of civil society is wider than NGOs (non-governmental organisations) which are formally organised, officially registered, and professionally administered, civil society organisations are generally equated with NGOs. If strong, vibrant and lively civil society is the foundation of modern open democratic polity, then NGOs are the very live-force for the development of all concerns. Civil society and NGOs seem to go together and one cannot exist without the other (Baviskar, 2001). NGOs are considered to be a means of strengthening civil society and fostering good governance (Beddinton & Riddell, 1995). In the state of Manipur where civil societies are very active, NGOs are also taking benefit of it. Civil society is very vibrant in the state and NGOs also seems to be so in the state. In short, NGOs are getting benefit from the 'fertile voluntary spirit' of the civil societies. Thus, NGOs constitute an important component of civil society as they work in the space of civil society even though all CSOs (civil society organisations) are not NGOs (Nayar, 2008).

The 1990s has seen a surge in civil society as well as global society organisations. The proliferation of NGOs throughout the world has spurred interest in what has been called "The space of un-coerced human association" (Julie, Fisher: 1998).

In order to provide leadership for social reconstruction in the vibrant and developing states like Manipur, the importance of civil society organisation increases in this era of market globalization. It can be said that if there is no well organised civil society organizations then there may not be any well-mannered and effective government as well as market. In another sense it can be said that "*CSOs are the litmus paper*" in the current political development. People's aspirations have shifted from government to good governance. It means bringing about goodness in all the three sectors like civil society,

political society as well as market sector (corporate). What people want is 'less government and more governance' (Harland Cleveland: 1972). He also used the word 'governance' as an alternative to public administration. Here the role of civil societies like NGOs emerges, so as to compensate for the failures of the state as well as market-led growth has contributed to the great wave of 'NGO-isation' since 1980 (Ghosh, Biswajit, 2009). It is worth noting here that since 1990s; the World Bank has not only encouraged member governments to work with NGOs on development projects, but has also increased its direct funding of such projects. As a result, World Bank approved projects in third world countries involving NGOs in 1997 which were found to be 84 per cent in South Asia, 61 per cent in Africa and 60 per cent in Latin America and the Caribbean (World Bank, 1997: 49). There has been blurring of boundaries dividing voluntary activities from official and market practices, some civic associations may assist in the implementation of official policies or governments and companies may sponsor non-profit bodies to serve as frontal organisations or they may engage in commercial activities to fund their activities as well. There emerges a new hybrid organisational model from the powerfully productive linkages at the intersection of business, government and civil society to meet the challenges of this era. It is nothing but *social entrepreneurship*.

1.3 Objectives and methodology of the study

The present paper has the following objectives:

- a. To find out the origin of social enterprises in Manipur;
- b. To study the performance of social enterprises in the state;
- c. To offer suggestions for fostering social enterprise sector in the state.

The present study is descriptive in nature and takes into account the various literatures pertaining to NGOs as well as social enterprises. Primary data were collected from 104 social enterprises of four valley-based districts of Manipur viz. Imphal East, Imphal West, Thoubal and Bishnupur districts, based on simple random sampling method and analysed through SPSS.

Data relating to organisations' year of establishment, types of organisations, area of scale of operations, gender of the social entrepreneurs, paid staffs as well as core activities of the organisations are used for the study.

In the present study, chairman, director, secretary, founder /advisor of the organization or any person in charge of the said organization as the case may have been treated as the social entrepreneur.

1.4 Performance of Social Enterprises in Manipur

a. Year of Establishment

The following Table 1.1 shows the district-wise year-group of organisational establishment with regards to their scale of operation. It can be observed that the total number of state level organisations were 91 out of the total 104. Followed by 2 regional level (north-east) organisations. Further, national level organisations were 9 and here again followed by 2 international level organisations.

Now; among the state level organisations; 32 organisations (35.2 percent out of the total of 91 state level organisations) were formed before 1990 and among them Imphal East district got the highest number of organisations (11 organisations) and Thoubal got the least (6 organisations). Again, 23 organisations (25.3 percent out of those state level) were established during the year 1990-1995 and among them, Thoubal got highest number (11 organisations) whereas Imphal west got the least (2 organisations). Then 11 organisations (12.1 percent) were formed during the year 1996-2000 among them Thoubal district got the highest number of organisations (4 organisations). Further, 23 such state level organisations (25.3 percent) were formed during the year 2001-2005 and only 2 such state level organisations (2.2 percent) were formed during the year 2006-2010.

As regards to the regional level (North-East level) organisations; only 1 organisation was formed before 1990 and belongs to Imphal East district and another 1 was formed during the year 1990-1995 belonging to Thoubal district.

In the national level organisations; it can be noticed that 5 organisations were formed before 1990, 2 organisations were formed during the year 1990-1995, 1 organisation each was formed during 1996-2000, and during 2001-2005. According to this sample profile, furthermore among the 2 international level organisations, one organisation was formed during the year 1996-2000 belonging to Imphal West district. Another one was formed during the year 2006-2010 which belongs to Imphal east district of Manipur. Here one point should be noted that levels of organisations categorized here is absolutely based on their areas of scale of operations but not related to any official recognition.

Table 1.1: District wise year of Organisational Establishment Vs Area of scale of operations

Area of scale of operation	District	Year of group of organization establishment					Total	%
		Before 1990	1990-1995	1996-2000	2001-2005	2006-2010		
State	Imphal West	7	2	2	6	1	18	19.8
	Imphal East	11	4	2	7	0	24	26.4
	Thoubal	6	11	4	5	1	27	29.7
	Bishnupur	8	6	3	5	0	22	24.2
	Total	32	23	11	23	2	91	100.0
	%	35.2	25.3	12.1	25.3	2.2	100.0	-
North-East	Imphal East	1	0	-	-	-	1	50.0
	Thoubal	0	1	-	-	-	1	50.0
	Total	1	1	-	-	-	2	100.0
	%	50.0	50.0	-	-	-	100.0	-
National	Imphal West	1	0	0	1	-	2	22.2
	Imphal East	2	1	0	0	-	3	33.3
	Thoubal	2	1	1	0	-	4	44.4
	Total	5	2	1	1	-	9	100
	%	55.6	22.2	11.1	11.1	-	100.0	-
International	Imphal West	-	-	1	-	0	1	50
	Imphal East	-	-	0	-	1	1	50
	Total	-	-	1	-	1	2	100
	%	-	-	50.0	-	50.0	100.0	-
Total		38	26	13	24	3	104	-
%		36.5	25	12.5	23.1	2.9	100.0	-

Source: Field Survey

b. Type of organisation Vs Gender of Social Entrepreneurs

This sample profile (Table 1.2) reveals the district-wise type of organisations across the gender of the social entrepreneurs. It can be observed that 76 social entrepreneurs were male out of the total 104 and the remaining 28 social entrepreneurs were female.

Within these male-led organisations, 42 organisations (55.3 percent) were voluntary organisations followed by 20 (26.3 per cent) societies and 6 each of associations and trusts (7.9 per cent). Cooperatives and 'others' are not very common among the male social entrepreneurs (1.3 percent each). Among the female-led organisations (28), it is found that 11 are society (39.3 percent), followed by 9 voluntary, 3 Trust and 2 each of associations and cooperatives. District-wise, maximum of the male-led organisations (26) are found in Thoubal district whereas that of female-led are in Imphal East district. Further, it can be noted that minimum or least number of male-led organisations (16 i.e. 21.1 percent) are found in Imphal

west district likewise minimum number of female-led organisations are found in Imphal west and Bishnupur district (in both the districts same number of organisations 5 each i.e. 17.9 per cent).

Table 1.2: District-wise type of organisation Vs Gender of Social Entrepreneurs

Gender	Districts	Type of organisation						Total	%
		Voluntary Organisation	Society	Association	Trust	Cooperative	Others		
Male	Imphal West	10	3	1	1	1	0	16	21.1
	Imphal East	11	3	1	2	0	0	17	22.4
	Thoubal	12	9	2	3	0	0	26	34.2
	Bishnupur	9	5	2	0	0	1	17	22.4
	Total	42	20	6	6	1	1	76	100.0
	%	55.3	26.3	7.9	7.9	1.3	1.3	100.0	
Female	Imphal West	3	1	0	1	0	0	5	17.9
	Imphal East	2	6	0	2	1	1	12	42.9
	Thoubal	2	3	0	0	1	0	6	21.4
	Bishnupur	2	1	2	0	0	0	5	17.9
	Total	9	11	2	3	2	1	28	100.0
	%	32.1	39.3	7.1	10.7	7.1	3.6	100.0	
Total	51	31	8	9	3	2	104		
%	49.0	29.8	7.7	8.7	2.9	1.9	100.0		

Source: *Field Survey*

c. Core activities of the Social Enterprises

Table 1.3 shows the core activities of the selected social enterprises in the four valley districts of Manipur. As can be seen, 28 organisations (26.9 per cent) were doing agriculture and animal husbandry as their organisational core activities, followed by 24 organisations (23.1 per cent) of education and training.

Further, 12 organisations (11.5 per cent) were of handloom & handicrafts and other related SSI units. Then another 12 organisations (11.5 per cent) were undertaking financial, destitute as well as construction related activities as their core activities. As regards to health and care related activities, 10 organisations were undertaking. In the cultural related activities a total of 8 organisations (7.7 per cent) were doing such activities as their main core activities. On the other hand, 7 organisations (6.7 per cent) were found to be related with human rights and related activities. It is pertinent to note that only 3 organisations (2.9 per cent) have environmental related activities as their core activities.

It can thus be concluded that most of the organisations working in the state were doing agriculture and animal husbandry related activities as their organisational core activities. Maximum (9 organisations) of such organisations were from Bishnupur district, followed by Thoubal (8 organisations) and Imphal west district (6 organisations). But in addition to this core activity their organisations might have undertaken some other activities also.

Table 1.3: District-wise core activities of the social enterprises

Core activity of the organisation	Districts				Total	%
	Imphal West	Imphal East	Thoubal	Bishnupur		
Education and Training	3	6	8	7	24	23.1
Agriculture, Animal Husbandry	6	5	8	9	28	26.9
Financial, Destitute Services	2	5	2	3	12	11.5
Environmental	1	1	0	1	3	2.9
Health and Care	3	3	3	1	10	9.6
Human Rights	4	3	0	0	7	6.7
Handloom and Handicrafts	1	2	8	1	12	11.5
Others	1	4	3	0	8	7.7
Total	21	29	32	22	104	100.0
%	20.2	27.9	30.8	21.2	100.0	

Source: *Field survey*

d.. Paid staff of the social enterprises

Table 1.4 reveals that 2 organisations (1.9 percent) were found to be in the International level which employs paid staffs ranging from 1-10. In the national level 9 organisations (8.7 percent) were there and they have generated employment in various levels like 1-10, 11-20, 21-30 and 31-40 categories of paid staffs respectively. Further, 2 organisations (1.9 percent) in the regional or north-east level were employing 41-50 number of paid staffs. In the state level maximum organisations (87.5 percent) were there. And these organisations generated employment which varies from organisation to organisation ranging from 'above 50' category to 1-10, but 39 among them didn't disclose regarding their number of paid staffs.

Table 1.4: Number of paid staff Vs Area of scale of Operation

Paid staff	Area of scale of operation of Organisations				Total	%
	State	North-East	National	International		
1-10	24	0	2	2	28	26.9
11-20	21	0	4	0	25	24.0
21-30	3	0	1	0	4	3.8
31-40	1	0	1	0	2	1.9
41-50	2	1	0	0	3	2.9
Above 50	1	0	0	0	1	1.0
Can't disclose	39	1	1	0	41	39.4
Total	91	2	9	2	104	100.0
%	87.5	1.9	8.7	1.9	100.0	

Source: *Field Survey*

1.5 Conclusion and suggestions

NGOs selected under the study are taken as social enterprises as they are having more or less (or even at least to some extent) their own income earning activities with social objectives even though their self-sustainability is still a question. Majority of the organisations (36.5 per cent) under study were formed on or before 1990. So this period of 1990s has seen a surge in civil society organisations. One important finding relating to the size of the organisations is that the number of paid employees in the social organisations is not directly related with the areas of scale of operations of those organisations in the state of Manipur. For some international or national level organisations they might employed very less number of paid staffs (even lesser than the some big state level organisations). Furthermore, 26.9 percent were females out of the total of 104 social entrepreneurs. Women participation in the sector

as social entrepreneurs is very encouraging. It can be noted down that by engaging with social enterprise sector women empowerment can be possible through social recognition as well as economic activities. Most of the organisations working in the state were doing agriculture and animal husbandry related activities as their organisational core activities. But in addition to this core activity, organisations might have also undertaken some other activities.

In view of the above, the following are the some of the suggestions for fostering social enterprise sector in Manipur:

(1) Like the state, NGOs also barring a few exceptions, 'have failed at making a substantial impact upon the perceived beneficiaries they were expected to benefit' (Zaidi, 2004). There may be many reasons like their activities or programmes are most of the time depend on donor money so they have to change their work according to the priority change of their donor agencies as already mentioned. Thus they are argued to be the 'handmaidens of global imperialism' (Karat, 1984).

(2) NGOs spend money according to the priority of the donor agencies. In order to get easy money from the donor agencies, sometimes they may divert from the genuine needs of the communities (Singh, Nixon & Singh, Romen Kumar, 2013).

(3) Many problems are associated with external 'fund or funding' of their activities. Autonomy of the organization depends on the extent in which 'NGOs level of dependency on the external funding'. That's why suggestion or understandable argument here is that, adoption of social enterprise model for organisational self-sustainability can remove much of the drawbacks of this sector in the state. At least, they can prioritise and confine to their programmes independently with less external influences. This will solve one of the major issues of the sector otherwise their public accountability may suffer.

(4) There may be many potential problems associated with this civil society engagement, so any initiatives regarding this civil society collaboration or partnership for developmental works must be taken up with due caution. In some cases, some people used civil society as 'spring board' for joining politics or gaining some vested interest and as a result they prefer to sacrifice the ideal notion of non-profit voluntarism for their own benefits. Further, some people take the advantage of having too many such organizations; there is possibility to use these organizations as their "escaping boat" for their mistakes.

(5) The expected contributions of the civil society for a welfare society depend on the soil in which CSOs (civil society organisations) are operating. Every soil is not equally conducive to the growth of civic association movements. Sometimes states are also using strategies to enable them to use NGOs for their own purposes. It may be seen in the state that many of the NGO leaders are politicians or their relatives or may be people with some vested interest and as such their work may violate the 'true spirit of voluntarism'.

(6) Sometimes, there may be destructive elements in the CSOs like racists, religious fundamentalists etc. It may create harm to the society as a whole. One saying here is 'support flows more easily into temples than into universities, libraries or laboratories' (Beteille, 2001). It is high time to monitor effectively regarding their funding and its utilisations.

(7) Like government agencies, some professional in civil society may underestimate or manipulate the grassroots' opinions or laymen views; they are going by their own expertise knowledge in the field. It may unintentionally marginalise the voice of the grassroots' level. Their activities cannot minimise the growing aspirations of the community, for example, in agriculture and some other construction works, quite often it is found that their performance were far diverted from the actual needs. Professionalised civil society personnels may also be less aware about legal knowledge, social understanding, etc. It may mislead the goals or deteriorate the image of civic associations which may be due to their personal expertise in lobbying the regulatory bodies and as a result, neglecting or deviating from their expected duties. This argument is having importance in order to come up with the sense that success or failure in this social sector is depended on the quality of leadership.

(8) When it comes to the real social entrepreneurs, they encounter another set of issues pertaining to their social objectives arising out of balancing between their commercial and social activities that add an extra layer of complexity to their activities and thus, the source of cohesion that bound organizational members together towards a common dedication might get lost, and many more hardships while implementing this model. As a result, only few NGOs and social entrepreneurs are applying this technique or model and majority of NGOs or social enterprise nature are adopting this model only for namesake. In order to overcome this, effort should be made to have platform or interface between NGOs and scholars of this particular field in the state.

(9) In order to minimise these problems, self sustainability of the organizations comes as a core issue, as well as there must be a cordial relationship among the state, corporate and CSOs. They have to nurture each other in order to maximise their contributions, particularly policy and programmes of the state should create a favourable environment for CSOs. In order to gain this, state regulatory agencies related with this sector must recruit staffs having expertise in this relevant field. Their focus and importance must be given equally to all civil societies without exclusion of 'critics groups'. The relationship with civil societies needs time to mature as it is difficult to measure on basis of current results, but should develop a system for independent evaluation or for the monitoring of the related activities.

(10) After all, their roles in the development have been quite satisfactory in the state and if the NGOs operating in the state are implementing their work with the ideal notion of civil society in the future then they can become a real catalyst for betterment of our society and the various stakeholders also should look '*objectively rather than subjectively*' to the leadership.

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A Descriptive Study on the Status of Corporate Communication in United Arab Emirates

V. Ratnamala*

S. Spurgeon**

Abstract

The present paper is aimed to study the status of corporate communication in United Arab Emirates (UAE). The objectives of the paper are to conceptualize corporate communication activities in UAE, to illustrate the major roles and responsibilities of corporate communication personnel, to describe the demographic details of corporate communication personnel in UAE and to understand the trend of corporate communication in UAE. Triangulation design was employed in this study. Both in-depth interview method and survey method were employed. In-depth interview was used to provide information on the major roles, activities, responsibilities of corporate communication and the challenges faced by the professionals in the field. The in-depth interview was conducted with communication practitioners of UAE. The analysis revealed that the expatriates are the majority working as corporate communicators and feels comfortable in UAE. The strategic communications, public relations, crisis management and new media communications are the important roles of corporate communicators. The study also finds that communicating effectively to a completely diversified mass is the biggest challenge faced by the corporate communicators in UAE.

Keywords: Corporate communication, Expatriates, In-depth interviews, Survey

Introduction

The broad and somewhat diverse field of corporate communication is characterized by a common mind-set, a certain way of thinking and approaches towards an organization's communication shaped by images and ideals of unity, wholeness and totality. In many ways, this mind-set corresponds with the etymological roots of the adjective "corporate." Derived from the Latin "*corpus*," corporate suggests a collective entity united into one body. Thus, to label communication as "corporate" means to invoke a bodily metaphor of unity and totality. When conceived, communication as a specifically corporate endeavour, it is referred to the efforts of organizations to communicate as whole, total, or "bodily" entities (Christensen, Morsing, et al., 2008). In practice, the vision of wholeness unfolds into a goal of projecting a consistent and unambiguous image of what the organization "is" and stands for. Although formulations differ, writers in corporate communication argue fervently that organizations should aim for a unified, consistent voice across different markets and different audiences. The key task of corporate communication is to flush out the profile of the "company behind the brand," to minimize discrepancies between different markers of corporate identity, to define and assign communication responsibilities across the organization, and to mobilize support (internally and externally) behind corporate initiatives (Anderson, 1997).

It is widely accepted that corporate communications has a crucial role to play in what Winner (1993) calls the total business system. However, there is still no universally accepted definition of the concept and in this research, a working definition is given as follows:

Corporate communications is the strategic management process by which an organisation communicates with its various audiences for mutual benefits of both like competitive advantage and positive image amongst the public.

*Assistant Professor, Department of Mass Communication, Mizoram University, Mizoram, India. E-mail: ratna2maya@gmail.com

**Manager, Corporate Communications, Dubai. E-mail: spurgeonght@gmail.com

The role of the communications executive is still embryonic as an established function (White and Mazur, 1995) while it is misunderstood in many organizations. Yet Moore et. al. (Quoted by Kitchen, 1993) suggests that it is one of the most essential roles. Its importance as an early warning system is beyond dispute (Lauzen, 1995). Wright (1995) confirms this in producing his concept of the communications executive. His opinion was echoed by other authors: Broom et al (1986), Grunig (1992) and by the enquiries made by the authors to professional bodies, among who were the Institute of Public Relations (UK), American Marketing Association and the Arthur Page Society (USA). Academics seem to be undecided about what is expected of the Public Relations (PR) directors. Howard (1992) likens the process of corporate communications to throwing a dart at a wall and then drawing a target around it. This suggests a dubitable role; and possible equivocation about what one ought to be doing. Ambiguity is as possible a source of anxiety and stress as being overloaded with work (Winner, 1993). Some practitioners consider that communicating presents the very least of their problems (Simon, 1986). Jackson (1995) questions the role where a variety of different descriptions are given to essentially the same task. All put different emphasis on much the same job. It is one that is much wider than what Grunig and Hunt (1984) identify as the press agent model. It varies from organisation to organisation (Guth, 1995) and between different countries (Nessmann, 1995).

Two decades ago organisations did not have a corporate strategy. Today an essential discovery is the extent to which many corporations value the input into their strategic planning from corporate communicators. Majority of the organisations perceive the importance of the impact that communications have upon their audiences. Corporate communications is rapidly becoming a senior discipline. It cries out for further research in a number of areas. The impact of excellent communications and their effect on strategic processes is one of the important roles that plays in developing and promoting corporate image and identity. (Dolphin & Ying Fan 2000)

Literature Review

The specialized literature about International Corporate Communication (ICC) dates back more than half a century. The Library of Congress registered the first edition of 'Who's Who' in Public Relations in 1959, and the first 'Handbook on International Public Relations' was published in 1967 and in the last ten years has there been a small boom in scholarly research on this topic. The terms corporate communications (CC) and public relations (PR) are used synonymously here. The distinctions between them suggested by some authors do not seem to serve a purpose in this context. Although public relations refer to the narrower field of media relations, the latter term is used explicitly.

Two major collections by Hugh M. Culbertson and Ni Chen (1996) and Krishnamurthy Sriramesh and Dejan Vercic (2003) garnered the most international attention. A series of titles with a regional focus, for example on Europe, also appeared (cf. Sievert 1998 and updated 2006). 'Each country of Europe has developed a subtly different kind of media,' Cathie Burton and Alun Drake wrote (2004: 15) in a very practice-oriented manual. 'In fact, the idea of a European media landscape is in itself a misnomer: nothing much links the sensationalism of Albania to a British broadsheet or a long French analytical feature.' In PR theory, Betteke van Ruler and Dejan Vercic (2004) have shown in their collection how differently Public Relations as a science is practiced in different European countries, even while it holds the potential for a very rich, fruitful exchange.

There are primarily or even exclusive links that develop the discourse within the field of PR. Recent developments in related fields like social psychology, linguistics and even communications theory beyond the range of PR have to say about the topic scarcely enters into the picture, if at all. The result is that terminological distinctions already in use in other fields for some time have been reinvented. In particular, international comparative sub disciplines within the fields mentioned could contribute to an understanding of ICC, and the cross-border components of some of these fields have a large lead on PR research.

Objectives of the Study

The objectives of this study are as follows:

- Ø To conceptualize corporate communication activities in UAE
- Ø To illustrate the major roles and responsibilities of corporate communication personnel
- Ø To explore the demographic details of corporate communication personnel in UAE
- Ø To analyse the trend of corporate communication in UAE

Research Method

Triangulation design is employed in this study i.e., both the qualitative and quantitative research methods are used. For the qualitative aspects the toll used is in-depth interview for gaining the in-depth knowledge of corporate communications. The target audience is the corporate communication practitioners of UAE. The sample size for the in-depth interviews was 15 corporate communicators. For quantitative analysis, the tool used is the survey method and the sample consisted of 25 corporate communication personnel who were selected through purposive random sampling. The survey was carried out in the light of corporate communication practices trend and studies by Corporate Communication International (CCI) at Baruch University, New York.

Analysis of Data

In Depth Interviews

Using a convenience sampling method, communication practitioners of UAE were identified and deliberately sought as being able to provide the most comprehensive perspective. This category of sample relies on available subjects—those who are close at hand or easily accessible. Under certain circumstances this strategy is an excellent means of obtaining preliminary information about some research question quickly and inexpensively. Data were gathered from semi-structured face-to-face and telephonic interviews. Respondents were asked the same set of open ended guiding questions. Each interview lasted between 20 minutes to an hour.

This technique was used to collect qualitative data by setting up a situation (the interview) that allowed a respondent the time and scope to talk about their opinions on a particular subject. The focus of the interview was decided by the researcher and covering specific areas which the researcher was interested in exploring.

The objective was to understand the corporate communication practices in UAE. It used open-ended questions which were prepared by the researcher. The researcher tried to build a rapport with the respondent and the interview was like having a conversation. Questions were asked when the interviewer felt it appropriate. The wording of questions was not necessarily the same for all respondents. The focus of the in-depth interview was three-fold viz., (a) data on the major roles and responsibilities of corporate communication professional (b) challenges face by you as a corporate Communications professional (c) the major activities that the Corporate Communications department.

Results of In-depth interviews

Major roles and responsibilities of corporate communication professional in UAE

In response to the questions about major roles and responsibilities of corporate communication professional, most interviewees commented that strategic communications and public relations are the important roles of corporate communicators. One interviewee commented that the major roles and responsibilities includes Corporate Communications, Reputation Management, New Media Communications, Marketing Communications, Public Relations, Crisis Communications, Project Management, Influential Communications, Editorial Consulting, Strategic Communications, Strategic Communications, Integrated Marketing and Communications Planning. Another one interviewee noted, “The overall main role will be to provide change management communications strategies for corporate acquisitions and integrations and manage an agreed budget for the Communications Department approved and authorized by the CEO”.

Another interviewee explains it this way that corporate communications includes the participation and idealization in the development of the Company's short and long-range strategic communications plans in order to proactively disseminate the Company's message.

One interviewee explains major responsibilities of corporate communications as strategy development and implementation, speech writing, media relations, magazine publishing, film/video production/narration, channel development, internal/external brand promotions and campaigns.

In addition, one interviewee comments on the major roles and responsibilities of the corporate communication personnel includes Public Relations, Government Relations, Web Portal Maintenance and Updating, Designing Covers/displays and other marketing tools, newsletter preparation, entertainment activities and Organizing Shows. Another interviewee tells in detail that the roles of corporate communication personnel include devising and implementing communications strategy for the company, appointing and managing PR agency and devising and implementing all Crisis Communications Strategy.

Challenges faced by a Corporate Communications Professional

On views about the challenges faced by Corporate Communication Professional, one respondent said that to communicate effectively to a completely diversified mass is the biggest challenge. Another one informed that the challenge of the corporate communicator is to keep the brand live and the business going in this economic turmoil. Another respondent shared his thought by saying, "Since most of the creativity is from the Head Office, only implementation is my team's prime job. So adding color and inputs to the generalized communication to make it even effective and attractive is the real challenge".

One interviewee explained from the point of her experience. "The greatest challenge of corporate communications professionals is to communicate their message in multiple languages, viz., Arabic, English, and French etc. If we have to attract our message we have to send information in all languages. There are several language papers in UAE, i.e., Arabic, English, French, Indian Languages etc. So if there is an event for the Indians, I am forced to communicate in Indian language newspapers and this is really difficult and challenging since I do not have a clue of what is approved from my end even though it is edited by translators".

One expatriate originally from UK said that challenges are many as a corporate communications professional. Since UAE is an international venue it has a multicultural, multinational people coming in on a daily basis. Satisfying and attracting these groups is a challenge. A local corporate communicator informs that there are plenty of issues on a day-to-day basis. Communicating the message fast and understandably to the public which has 192 nationalities is a challenge in UAE.

Major activities of the Corporate Communications Department in UAE

Some of the views on the major activities of the Corporate Communications Department in UAE as described as follows. According to Saugat Chatterjee of Du Telecom, the major activities include Corporate Communications, Public Relations and Editorial Consulting. Vasanth G. Benjamin who is heading Group Communications at Oasis investments shared that his major work includes Internal and External Branding, Media Marketing, Advertising and Event Management. An Indian expatriate, Shelton Sugumar recalled that in Del Monte company, Corporate Communication is very much into Public Relation activities and Organizing Shows to establish the brand and its products. As per Maya, the integrated marketing specialist at Nextcare (a real estate company), her major tasks are Internal and External communications of all types. The activities that she is involved are Intranet, Website Management, Newsletters, Annual Reports, Event Management, Corporate Social Responsibility (CSR), Advertising, Media Relations, PR etc. According to Sam S. Gad, Founder at WheelsRims, an UAE Automobile Industry, his work is mainly managing group external communication activities including CSR and volunteering work, branding, media relations, sponsorships, events, advertising, crisis communications and reputation management. The role includes managing the above activities in over

25 countries across Africa, Asia, Europe and the Middle East. Jon Barber , a Corporate Communication Professional from Ferrari World, an amusement park his role as a corporate communicator is to deal with - Public Relations, Communications, Crisis Communications, Media Relations, Budgets, and Management. Keeping the brand name alive in this crisis period itself is a great work.

The Expatriate's work experience in UAE

One expatriate from UK was happy with work experience in UAE. He said that, "I am comfortable here in UAE. Safety, security, freedom, multicultural environment make this place a good place as a foreigner. Everything is good except for the climate in summer which reaches 50 degree". Another respondent also from UK said that foreigners in UAE have played a vital role in the upbringing of UAE. Right from the laborers who work in the hot sun to the top CEOs belong to different nationalities and who are expatriates. The practice of corporate communications does not follow any strict hard fast rules; therefore each organization practice corporate communications in different ways. They will mostly be influenced by the head of the department of Corporate Communications. He or she will bring in the values and styles they incorporate from their learning in their native country where they were educated and worked before.

An Indian expatriate told that the expatriate enjoy the same comfort level in UAE. The only issue is language. If you know Arabic then things are much easier. An expatriate from Egypt said, "The expatriates have a big role in shaping the communications practices in our company. Since we are multinational company, the communication has to be designed and implemented in the context of each country and Dubai serves as a best place to get my work done sitting in the same office with people from many nationalities". An expatriate from India said, "I have rarely seen an Arab Communications professional. Even if they are present, they are in top positions. I conclude saying that the expatriates are running the show in UAE with special reference to Corporate Communications". An UK national commented that there is tremendous impact of expatriates with the wide range of inputs given by different nationalities. The communications is groomed and polished to reach any audience. Multicultural thinking has helped us sustain in our efforts to communicate effectively. Another respondent also claimed that the impact of the expatriates can be seen in the brain storming section of our internal discussions. The vast variety of experienced shared from co staff from different nationalities help in practicing corporate communications in a better fashion.

Survey Method

The population of the survey was the corporate communication practitioners of United Arab Emirates. The sample size of 25 was chosen through purposive random sampling. One corporate communication practitioner from each organization was selected randomly. A structured questionnaire was used to collect the quantitative data. The questionnaire contains 30 questions including variables of demographic data, corporate communication practices and the key functions of corporate communication.

Results of Survey Method:

Demographic Profile of Respondents

The demographic variables of the 25 participants (gender, age, qualifications, and cost to company) are set out in the tables below.

Table 1: Demographic Profile of Respondents

Gender	Respondents	Percentage
Male	13	52
Female	12	48
Age	Respondents	Percentage
20 – 39	21	84
40 – 49	3	12

50 – 59	1	4
60 and above	0	0
Education	Respondents	Percentage
Post- school diploma	1	4
Undergraduate	9	36
Post graduate	15	60
Branch of Education	Respondents	Percentage
Business & Management Studies	14	56
Communication Studies	9	36
Others	2	8
Nationality	Respondents	Percentage
UAE	4	16
Europe	5	20
North America	2	8
India	11	44
Middle East	3	12

Source : Primary data

The above discusses the demographic profile of the respondents. The table clearly gives the picture of gender among the corporate communication heads. 52 percent of corporate communication heads of department (or their representatives) were male while 48 percent belongs to female which can be interpreted as more or less equality of the respondents as corporate communicators. The table also shows the age group profiles of the respondents. The majority of the respondents are in the age group of 20-39 which is represented by 84 percent of the total respondents. It can be inferred that the select companies prefers younger age group as corporate communication practitioners.

In order to profile the educational qualification of the respondents, the table also analyses their educational levels. The table reveals that almost 60 percent of respondents were possessing post-graduation degrees while only 36 percent of respondents possess under-graduate degree only. This reflects that higher education is essential for the qualification required to be corporate communication practitioner. Further the branch of education studied were also surveyed which reveals that majority 56 percent were from the field of Business and Management Studies, followed by Communication Studies represented by 36 percent and others negligibly by 8 percent.

The corporate communicators were also profiled on the basis of their origin of residency. The demographic profile also finds that only 16 percent of corporate communication personnel are from UAE while the remaining 84 percent are from countries other than UAE. Indians dominate the corporate communication field in UAE as reflected by 44 percent which is followed by Europe which is represented by 20 percent of the sample survey.

Table 2: Income Profile of Respondents (amount in Dirham)

Annual Income	Respondents	Percentage
1,00,000 - 1,49,999	4	16
1,50,000 - 1,99,999	8	32
2,00,000 - 2,49,999	7	28
2,50,000 - 2,99,999	2	8
3,00,000 and more	4	16

Source : Primary Data

The above table 2 explains the annual income obtained by the respondents while working as the corporate communication professional. The table shows that majority viz., 32 percent are in the income bracket of 1,50,000 to 1,99,999 dirham followed by 28 percent of income bracket 2,00,000 to 2,49,999 dirham. The table also reveals that income as corporate communicator professional can be low as in the

income bracket 1,00,000 to 1,49,999 dirham and as high as more than 3,00,000 dirham as reflected by 16 percent respondents in both the categories.

Table 3: Distribution of Top Management involved in Corporate Communication

Level of Management	Respondents	Percentage
Chief Executive Officer (CEO)	18	72
Chief Operating Officer (COO)	1	4
Others	6	24

Source : Primary Data

The survey enquired about the persons involved while reporting for communication activities by the respondents. It was found that top person responsible for Corporate Communications reports to the Chief Executive Officers. 72 percent of the respondents reports to the Chief Executive officer while 4 percent reports negligibly to the Chief Operating Officers and 24 percent reports to other functionaries.

Table 4: Staff forecast for Communication Staff in 2012

Forecast for 2012	Respondents	Percentage
Increase upto 5%	5	20
No change	20	80

Source : Primary Data

The above table 4 shows the staff forecast for Corporate Communication Department for fiscal year 2012. It shows that 80 percent of the companies have no change in the corporate communications staff for fiscal 2012 in comparison to 2011 while 20 percent of companies have increase their staff in corporate communication department up to 5 percent in the fiscal year 2012 in comparison to 2011.

Table 5: Budget forecast for Corporate Communication Department in 2012

Budget for 2012	Respondents	Percentage
Increase upto 5%	8	32
Decrease upto 10%	1	4
No change	16	64

Source : Primary Data

The above table 5 shows the financial budget for financial year 2012 in comparison to 2011. The table reveals that 64 percent of the companies have no change in the budget for Corporate Communications for fiscal 2012 as compared to 2011. Also 32 percent of the companies have budget for Corporate Communications increase up to 5% for fiscal 2012 in comparison to 2011.

Table 6: Number of Employees involved in Corporate Communication

Number of Employees	Respondents	Percentage
0-4	16	64
5-9	6	24
10-29	3	12

Source : Primary Data

The above table shows the number of employees employed for corporate communications. It shows that 64 percent of companies have 0-4 employee involvement in corporate communication followed by 24 percent of the companies have 5-9 employee and lastly 12 percent of the companies have 10-29 employee involvement in corporate communication. It can be concluded that companies uses about minimally about up to 4 personals for corporate communication while maximally about 10 to 29 staff are used for corporate communication.

Table 7: Setting up of Crisis Communication facility

Facility of Crisis Communication	Respondents	Percentage
Yes	0	0
No	25	100

Source : Primary Data

The presence of facility for Crisis Communication was probed to the respondents. It was found that 100 percent of the companies have not set up a dedicated function for crisis communication. The corporate communication personnel should also look after the crisis communication activities.

**Table 8: Distribution of Dirham Value for Corporate Communication activities
(amount in Dirham)**

Value activities	Respondents	Percentage
Under 5,00,000	7	28
5,00,000 - 9,99,999	12	48
75,00,000 - 99,99,999	1	4
100,00,000 and more	5	20

Source : Primary Data

Table 8 explores the amount of Dirham used for corporate Communication activities annually. The respondents suggested that most of the organisation viz., 48 percent are using in the category of 5,00,000 to 9,99,999 which is followed by under 5,00,000 presented by 28 percent.

Table 9: Expected Budget Cuts

Priority of Budget Cuts	Respondents	Percentage
Among the first to be cut	8	32
Neither sooner nor latter than other department budgets	15	60

Source : Primary Data

Table 9 explains the expected budget cuts of the companies and how they will be affected by the budget cuts. 60 percent of the respondent companies felt that the companies would cut down corporate communications department's budget neither sooner nor latter than other department budgets. 32 percent of the companies would cut down corporate communications department's budget first.

Table10: Reduction of Practice of Corporate Communication during Recession

Reduction of Activities	Respondents	Percentage
Strongly Agree	2	8
Agree	19	76
Neutral	2	8
Disagree	1	4
Strongly Disagree	1	4

Source : Primary Data

Table 10 explains their perception regarding the activities to be followed during recession. The respondents are queried about the possibilities of reduction of activities during recession. 76 percent of the respondents agreed that during recession corporate leaders communicated in an effort to reduce the risks to themselves and their organizations.

Table 11: Honest, Clear & Coherent Corporate Communication in complex environment can be successful

	Respondents	Percentage
Strongly Agree	1	4
Agree	19	76
Neutral	4	16
Disagree	1	4

Source : Primary Data

The above table 11 shows that 76 percent of the respondents agree that in complex environment, honest, clear and coherent communications can drive the rewards of success towards the organization and its leaders.

Conclusions

The paper examines the status of corporate communication in United Arab Emirates (UAE). With the objectives of conceptualizing the corporate communication activities in UAE and to illustrate the major roles and responsibilities of corporate communication personnel, the paper analyses the demographic profile of the select corporate communication personnel in UAE and to understand the trend of corporate communication in UAE. Triangulation design was employed in this study. Both in-depth interview method and survey method were employed. In-depth interview was used to provide information on the major roles, activities, responsibilities of corporate communication and the challenges faced by the professionals in the field. The in-depth interview was conducted with communication practitioners of UAE.

The survey reveals that there is not that much big gap on the basis of gender among the corporate communication heads. 52 percent of corporate communication heads of department (or their representatives) are male while 48 percent of corporate communication heads or their representatives were female. Most of the corporate communication practitioners are very young and they fall between the ages of 20 and 39. It also finds that majority of the respondents are post graduates. Still the field of corporate communication is dominated by the people from the stream of business and management studies. Still hope is for the communication studies background. UAE Corporate communication field is full of expatriates. Majority of them are from outside of UAE. Interestingly Indians dominate the corporate communication field in UAE.

The study also finds that top person responsible for Corporate Communications reports to the Chief Executive officer. 72 percent of the respondents reports to the Chief Executive officer. Only one fifth of the companies have increased the communication staff for the year 2012. 64 percent of the companies have no change in the budget for Corporate Communications for fiscal 2012 in comparison to 2011. Also 32 percent of the companies have budget for Corporate Communications increase up to 5 percent for fiscal 2012 change compared to 2011.

The in-depth interviews with the corporate communication personnel and the survey conceptualized the major roles and responsibilities of corporate communication personnel in UAE. Strategic communications, Public relations, Reputation Management, New Media Communications, Marketing Communications, Crisis Communications, Project Management, Influential Communications, Editorial Consulting, and Integrated Marketing communication are the major roles and responsibilities of corporate communicators. 100% of companies have not set up a dedicated function for crisis communication. The corporate communication personnel should also look after the crisis communication activities. The corporate communication practitioners are almost jack of all trades. They have to play many roles and look after many responsibilities.

Majority of the companies viz., 64 percent of companies have 0-4 employee involvement in corporate communication. 24 percent of the companies have 5-9 employee involvement in corporate communication. 12 percent of the companies have 10-29 employee involvement in corporate communication. Majority of the respondents agree that in complex environment, honest, clear and coherent communications can drive the rewards of success towards the organization and its leaders.

The survey data analyzed the trend of corporate communication in UAE and stated that corporate communication is in a developing mode. 60 percent of the companies would cut down corporate communications department's budget neither sooner nor latter than other department budgets. Only 32 percent of the companies would cut down corporate communications department's budget first. It reveals that Corporate Communication practices started gaining importance.

There is not much change in the trend of corporate communication in 2012. But there is more scope for development of corporate communication activities in UAE in near future. So we can conclude that corporate communication has a bright future in UAE.

The study concludes that the Corporate Communication practices become an central function in UAE companies. There is a lot of scope for young energetic Management and Communication students in the field of Corporate Communication field in UAE. But there is also a lot of workload for Corporate Communication practitioners in UAE. Even if any crisis comes up, they have to manage it. Communicating the message fast and understandably to the public which has 192 nationalities is the big challenge for the corporate communication practitioners in UAE.

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