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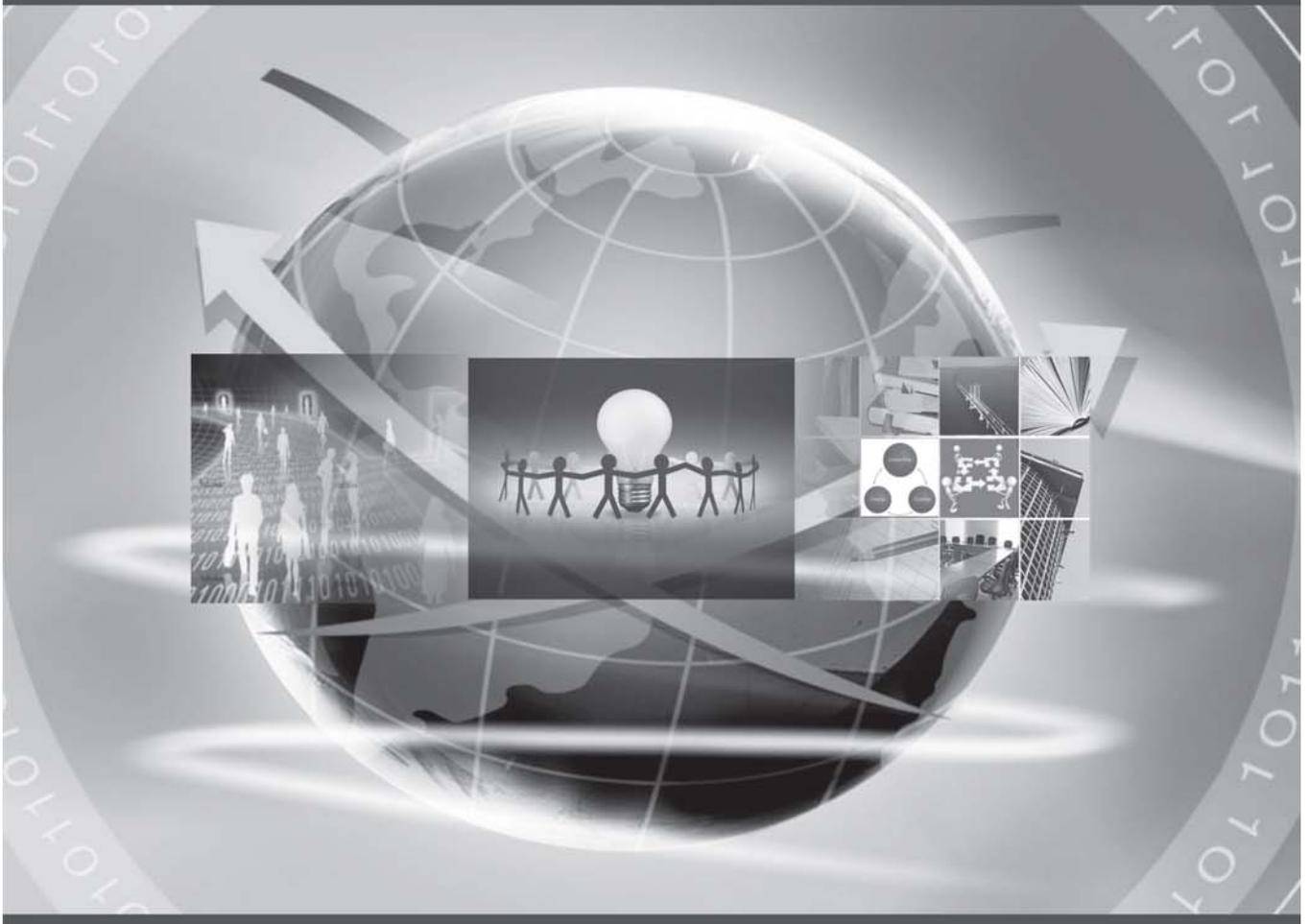
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EDITORIAL

It is indeed a moment of much pride for us to present to you the first issue of “PARIVARTAN” the Journal of Management Research at the Oriental Institute of Management (OIM) – as a part of OIM’s endeavor to nurture research and innovation. The broader mission and goal behind bringing out “PARIVARTAN” is to publish original, high quality, management research that will have a significant impact on the management theory and practice.

“PARIVARTAN” is a scholarly journal that aims to publish scientific research on the practice of management in areas related to strategy, entrepreneurship, innovation, information technology and various functional areas of management like accounting, finance, marketing, people management and operations. The journal also publishes studies on organizational, managerial and individual decision making from both normative and descriptive perspectives.

Articles published in the journal are reviewed by external and internal reviewers and are primarily based on the foundational disciplines of economics, mathematics, psychology, sociology, and statistics. We encourage cross-functional, multidisciplinary research that reflects the diversity of the management profession and practice. We also strive to stimulate research in emerging domains created by economic globalization, public policy shifts, technological improvements and trends in management practice.

We ensure that articles accepted for publication in the journal have clear implications for practicing managers based on one or more of a variety of rigorous research methodologies. We also endeavor to publish insightful analyses of the management literature, conceptual/theoretical studies, comments on past articles, studies concerning various aspects of management practice, real life case studies, sample surveys, and experimental studies.

The primary audience of our journal includes academicians at business schools, practitioners who have a concern for keeping abreast of the state of the art in practice of management and all those - who are interested in undertaking advanced research in the field of management. The journal presents to this audience the concepts, theories, and managerial perspectives that address currently cutting-edge issues in the theory and practice of management.

Most of the articles in this journal are prominent in their respective areas. The writers have put in their best efforts to convey the message to the readers that could be recognized and imbibed in their personal life, at the corporate and institutions. We sincerely thank all the writers and supporters for their whole- hearted support and seek to have the continued support on an ongoing basis.

Dr. Rashmi Soni
Editor

Dr. Rajan Welukar



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FOREWORD

It is a matter of immense privilege to write a foreword for the first issue of "Parivartan – Journal of Management Research", to be published by Oriental Institute of Management.

The world of business is moving more rapidly than ever. The first decade of this century has witnessed a dramatic intellectual transformation that has marked the beginning of a new era in the course of history, "the era and of information." The ubiquitous nature of information and its all pervasive presence has blurred the boundaries and redrawn and redefined the contours of management education.

Today, the objective of Management education in broad terms is not only to disseminate knowledge, but also to generate and streamline the knowledge arising out of research conducted in the prevailing business environment. Therefore, the importance and significance of research in the context of management education has become paramount. However, the true potential of research can only be leveraged, when faculty and researchers develop a broad base of education, excellent communication skills and creative approaches to facilitate application of theoretical knowledge to a given business environment and also to classify useful knowledge for the use of prospective business.

The quest for academic excellence in research has made institutions encourage the faculty to enhance their ability to handle multiple tasks simultaneously and develop a strong and productive linkage to create an unparalleled synergy of resources and intellectual capital. This has made the academia to place, Innovation at the heart of research endeavours combined with teaching pedagogy. Educational institutions are trying to create an atmosphere that encourages people to imagine, think broadly, collaborate, capture serendipity and inculcate a culture, in which the best and the brightest minds are free to express their creativity and set their own agenda.

"Parivartan – Journal of Management Research" is a step taken in the right direction by Oriental Institute of Management to actively promote interdisciplinary approach towards research and encourage budding management professionals to embrace cross functional ideologies. This journal showcases the spirit, significance and value of managerial innovation and is a true & fair embodiment of deep strategic and research focus at the Institute.

I congratulate and extend my warm greetings to the Management, Editor, Staff and Students of the Institute for this prudent intellectual investment and wish that "Parivartan – Journal of Management Research" would realize its potential and successfully create a research orientation amongst its stakeholders.

(Dr. Rajan Welukar)

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Credit Drivers; Financial Institutions & Customers' Perceptions In Tanzania

* Dr. Clifford G. Machogu

** Dr. Jairus B. Amayi

*** Mr. Nicas Nibengo

Abstract

This paper analyzes perceptions of both financial institutions and customers towards supply and demand of financial capital towards income poverty reduction. The paper examines the level of Public awareness on financial capital services as the driving force in Mwanza, Tanzania. It further discusses constraints for demand and supply of financial capital and the level of magnitude of financial capital contributions on income poverty reduction. The study is based on collected primary data using a questionnaire. Measures of central tendency were used to analyze data.

The paper establishes that over 50% of the respondents believe that financial capital contributes to the growth of economic activities and social well being is high, or conversely, less than half the respondents believe that financial capital's contribution to economic growth and social well being is positive. Positive economic contributions are attributed to growth of business sales revenue and profit by averagely 32.57%, and 25.71 % respectively. On account of expansion in business assets, 15.43% was recorded while provision of employment recorded 8.57 %. On business linkages and networking 9.71% was recorded. The 9.71% attributed positive contribution to social well being was due to commitment and accountability to personal development, improved education, land and housing, acquisition of household items, food and health accessibility, and health improvement.

Key Words: Credit, Financial Institutions, Customers, Perceptions

INTRODUCTION

The Government of Tanzania has been adopting various measures for economic growth and poverty reduction through fiscal and monetary policies since independence. In the 1990s, attention focused on economic growth as the means of achieving improvements in human welfare with the mind set of 'trickle down effect of economic growth'. However, Poverty and Human development Reports of the years 2007 and 2008 which assessed the trend of poverty in 2007 based on Household Budget Surveys (HBS) of 2006/07 and 2007/08 revealed that despite the high economic growth of 6.8% to 7.8%, respectively, 36% of Tanzanians were living below poverty line. In the year 2007/08, it was estimated that 19% of Tanzanians lived below the food poverty line (Poverty and Human Development Report, 2008). The report indicated that the percentage of households below poverty line, by region, 2007/08 for Mwanza was 48% (HBS: 2007/08).

Despite the financial system reforms initiated in 1990, the National Microfinance Policy of 2000 and Small and Medium Enterprises Development Policy of 2003 (URT: 2003), which enabled availability and access to financial capital (*Chijoriga: 2000*): credits, hire purchase, lease financing, agro-inputs loans, agro-input vouchers; saving schemes and insurance schemes, public

perception on the contribution of financial capital on income poverty reduction was not known. Besides, income poverty remains high in Tanzania, a marvel that has not been known with the current financial capital paradigm?

The study therefore was an endeavour to determine the level of Public awareness on contribution of financial capital on income poverty reduction. The study analyzed the driving forces for demand and supply of financial capital and the magnitude of financial capital contributions on income poverty reduction.

Literature Review

The paper is based on the concept that financial capital, if correctly perceived can play an important role in increasing efficiency and productivity. Although growth is not a sufficient condition for poverty alleviation, there is evidence that higher incomes in the community benefit the poor segments of the population proportionately (Ikara, 2003). Financial sector is a key element in generating growth, and thus, it is an important ingredient in poverty reduction. Dollar and Kraay (2000), indicated that on average the poor do benefit from growth, as an increase in the rate of GDP per capita leads to a one for one increase in the average income of the poorest. The Financial Sector provides

the best alternative source of capital to poor population, especially through micro financing. According to Collins and Borthworth (1996), the use of factor productivity in growth diagnostics, assesses the relative contribution of the factors of production and Total Productivity (TFP). The production functions are mainly founded on econometric work of different levels of sophistication from standard two inputs case to multi-inputs case. Thus $Q = f(k, l)$ in the two input case, where $Q =$ output, $k =$ **Capital**, $l =$ labour input and $f =$ function. This model provides an incremental reasoning on the contribution of capital in economic development. The role of financial and non financial institutions is to provide capital to deficit units which invest this capital in different economic activities. Financial capital theory suggests that, as financial capital increases within networks of transacting partners, the average level of benefits increases and the disparity of benefits decreases. In part, this inverse relationship between disparity of income and average income results from terms of trade in financial capital-rich networks which favours transacting partners, from increased investment in real assets and ultimately provide opportunities independent of one's income.

Financial Capital and Poverty

The connections between financial capital and poverty are two fold: Financial capital and poverty reduction are connected in that financial capital is an important resource that if properly managed can be used to reduce poverty. Utilization of financial capital directly reduces poverty through spill-over-effects of investment. Attitude toward investment will direct individuals' life cycle (Eakins, 1999). The lesson of the past several decades is that the productivity of physical, social, human and natural forms of capital depends on financial capital.

Financial Capital Paradigm

A paradigm, Robison et al; (2002), is a description of a subject that includes definitions, identification of and description of variables, and expected cause and effect relationships. As paradigm mature, the proposed view of the subject becomes generally accepted by experts in the field. A mature paradigm can facilitate cooperative action in a particular area, because it reduces conflict and cost of obtaining agreements. The financial capital paradigm describes the influence of relationships on financial goods, and economic transactions and contains concepts drawn from nearly all of the social sciences

The elements of financial capital paradigm, beside financial capital, include perceptions, financial systems, participants, financial institutions, financial markets, financial instruments, policies and regulations.

The link between Financial Capital and Poverty Reduction in Tanzania

Financial Capital schemes through financial institutions and markets delivery in Tanzania were initiated early 2000 to meet different objectives. The most commonly mentioned objectives included: poverty alleviation and improved living standards, offering financing to the poor (Harper et al; 2009), women empowerment, and the development of business sector as a means of achieving high standards and reducing market failure (Chijoriga; 2000)

According to Blomström and Kokko, (2003) and Borenstein, De Gregorio, and Lee (1998), the contributions of Financial capital to the development of a country are widely recognized as filling the gap between desired investment and domestically mobilized saving, increasing tax revenues, and improving management and technology, as well as labour skills. These could help the country to fight its way out of poverty.

Research Methodology

This was a survey study design. The study collected information from households, financial institutions, non-financial institutions, experts, opinion leaders, business community, and salaried workers from Nyamagana and Ilemela districts in Mwanza City Tanzania. The financial institutions' population was drawn from 8 commercial banks, 3 non bank financial institutions 3 foreign bureau and 54 savings and credit cooperatives. The total population of financial institutions was 68. The business population was drawn from 4,570 registered trade/industrial businesses, which included whole sellers and retailers. The government sample was drawn from 1 branch of Bank of Tanzania and 2 district councils. The population of financial market was drawn from Dar es salaam Stock Exchange Market since Mwanza has no its own registered stock exchange market. Total sample size studied was 175 of which 125 were households and 50 key informants. Households sample was extracted from individual lists, which was obtained from list of borrowers from financial institutions and markets. Primary data were obtained using interviews with key informants and individual households' members.

Data Analysis, Discussion and Findings.

Level of Awareness on Contribution of Financial Capital on Income Poverty Reduction

Figure 1 (here)

Figure 2 (here)

As shown in figures 1 and 2 responses from key informants, households and focus group discussion helped to assess the level of public awareness on uses and access of financial capital and its contribution to

poverty reduction. When respondents were asked the question, “do you know what the financial capital is all about”, 89.60% of house hold respondents said they did, while 10.40 % said they did not. On the other hand, 96% of key informants said they knew, while only 4.00% of them said they did not .On average 91.43% of respondents said they were aware of the meaning of financial capital, while 8.73% were not aware of the meaning of financial capital.

Table 2(here)

Given the findings as indicated in table1, financial capital contribution to the growth of industrial sector is ranked with the lowest perception at 81.71%, followed by agricultural sector with 65.14%, services and infrastructure with 57.71%, natural resources with 51.43%, health with 50.86%, building and construction with 43.43% and cooperatives with 41.7%. The highest perception rating was as follows: Education sector was rated highest by 89.71%, trading and commerce 81.1%, vending 69.71 %, cooperatives 58.29 %, building and construction 56.57 %, health 49.14 percent, natural resources 48.57 %, services and infrastructures 42.29 %, agriculture 34.89 % and industrial sector 18.29 %.

Driving Forces for Demand of Financial Capital in Mwanza City

Table 2 (here)

Both Household and Key informant respondents mentioned nine reasons that drive people to seek financial capital assistance; financing working capital 25.71 %, education development 17.14 %, medical expenses 9.14%, building and construction 10.29 %, purchasing machinery, tools and equipments 4.57 %, long term investment 5.14 % and purchasing motor vehicles 8 %

Table 3 (here)

Driving Forces for Supply of Financial Capital in Mwanza City.

The forces that drive financial institutions to provide financial capital to the public include: Profit accounting 46%, provision of capital to the public 39%, pressure from political forces 29%, financial institutions sustainability and growth 21 % and 9 % respectively, economic growth stimulation 17% and public service provision 14 %.

Constraints for Demand of Financial Capital

Table 4 (here)

Constraints for demand of financial capital as mentioned by respondents include: Public inadequate entrepreneurial and business management skills 18.29 %, High interest rates associated with financial capital 17.71%, non formalization of business activities 17,14%, uncondusive business environment 13.14% , unfavourable terms and conditions associated to

financial capital 12.57%, poor property regulation 12% and little awareness of credit information 9.14%.

Constraints Facing Financial Institutions In Supply of Financial Capital to the Public

Constraints mentioned include; Public inadequate entrepreneurial and managerial skills 22.29%, poor regulatory environment 16.57%, limited availability of reliable credit information from the public 13.71%, high transaction costs for small volume 10.29%, high costs for financial intermediation 9.14% and high costs for establishing rural branches 7.43%.

Providers of Financial Capital in Mwanza City

Eleven actors that provide financial capital to the public in Mwanza City include; NMB bank with 24.57%, CRDB bank 20%, NBC 8.57%, saving and Finance 5.71%, Postal Bank 1.14%, Azania Bank 8.57%, Stanbic Bank 2.29%, Bank of Africa 2.29%, SACCOS 12.5%, NGOs 4 % and TUNAKOPESHA 10.29%.

Perceived Magnitude on the Contribution of Financial Capital on Business Activities

Table 5 (here)

Respondents mentioned financial capital to contribute to growth of business sales revenue 32.57%, profit increase 25.71% increase in business assets 15.43%, opening new branches 8 percent, provision of employment, 8.57% and increase in business linkages and networking 9.71%

Perceived Magnitude on the Contribution of Financial Capital on Personal Well being

Perceived contribution were in terms of: increased personal commitment and accountability 9.71%, improvement in education 37.71%, improvement in shelter and housing 24% , acquisition of household items and furniture 7.43%, increased accessibility to food 12% and improvement in general health 9.14%.

Perceived Forms and Experiences of Financial Capital Services

The perceived forms and experiences in accessing and usage of financial capital as mentioned by respondents include: short term loans 85.14%, long term loans 28 percent, salaried workers loans 56%, overdraft facilities 28%, agricultural loans 31.43%, livestock loan 13.71 %. Leasing 2.29% and housing loans 29.14%.

Qualitative Contribution of Financial Capital on Growth of Economic and Social Indicators

Respondents qualitatively ranked the contribution of financial capital to ten economic and social indicators. The low perception rating was as follows: industrial sector rated lowest by 81.71%, agricultural sector 65.14%, services and infrastructure 57.71, natural

resources 51.43 %, health 50.86%, building and construction 43.43 %, cooperatives 41.71 % and education 10.29 %. The highest perception rating was as follows: Education sector was rated highest with 89.71 %, trading and commerce 81.14%, vending 69.71%, cooperatives 58.29 %, building and construction 56.57%, health 49.14 %, natural resources 48.57%, services and infrastructure 42.29 percent, agriculture 34.89% and industrial sector 18.29 %.

Statistical Analysis and Description on the Findings
using the median as measure of central tendency the results indicate that, over half of the population believes contribution of financial capital to growth of economic activities and social well being is high. Conversely, less than half the population believe contribution of financial capital to economic growth and social well being is low.

Conclusion

Finance is an important component of development, including poor people. Indeed, evidence from this study has shown that more than half the population perceived financial capital to have reduced income poverty and lowered income inequality. In addition to facilitating overall economic growth, financial capital had helped individuals smooth their income, insure against risks, and broaden investment opportunities. Testimonies have been evidenced in promoting individuals education, facilitated trade and commerce and improved individual accessibility to food and good health.

Despite this positive contribution, productive sectors such as industrial and agriculture have been perceived to have low accessibility to financial capital, hence less contribution to GDP. Therefore the most important factor for a prosperous future of contribution of financial capital on income poverty reduction lies in honesty and mutual concern by financing industrial, agricultural, infrastructural and construction sectors.

Recommendation

Based on the findings above, the study makes the following recommendations to improve the contribution of financial capital on income poverty reduction.

The Financial System

The financial system should be at the service of man, systems, and governments, by allowing individuals and societies to come to their utmost fulfilment by assuming responsibility for their own development.

Supplier of Financial Capital

Supplier of financial capital i.e. financial institutions and Markets should improve accessibility of financial capital

services by: (1) Lowering interest rates that help to facilitate the growth of client businesses. (2) Financing industries, agricultural and construction sectors. (3) Offering training and coaching their clients on entrepreneurship and business management skills. (4) Promote their financial capital services to the public to make them aware of the facility. (5) Be flexible and offer favourable credit terms and conditions.

Users of Financial Capital

Users of financial capital i.e., the society should: (1) Formalize business activities to be able to attract financiers. (2) Formalize property rights and documentation. (3) Observe credit agreements, adhere to honesty and accountability. (4) Invest in most productive sectors, such as industry, agriculture and construction

The Government

The government should: (1) establish entrepreneurship incubation centres to enable the community to acquire entrepreneurship skills and be competent in investment and business undertaking. (2) improve monetary system, fiscal policy and regulatory environment to protect both lenders and borrowers.

International Community

International Community should have a political will to stop World financial institutions such as World Bank and IMF from wasting productive capacity on financing the manufacture of arms and then selling the same to poor countries. Instead, they should finance production that is geared towards the satisfaction of real human needs.

Area for Further Research

This study recommends further research in Innovation and Inclusions in financial system issues, strategies and options in Developing Countries.

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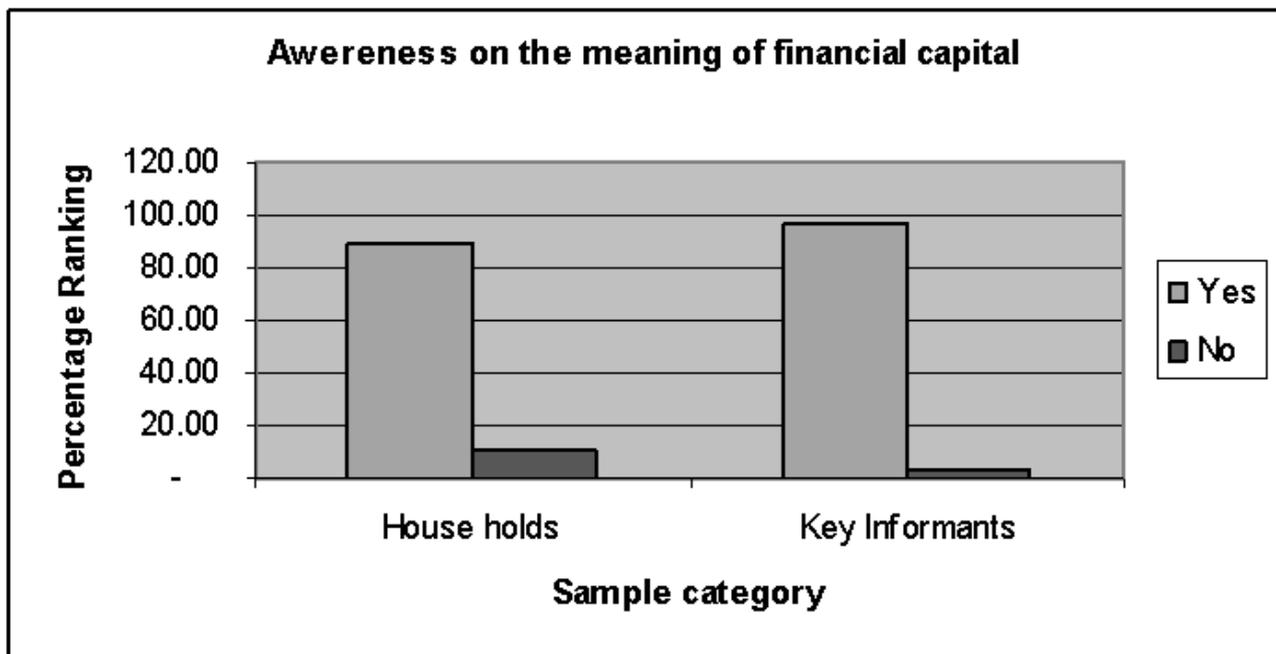
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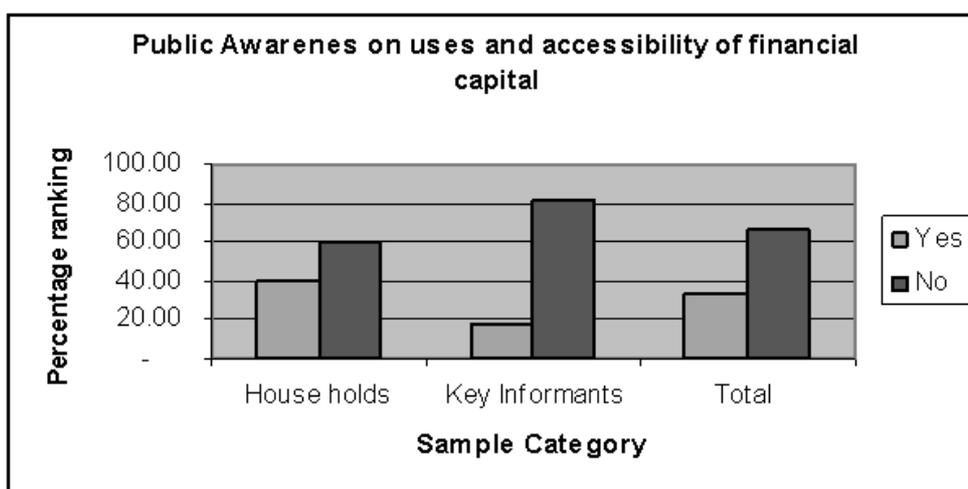
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Figure 1 Awareness on the meaning of financial capital



Source: Field data, (2009)

Figure 2 Public awareness on uses and accessibility of financial capital



Source: Field data, (2010)

Table 1 Perception on the performance of financial capital contribution to economic growth

Perception on the performance of financial capital contributes to economic growth						
Respondents ranking on contribution of financial capital to economic growth	Sectors	Qualitative ranking				
		Very Low	Low	High	Very High	Total
House holds	Agriculture, Forest and Fishing	42	38	12	33	125
	Industry	54	45	16	10	125
	Trading and commerce	12	23	67	23	125
	Services and infrastructures	33	34	26	32	125
	Vending	6	52	67	0	125
	Education	0	23	98	4	125
	Health	23	34	43	25	125
	Building and constructions	12	44	56	13	125
	Natural Resources	87	14	7	17	125
	Cooperatives	3	56	54	12	125
Key respondents	Agriculture, Forest and Fishing	8	16	23	3	50
	Industry	29	11	2	8	50
	Trading and commerce	7	6	37	0	50
	Services and infrastructures	8	17	23	2	50
	Vending	4	27	13	6	50
	Education	1	3	41	5	50
	Health	6	12	32	0	50
	Building and constructions	6	17	24	3	50
	Natural Resources	18	7	19	6	50
	Cooperatives	0	13	35	2	50
Combined key informants and House holds	Agriculture, Forest and Fishing	50	54	35	36	175
	Industry	83	56	18	18	175
	Trading and commerce	19	29	104	23	175
	Services and infrastructures	41	51	49	34	175
	Vending	10	79	80	6	175
	Education	1	26	139	9	175
	Health	29	46	75	25	175
	Building and constructions	18	61	80	16	175
	Natural Resources	105	21	26	23	175
	Cooperatives	3	69	89	14	175

Source: Field Data (2010)

Table 2 Driving forces for demand for Financial Capital in Mwanza

Driving forces by percentage rating										
Demand for financial capital	Working Capital	Education developement	Medical Expenses	Building and construction	Farming and livestock	Machinery tools and equipment	Long term investment	Home furniture	Car and Motor Vehicle	Total
House hold	25.60	17.60	8.80	9.60	12.00	4.00	0.80	12.80	8.80	100
key informants	26.00	16.00	10.00	12.00	4.00	6.00	16.00	4.00	6.00	100
Average	25.71	17.14	9.14	10.29	9.71	4.57	5.14	10.29	8.00	100

Source: Field Data(2010)

Table 3 Perceived-driving forces for institution supply of financial capital

Driving forces for supply of financial capital								
Supply for financial capital	Profit making	Institution	Institution Growth	Public Service Provision	Capital Provision	Economic growth stimulation	Political forces	Total
House hold	23.20	10.40	-	11.20	26.40	11.20	17.60	100
Key informants	34.00	16.00	18.00	-	1200	600	14.00	100
Average	2629	1200	5.14	8.00	2229	9.71	16.57	100

Source: Field data, (2010)

Table 4 Constraints for public demand of financial capital

Consutraits for demand of financial capital								
Constraints for demana of financial capital	Inadequate enterpreneurial skills	Little awarenes of credit information	Non formalization of business activities	Poor property rights	ufavourable credit terms & conditions	unconductive business environment	High interest rates	Total
House hold	11.20	7.20	20.00	9.60	16.80	12.80	22.40	100
Key informants	36.00	14.00	10.00	18.00	2.00	14.00	6.00	100
Average	18.29	9.14	17.14	12.00	12.57	13.14	17.71	100

Source: Field data, (2010)

Table 5 Perceived magnitude on the contribution of financial capital on business activities

Perceptions on the contribution of financial capital on business activities							
Constraints of financial capital to the business	Sales revenue increased	Profit increased	Business assets increased	Increase in business branches	Employ mor staff	Business Linkages and networking	Total
House hold	36.00	26.40	14.40	9.60	8.00	5.60	100
Key informants	24.00	24.00	18.00	4.00	10.00	20.00	100
All respondents	32.57	25.71	15.43	8.00	8.57	9.71	100

Source: Field data, (2010)

IFRS: A Devise for Standard Convergence

- An empirical study on Indian Economy

*Dr. Ratna Sinha

ABSTRACT

Indian Economy is continually increasing integration with the global economies, and it would be an even more attractive country to get FDI, which was much-needed for its development. Under this circumstance, it would be imperative for Indian corporate to adopt International Financial Reporting Standards (IFRS) for their financial reporting. The new standards will give them access to resources around the world at reduced costs. Moreover, it will make it easy for FDI to come into the country. The International Accounting Standards Board (IASB) can help countries cope with transitional challenges they face. As the capital markets become increasingly global in nature, convergence of accounting standards towards a common set of high-quality accounting principles is a move in the right direction. Compliance with new accounting standards will significantly change the accounting practices in India and will align Indian accounting practices with global accounting practices. With the growth of Indian Economy and increasing integration with the global Economies, Indian corporate is raising capital globally. So in the process of restructuring the economy in the line of Global Path Indian industries joins the major global financial revolution commonly known as International Financial Reporting Standards (IFRS) Convergence. This study tries to analyze the information available on IFRS adoption process in India. It also discusses the IFRS adoption procedure in India and the utility for India in adopting IFRS. The paper discuss the problems faced by the stakeholders (Regulators, Accountants, Firms etc) in the process of adoption of IFRS in India. In conclusion part, Paper brings out the ways through which these problems can be addressed.

Keywords: Accounting, International Financial Reporting Standards (IFRS)

INTRODUCTION:

The economic reform (1990), popularly known as, Liberalization, Privatization and Globalization (LPG model) aimed to make the Indian economy as fastest growing economy and globally competitive. Indian economy shifting from agriculture to manufacturing and services, as part of the development process, the finance professionals played an increasingly important role. This will enhance the confidence of investors in financial statements issued by Indian companies. Indian companies demonstrated their capability to take advantages of opportunities emerged from the restructuring of the economy and to compete equally with global leaders. The IRFS give companies more discretion over how they present their financial standing, leading to a diversification of processing formats. But given the greater leeway companies would have in processing the figures, the validity of such comparisons would be tenuous at best. There are many in the accounting profession and in the corporate world who accept the early implementation of accounting standards fully convergent with IFRS. So IFRS in a business situation can have a significant effect on the financial results and position of a division or an entire business enterprise which help companies to make tax expertise, and able re-examine all aspects of the tax planning and compliance life cycle.

OBJECTIVES OF THE STUDY

1. To study the how India would get benefitted in adopting IFRS.
2. To provide a conceptual framework between GAAP & IFRS.
3. To analyze the problems faced by the stakeholders (Regulators, Accountants, Firms etc) in the process of adoption of IFRS and suggest some suggestion for overcome the

LIMITATION OF THE STUDY

Though we discuss challenges about applying IFRS in throughout the world, Indian Multinationals have still not adapted the same. So this paper analyse major issues relatively practical difficult to implement IFRS.

REASERCH METHODOLOGY

The present study is theoretical in nature and hence is based on secondary data published by different sources such as data published by ICAI Members, journals, news papers and data published by other research scholars. The study is basically undertaken to provide a conceptual framework between GAAP & IFRS and also to give a briefing on how India would get benefitted in adopting the same.

REVIEW OF LITERATURE

Ray Ball (2006), In his paper he discusses the advantages and disadvantages of uniform accounting rules within country, let alone internationally and also addressing the issues, which is economic and political. On the "pro" side of the ledger, He concludes that extraordinary success has been achieved in developing a comprehensive set of "high quality" standards and in persuading almost 100 countries to adopt them. On the "con" side, a deep concern is that the differences in financial reporting quality that are inevitable among countries have been pushed down to the level of implementation, and now will be concealed by a veneer of uniformity.

Daske Holger (2008), This paper examines the economic consequences of mandatory IFRS reporting around the world and also analyzes the effects on market liquidity, cost of capital in 26 countries using a large sample of firms that are mandated to adopt IFRS. The author finds that many adopting countries have made concurrent efforts to improve enforcement and governance regimes.

Business standard (2010), According to the published information that international firms will protect their learning to retain their competitive advantage. Therefore, it is for the benefit of the country that each company makes judicious choice of the accounting firm as its partner without limiting its choice to international accounting firms. Public sector companies should take the lead and the ICAI should develop a clear strategy to diffuse the learning.

OUTLINE OF THE IFRS

IFRS are accounting rules ("standards") issued by the International Accounting Standards Board (IASB), an independent organization based in London, UK. They purport to be a set of rules that ideally would apply equally to financial reporting by public companies worldwide. "The IASB founded on July 1, 2000 is developing a single set of high quality, understandable and enforceable International Financial Reporting Standards (IFRSs) for general purpose financial statements.

IFRS is to provide a global framework for how public companies prepare and disclose their financial statements. IFRS provides general guidance for the preparation of financial statements, rather than setting rules for industry-specific reporting.

IFRS in Indian progress

In procession with the global trend, IFRS conversion has started steaming in India 1 April, 2011. Institute of Chartered Accountants of India is actively promoting the IASB's pronouncements in the country with a view to facilitating global harmonization of Accounting Standards and ICAI has pronounced that Indian GAAP

will converge into IFRS. The specified class of companies will prepare an opening balance sheet in accordance with IFRS converged standards as of effective date and will follow the IFRS converged standards from the respective effective date.

The accelerated business globalization process including capital market internationalisation has created the need for a global reporting system. In an attempt to satisfy the global reporting needs, the International Accounting Standard Board (IASB) has issued international financial reporting standards (IFRS). It is a step in the right direction as it enables corporate to produce a superior set of standards with the help of comprehensive consultative committee, wider consultation with the business communities, experts, and academicians which provide enable quicker resolution. Applicability of specified class of companies in phase manner.

Of IFRS		
Phase	Specified class of companies Effective	Date
I	Companies in Nifty 50 Companies in Sensex 30 Companies shares or other securities listed on stock exchanges outside India Companies (whether listed or not) having net worth in excess of Rs 1,000 croresy	April 1, 2011
II	Companies (whether listed or not) having net worth in excess of Rs 500 crores but less than Rs. 1, 000 crores	April 1, 2013
III	All listed companies with net worth less than Rs 500 crores	April 1, 2014

NECESSITIES OF THE IFRS:

- Detriment to economic resources and claims: As the markets expand globally the need for convergence increases. The convergence benefits the economy by increasing growth of its international business. It facilitates maintenance of orderly and efficient capital markets and also helps to increase the capital formation and thereby economic growth. It encourages international investing and thereby leads to more foreign capital flows to the country.
- Create to increase investor's confidence: Its help foreign Investors want the information that is more relevant, reliable, timely and comparable across the jurisdictions. Financial statements prepared using a common set of accounting standards help investors better understand investment opportunities as opposed to financial statements prepared using a different set of national accounting standards. For

better understanding of financial statements, global investors have to incur more cost in terms of the time and efforts to convert the financial statements so that they can confidently compare opportunities. Convergence with IFRSs contributes to investors understanding and confidence in high quality financial statements.

- c) Accordance the Industries: IFRS is a step change in financial accounting and reporting and is intended to harmonies accounting practices across the world. This consistency is intended to make it easier for stakeholders across country borders to measure and compare performance and to truly embrace a global international accounting language. "Multinationals seeking to enter new markets and expand operations to a foreign country may need to report using IFRS in order to obtain an operating license or raise capital and the ease of using one consistent reporting standard from subsidiaries in many different countries.

FUNDAMENTAL DIFFERENCES BETWEEN GAAP AND IFRS :

There should be similarity in the concepts of US GAAP and IFRS regarding materiality and consistency that entities have to consider in preparing their financial statements but at the conceptually level there are some differences, IFRS is considered more of a "principles based" accounting standard in contrast to U.S. GAAP which is considered more "rules based. Under IFRS, LIFO (Last in First out) cannot be used while under U.S. GAAP, companies have the choice between LIFO and FIFO (First in first out). Some of Key differences between the two accounting frameworks are below:

- a) Financial statement presentation: - In IFRS Financial Statements does not prescribe a standard layout, but includes a list of minimum items. Comparative information must be disclosed in respect of the previous period for all amounts reported in the financial statements.
Entities may present expenses based on either function or nature (for example, salaries, depreciation). However, if function is selected, certain disclosures about the nature of expenses must be included in the notes.
US GAAP prepare the balance sheet and income statement in accordance with a specific layout, and Income statement classification of expenses classification of required to present expenses based on function (cost of sales, administrative). It Present all changes in each caption of stockholders' equity in either a footnote related or separate statement.
- b) Consolidations, joint venture accounting and equity method investees: - IFRS consolidated the effects of significant events occurring between the reporting dates when different dates are used are adjusted

for in the financial statements. "Under IFRS, a company will no longer have a free choice between a one-line pick-up of their net share of a joint venture entity or inclusion of its share of each asset, liability, revenue and expense individually ("proportionate consolidation") . It requires that certain joint arrangements be equity accounted while for others, the investor's interest in the individual assets, liabilities, revenues and expenses will be recognized. Equity method investment is a technique that a company uses to assess earnings from investments in other companies over which it exerts a significant influence (holdings of twenty to twenty-five percent of another companies stock. In US GAAP consolidated financial statements different reporting dates of parent the effects of significant events occurring between the reporting dates when different dates are used are disclosed in the financial statements. For joint ventures where a company does not have a majority or controlling interest, the financial statements are not consolidated and equity accounting is applied. "Financial statement in equity method investees provides the option to account for equity-method investments at fair value . For those equity-method investments for which management does not elect to use the fair value option, the equity method of accounting is required. Uniform accounting policies between investor and investee are not required.

- c) Impairment of long-lived assets, goodwill and intangible assets: - IFRS process is the One-step approach requires that impairment testing be performed if impairment indicators exist. Goodwill is allocated to a cash generating unit (CGU) at which the goodwill is monitored for internal management purposes and cannot be larger than an operating segment. And in tangible assets is the amount by which the carrying value of the asset exceeds its recoverable amount.
US GAAP requires Two-step approach recoverability test be performed first (carrying amount of the asset is compared to the sum of future undiscounted cash flows generated through use and eventual disposition). If it is determined that the asset is not recoverable, impairment testing must be performed. Goodwill is allocated to a reporting unit, which is an operating segment or one level below an operating segment. Intangible assets refereed as the amount by which the carrying value of the asset exceeds its fair value.
- d) Foreign currency Transaction: "Foreign exchange gains or losses an available-for-sale monetary financial asset, the entity recognizes changes in the carrying amount relating to changes in foreign exchange rates in profit or loss, and other changes in the carrying amount in other comprehensive

income .

U.S. GAAP functional currency changes between from reporting currency to foreign currency and from foreign currency to reporting currency. Different specific requirements apply. In the context of foreign exchange value all changes in fair value relating to financial instruments remeasured at fair value through other comprehensive income (available-for-sale) are recognized in other comprehensive income.

CONCEPTUAL ISSUES WITH IFRS

- a) Concern of Early Implementation:-The arguments some are trivial like that USA can decide to adopt IFRS after the year 2014, what is the hurry to implement IFRS in India. Compliance with new accounting standards will significantly change the accounting practices in India and will align Indian accounting practices with global accounting practices. This will enhance the confidence of investors in financial statements issued by Indian companies. There are many in the accounting profession and in the corporate world who opposed the early implementation of accounting standards fully convergent with IFRS.
- b) Cost Detriment: The direct costs of conversion to IFRS will be in the crores of rupees, and much of it will go to auditors for new "services" like training, systems refiguring and whatever else companies can be induced to pay for. So it will increase the increase in the cost of capital there is too many companies are going to be spending far too much money on their internal controls over financial reporting and receiving far too little benefit, and problem for smaller companies are more to adopt IFRS.
- c) IFRS is not "Principles-Based" than US GAAP :-the core principle underlying IFRS is undocumented, amorphous and vacuous. The IASB's track record is anything but principles-based.
- d) Alertness of International Financial Reporting Practices: Adoption of IFRS means a complete set of different reporting standards have to bring in. The awareness of these reporting standards is still not there among the stakeholders like Firms, Banks, Stock Exchanges, and Commodity Exchanges etc. To bring a complete awareness of these standards among these parties is a difficult task.
- e) Taxation: IFRS adoption will affect most of the items in the Financial Statements and consequently, the tax liabilities would also undergo a change. Currently, Indian Tax Laws do not recognize the Accounting Standards. A complete overhaul of Tax laws is the major challenge faced by the Indian Law Makers immediately. Enough changes are to be made in Tax laws to ensure that tax authorities recognize IFRS-Compliant financial statements otherwise it will duplicate the administrative work for the Firms.

FINDINGS AND SUGGESTION:

The transition to IFRS will imply a change in Different industries like management reporting and format of data required. In IT Industries systems will have to be upgraded in order to gather information on liquidity risks in accordance with IFRS, and Financial Instruments. And R&D costs, your company will have to define procedures to enable the gathering and review of costs related to development that may be capitalized. ICAI, regulators, Government and business houses scramble to decide, in what form, whether to converge or adopt, when it will apply. Business houses are well confused to implement because Very few professionals in India have any form of IFRS practical exposure and Four elements of conversion cost (training, IFRS software, advisory cost and audit fees) creates the increase the expenses. In India, Accounting Practices are governed mainly by Companies Act 1956 and Indian GAAP. Existing laws such as Securities Exchange Board of India regulations, Indian Banking Laws & Regulations, Foreign Exchange Management Act also provide some guidelines on preparation of Financial Statements in India. Indian Tax Laws makers have to provide major laws which recognize the Accounting Standards help to tackle overhaul of Tax laws faced by the Indian Law. Changes have to be made in Tax laws to ensure that tax authorities recognize IFRS-Compliant financial statements. Since the demand for the accounting professionals is ever increasing, the need for professionals qualified with the new accounting standards in the context of IFRS will also increase. Hence ICAI have to equip more experts with the theoretical and practical knowledge of the various International Financial Reporting Standards.

CONCLUSION:

India being an important emerging economy in the world and the world's capital markets stand to benefit significantly from widespread acceptance and use of global accounting standards that are high quality, comprehensive and rigorously applied. A growing number of jurisdictions require public companies to use IFRS for stock-exchange listing purposes, and in addition, banks, insurance companies and stock brokerages may use them for their statutorily required reports. Converting to IFRS is therefore not a quick-fix process but should be regarded as a re-engineering process. It is time-consuming, requires considerable efforts and also entails in heavier workloads both to the accountants and external auditors. For this reason some developing countries have not been able to transit from the local standards to IFRS. They have preferred utilising their funds to address other priorities such as poverty alleviation and health problems. But large European countries show the larger positive reaction, which is consistent with investor's expectation that IFRS adoption will result in greater informational benefits for firms.

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An Introspection of IPOs

*Mr. N. Chidambaram

**Dr. P. Vikkraman

ABSTRACT

Owning stocks is a happiest thing and is a special featured high-risk category instrument, without a doubt, one of the greatest tools ever invented for building wealth. Such a proud ownership over stocks and hence ultimately a company can be attained either through the participation in primary market (read as Initial Public Offer) or secondary market. Over the last few decades, the average person's interest in the stock market has grown exponentially. It is buttressed by the recent statistics that retail investor's participation in IPOs is on increasing trend. This renewed vigorous participation and hope for incredible, windfall gains really forcing one to address the following unanswered questions. Is the opinion on IPO that 'they are rich on listing, lacklustre later holds' any value? Is IPOs always a good bet than secondary market instruments? If so, how much of returns? Does it attract more traders or investors? Is it capable of beating the market returns? etc. The study revealed that market participants had a mean positive return of 7.62% on listing, 10.30% on first-day, and 6% on first-year holding period. IPOs during the study period clocked a highest listing gain of 60%, 102.63% on first-day of listing and an impressive 240.58% on one-year holding. On the other hand, these new entrants of stock market facilitated investors to suffer a negative or zero return subjecting to a maximum yearly loss of -69.56% to erode their invested sum. Further the relationship between listing price and issue price, Total traded quantity on listing day and listing gain were also explored. There were 17 IPOs out-performed the market and 34 under-performed the market.

Key Words: *IPO, Listing, Gain, Returns, Index, Out-performer, Under-performer.*

INTRODUCTION TO THE STUDY :

Owning stocks is a happiest thing and is a special featured category instrument, without a doubt, one of the greatest tools ever invented for building wealth. Stocks are a part, if not the cornerstone, of nearly any investment portfolio. Over the last few decades, the average person's interest in the stock market has grown exponentially. What was once a darling of rich(es) has now turned into the vehicle of choice of everybody for making and amassing wealth. Increased demand with wider and renewed participation of retail investors for stocks coupled with advances in trading technology has opened up the markets for nearly anybody to own stocks.

Despite their popularity, however, most people don't fully understand stocks. Stocks can create massive amounts of wealth, but they aren't without risks. Our Indian capital market has come a long way after the deregulation of the economy in 1992. Both the secondary market and primary markets as avenues of investments have gone through reforms pertaining to structural and policy changes. Out of these reforms the new pricing mechanism - the book building method - introduced by SEBI after the recommendations of Y H Malegam committee in 1995 was a baby step in granting

the assessing power to the market participant(s). Book building mechanism allowed corporates to raise money at a fairly price against historical pricing mechanism. Although this has emerged as the most practical and efficient way for the price discovery mechanism, mispricing still exists in the market.

In general people who are investing in Initial Public Offers (IPO) just call their broker and request them to send application. Yet another characteristic of our Indian IPO is it have been oversubscribed a number of times. This kind of insatiable response to an IPO moots several questions like, Is IPOs always a good bet than secondary market instruments? If so, how much of returns? Does it attract more traders or investors? Is it capable of beating the market returns? etc. Therefore this attempt has been made to probe into the statistics of IPOs made in Financial Year 2009-10 & Financial Year 2010-11.

OBJECTIVES OF THE STUDY

- To capture the IPO statistics of Industries/ Companies issued during FY 2009-10 and 2010-11.
- To compute the returns generated by IPOs over various periods of holding like listing, first-day, first-month, and One-year, listed in NSE platform during

FY 2009-10 & FY 2010-11.

- To make a comparison of one-year holding period returns Vis-à-vis S&P CNX NIFTY.
- To test the correlation of returns based on various period of holding and to categorize their performance.

HYPOTHESIS OF THE STUDY

- H0: There is no significant relationship between the Listing Price and Issue price of an IPO issue.
- H0: There is no significant relationship between the total traded quantity on listing day and listing gain/loss.
- H0: There is no significant relationship between total traded quantity on completion of one year from listing and One year holding period gain/loss.

DEFINITIONS:

IPO

An IPO is an abbreviation for Initial Public Offer. When a company goes public for the first time or issues a fresh stock of shares, it offers it to the public directly. This happens in the primary market.

LISTING

Listing means admission of securities of an issuer to trading privileges on a stock exchange through a formal agreement. The prime objective of admission to dealings on the Exchange is to provide liquidity and marketability to securities, as also to provide a mechanism for effective management of trading.

METHODOLOGY

"Nothing will improve unless it is measured"

In view of the above adage and answering those questions in the introduction part of this study the researcher collected secondary data from the website of NSE about IPOs handled by it during the FY 2009-10 and FY 2010-11. This study is purely an analytical research based on facts and figures already available. Statistical analysis was performed by using percentage analysis, ranking, Correlation with the help of SPSS package. IPOs handled by NSE were considered. Scrip/Index returns were computed based on the closing details of appropriate day. In case of absence of those details, next day's details were taken for analysis.

FINDINGS/RESULTS

(Table 1) IPO ISSUANCE STATISTICS

IPO Issuance through NSE*			Total Issues	
in	Frequency	Percent	FY 2009-10	FY 2010-11
The Second Quarter of FY 2009-10	8	9.9	33	
The Third Quarter of FY 2009-10	7	8.6		
The Fourth Quarter of FY 2009-10	18	22.2		
The First Quarter of FY 2010-11	11	13.6		
The Second Quarter of FY 2010-11	9	11.1		
The Third Quarter of FY 2010-11	22	27.2		
The Fourth Quarter of FY 2010-11	6	7.4		48
Total	81	100.0		

(Table 2) IPO ISSUANCE - INDUSTRYWISE* STATISTICS

IPO Issuance During

Industry	Second Quarter of FY 2009-10	Third Quarter of FY 2009-10	Fourth Quarter of FY 2009-10	First Quarter of FY 2009-10	Second Quarter of FY 2010-11	Third Quarter of FY 2010-11	Fourth Quarter of FY 2010-11	TOTAL
Banks	0	0	1	0	0	1	0	2
Brew/Distilleries	1	0	0	0	0	1	0	2
Chemicals - Inorganic	0	0	0	0	1	0	0	1
Chemicals - Speciality	0	0	0	0	0	0	1	1
Computers - Hardware	0	1	0	0	0	0	0	1
Computers - Software	1	1	1	2	0	1	1	7
Construction	0	0	6	2	0	4	0	12
Electrical Equipment	0	0	0	0	1	0	0	1
Engineering	0	0	0	0	1	4	0	5
Finance	0	0	0	0	1	1	1	3
Food And Food Processing	0	0	1	0	0	0	0	1
Gems Jewellery And Watches	0	0	1	2	0	0	1	4
Hotels	1	0	0	0	0	0	0	1
Leisure Facilities	0	0	0	1	0	0	0	1
Media & Entertainment	0	1	1	0	0	1	0	3
Metals	0	0	0	0	0	1	0	1
Mining	0	0	0	0	0	2	0	2
Miscellaneous	0	0	0	0	0	1	0	1
Oil Exploration/Prod	1	0	0	0	0	0	0	1
Packaging	0	0	1	0	0	0	0	1
Personal Care	0	0	0	0	1	0	0	1
Pesticides & Agrochem	0	1	0	0	0	0	0	1
Pharmaceuticals	0	0	1	0	1	0	0	2
Power	2	1	1	2	0	1	0	7
Printing & Publishing	0	0	1	0	1	0	0	2
Shipping	0	1	0	0	1	0	0	2
Solvent Extraction	1	0	0	0	0	0	0	1
Steel & Steel Products	0	0	1	0	1	3	0	5
Telecommunication - Equipment	0	0	0	0	0	1	0	1
Textile Products	0	0	0	2	0	0	2	4
Textiles - Synthetic	1	0	0	0	0	0	0	1
Travel And Transport	0	1	2	0	0	0	0	3
Total	8	7	18	11	9	22	6	81

From the above table it is inferred that the Third Quarter of FY 2010-11 attracted 22 issues while the Fourth Quarter of FY 2010-11 attracted 6 issues only. In Toto, FY 2009-10 and 2010-11 witnessed 33 issues and 48 issues respectively.

(Table 3) SCORE CARD OF IPOs

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Listing Gain/Loss (In %)	81	-15.04	60.88	7.78	12.551
First Day Trading Gain/Loss (In %)	81	-52.60	102.63	10.58	26.838
First Month Gain/Loss (In %)	81	-67.14	142.36	3.47	39.470
First Six Month Gain/Loss (In %)	77	-77.54	218.14	5.21	61.134
First Year Gain/Loss (In %)	51	-91.66	240.59	-5.27	63.634

FY: 2009-10		Total Scrips (N): 33	
Listing Gain/Loss (In %)		First Day Trading Gain/Loss (In %)	First Year Gain/Loss (In %)
Mean	6.72	8.81	6.43
Minimum Return	-5.45	-36.11	-91.66
Maximum Return	40.00	63.88	240.59

FY: 2010-11		Total Scrips (N): 48	
Listing Gain/Loss (In %)		First Day Trading Gain/Loss (In %)	First Year Gain/Loss (In %)
Mean	8.52	11.80	-26.73*
Minimum Return	-15.04	-52.60	-83.48*
Maximum Return	60.88	102.63	72.19*

* For the FY 2010-11, although 48 issues were issued out of which 18 issues alone has completed one year from the day of listing and therefore First year Gain/Loss computations were made only for those scrips.

TOP 10 IPOs BASED ON LISTING GAIN DURING THE FY 2009-10

Name of the IPO	Listing Gain in %	Rank
ARSS Infrastructure Projects Ltd	40.00	1
Man Infraconstruction Limited	26.19	2
Mahindra Holidays & Resorts India Ltd	23.33	3
Syncom Healthcare Limited	19.86	4
D.B. Corp Limited	19.81	5
NHPC Limited	16.66	6
United Bank Of India	13.48	7
Jubilant Foodworks Limited	10.34	8
Adani Power Limited	8.00	9
JSW Energy Limited	6.00	10

TOP 10 IPOs BASED ON LISTING GAIN DURING THE FY 2010-11

Name of the IPO	Listing Gain in %	Rank
Gravita India Limited	60.88	1
Moil Limited	50.66	2
Career Point Infosystems Limited	48.74	3
Gujarat Pipavav Port Limited	21.95	4
Punjab & Sind Bank	20.00	5
Coal India Limited	18.77	6
Eros International Media Limited	17.39	7
Lovable Lingerie Limited	17.07	8
Persistent Systems Limited	16.64	9
Talwalkars Better Value Fitness Ltd	15.58	10

FY 2010-11 offered a listing gain of 60.88% whereas FY 2009-10 offered only 40%.

TOP 10 IPOs BASED ON FIRST-DAY GAIN DURING THE FY 2009-10

Name of the IPO	First-day Gain (In %)	Rank
ARSS Infrastructure Projects Limited	63.88	1
Jubilant Foodworks Limited	58.00	2
Texmo Pipes & Products Ltd	52.39	3
Man Infraconstruction Limited	38.83	4
Thinksoft Global Services Limited	31.52	5
Cox And Kings (India) Limited	28.91	6
D.B. Corp Limited	25.42	7
Syncom Healthcare Limited	17.00	8
Jindal Cotex Limited	16.40	9
Infinite Computer Solutions (India) Ltd	16.24	10

TOP 10 IPOs BASED ON FIRST-DAY GAIN DURING THE FY 2010-11

Name of the IPO	First-day Gain (In %)	Rank
Career Point Infosystems Limited	102.63	1
Bedmutha Industries Ltd	75.64	2
Aster Silicates Limited	74.19	3
Prakash Steelage Limited	68.50	4
Gravita India Limited	67.76	5
Sudar Garments Limited	46.88	6
Coal India Limited	39.82	7
Persistent Systems Limited	31.08	8
Va Tech Wabagh Limited	30.38	9
Talwalkars Better Value Fitness Limited	27.46	10

**TOP 10 PERFORMERS BASED ON ONE YEAR HOLDING PERIOD
(Issuance during FY 2009-10)**

Name of the IPO	One-year Holding period Gain (In %)	Rank
Jubilant Foodworks Limited	240.58	1
Thangamayil Jewellery Limited	117.80	2
Jindal Cotex Limited	102.53	3
Mahindra Holidays & Resorts India Ltd	78.66	4
Globus Spirits Limited	65.55	5
Cox And Kings (India) Limited	62.92	6
United Bank of India	55.22	7
Pipavav Shipyard Limited	44.13	8
Oil India Limited	43.06	9
Adani Power Limited	39.84	10

WORST 10 PERFORMERS BASED ON ONE YEAR HOLDING PERIOD (Issuance during FY 2009-10)

Name of the IPO	One-year Holding period Loss (In %)	Rank
Emmbi Polyarns Limited	-69.56	1
Texmo Pipes & Products Ltd	-62.11	2
Euro Multivision Ltd	-61.13	3
Raj Oil Mills Limited	-57.25	4
D B Realty Limited	-54.98	5
Syncom Healthcare Limited	-54.93	6
Hathway Cable & Datacom Limited	-49.96	7
Vascon Engineers Limited	-45.06	8
Man Infraconstruction Limited	-43.29	9
Excel Infoways Limited	-41.94	10

**TOP PERFORMERS* BASED ON ONE YEAR HOLDING PERIOD
(Issuance during FY 2010-11)**

Name of the IPO	One-year Holding period Gain and Loss (In %)	Rank
Talwalkars Better Value Fitness Ltd	72.18	1
Prakash Steelage Limited	68.50	2
Mandhana Industries Limited	38.50	3
Persistent Systems Limited	31.17	4
SJVN Limited	-18.07	
Hindustan Media Ventures Limited	-19.72	
Pradip Overseas Limited	-22.22	
Shree Ganesh Jewellery House Limited	-36.86	
Parabolic Drugs Limited	-45.19	
Technofab Engineering Limited	-45.27	

* 18 scrips that completed one year from listing date were considered.

(TABLE 4) IPO RETURNS A COMPARATIVE CHART

Listing Gain/Loss (In %)	IPO issuance during		Total
	FY 2009-10	FY 2010-11	
-16.00 to -11.01	0	1	1
-11.00 to -6.01	0	3	3
-6.00 to 0.00	5	8	13
0.01 to 6.00	19	16	35
6.01 to 12.00	2	6	8
12.01 to 17.00	2	6	8
17.01 - 22.00	2	5	7
22.01 to 27.00	2	0	2
37.01 to 42.00	1	0	1
47.01 to 52.00	0	2	2
57.01 to 62.00	0	1	1
Total	33	48	81

Around 35 % of the total issuance gave a listing gain around 6.00%.

One year Holding Period Gain/Loss (In %)	FY 2009-10	FY 2010-11	Total
-95.00 to -75.01	2	2	4
-75.00 to -55.01	4	2	6
-55.00 to -35.01	6	7	13
-35.00 to -15.01	2	3	5
-15.00 to 0.00	3	0	3
0.01 to 20.00	3	0	3
20.01 to 40.00	4	2	6
40.01 to 60.00	3	0	3
60.01 to 80.00	3	2	5
80.01 to 100.00	0	0	0
100.01 to 120.00	2	0	2
120.01 and above	1	0	1
Total	33	18	51

It is inferred from the above table that at least 60% of scrips either produced zero or negative returns right from its offer, a year ago. It is really an alarming figure to note.

(TABLE 5) TABLE COMPARING THE RETURNS FROM IPO WITH MARKET RETURNS

S. No	ISSUANCE DURING FY 2009-10	One-year Holding Gain/Loss (In %)	Market Return (In %)	One-year Holding Period Returns Vs Market Returns
	Name of the Issue			
1	Mahindra Holidays & Resorts India	78.67	27.47	Outperformer
2	Excel Infoways Limited	-41.94	15.46	Underperformer
3	Raj Oil Mills Limited	-57.25	21.51	Underperformer
4	Adani Power Limited	39.85	20.54	Outperformer
5	Nhpc Limited	-15.42	18.30	Underperformer
6	Jindal Cotex Limited	102.53	19.34	Outperformer
7	Globus Spirits Limited	65.55	19.91	Outperformer
8	Oil India Limited	43.07	18.61	Outperformer
9	Pipavav Shipyard Limited	44.14	24.08	Outperformer
10	Euro Multivision Ltd	-61.13	18.67	Underperformer
11	Thinksoft Global Services Limited	-8.84	22.35	Underperformer
12	Indiabulls Power Limited	-37.89	29.84	Underperformer
13	Den Networks Limited	10.26	15.23	Underperformer
14	Astec Lifesciences Limited	-25.55	13.54	Underperformer
15	Cox And Kings (India) Limited	62.92	15.44	Outperformer
16	JSW Energy Limited	0.00	17.47	Underperformer
17	Godrej Properties Limited	25.78	15.19	Outperformer
18	D.B. Corp Limited	23.40	14.51	Outperformer
19	MBL Infrastructures Limited	9.58	9.61	Underperformer
20	Infinite Computer Solutions Ltd	7.33	12.06	Underperformer
21	Jubilant Foodworks Limited	240.59	11.60	Outperformer
22	Syncom Healthcare Limited	-54.93	14.14	Underperformer
23	Vascon Engineers Limited	-45.06	14.14	Underperformer
24	Thangamayil Jewellery Limited	117.80	13.91	Outperformer
25	Aqua Logistics Ltd	-91.66	11.65	Underperformer
26	Emmbi Polyarns Limited	-69.56	8.32	Underperformer
27	D B Realty Limited	-77.49	8.32	Underperformer
28	Hathway Cable & Datacom Limited	-49.96	9.13	Underperformer
29	ARSS Infrastructure Projects Limited	35.08	8.81	Outperformer
30	Texmo Pipes & Products Ltd	-62.11	7.39	Underperformer
31	Man Infraconstruction Limited	-43.29	6.08	Underperformer
32	United Bank Of India	55.23	2.44	Outperformer
33	IL&Fs Transportation Networks Ltd	-7.58	9.98	Underperformer
	ISSUANCE DURING FY 2010-11			
34	Pradip Overseas Limited	-22.23	10.09	Underperformer
35	Persistent Systems Limited	31.18	9.80	Outperformer
36	Shree Ganesh Jewellery House Ltd	-36.87	7.91	Underperformer
37	Intrasoft Technologies Limited	-50.52	10.71	Underperformer
38	Goenka Diamond & Jewels Limited	-51.93	8.86	Underperformer
39	Talwalkars Better Value Fitness Ltd	72.19	6.69	Outperformer
40	Nitesh Estates Limited	-48.70	7.06	Underperformer
41	Tarapur Transformers Limited	-71.80	7.00	Underperformer
42	Mandhana Industries Limited	38.50	10.34	Outperformer
43	SJVN Limited	-18.08	10.89	Underperformer
44	Jaypee Infratech Limited	-49.46	9.24	Underperformer
45	Parabolic Drugs Limited	-45.20	7.16	Underperformer
46	Technofab Engineering Limited	-45.27	3.21	Underperformer
47	Hindustan Media Ventures Limited	-19.73	2.63	Underperformer
48	Aster Silicates Limited	-80.51	1.67	Underperformer
49	SKS Microfinance Limited	-67.75	-7.06	Underperformer
50	Bajaj Corp Limited	-83.48	-9.76	Underperformer
51	Prakash Steelage Limited	68.50	-11.40	Outperformer

From the above table it can be understood that FY 2009-10 produced 13 Out-performers and 20 Under-performers while FY 2010-11 had 04 Out-performers and 14 Under-performers.

(TABLE 6) CORRELATION BETWEEN LISTING PRICE AND ISSUE PRICE DURING THE FY 2009-10

		Listing Price (Rs)	Issue Price (Rs)
Listing Price (Rs)	Pearson Correlation	1	.989**
	Sig. (2-tailed)		.000
	N	33	33

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

The above table infers a very strong positive correlation between listing price and issue price. Statistically, $r(33) = 0.989$, $p = .000$, thus it is proved to reject H_0 . Therefore a strong positive linear relationship exists between listing price and Issue price of IPOs.

(TABLE 7) CORRELATION BETWEEN LISTING PRICE AND ISSUE PRICE DURING THE FY 2010-11

		Listing Price (Rs)	Issue Price (Rs)
Listing Price (Rs)	Pearson Correlation	1	.992**
	Sig. (2-tailed)		.000
	N	48	48

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

Like the FY 2009-10, it is inferred that FY 2010-11 also displays a very strong positive correlation between listing price and issue price. Statistically, $r(48) = 0.992$, $p = .000$, thus it is proved to reject H_0 . Therefore a strong positive linear relationship exists between listing price and Issue price of IPOs.

(TABLE 8) TABLE DISPLAYING THE ASSOCIATION BETWEEN TOTAL TRADED QUANTITY ON LISTING DAY AND LISTING GAIN/LOSS CORRELATION FOR THE FY 2009-10

		Listing Gain/Loss	Total Traded Quantity on Listing Day
Listing Gain/Loss	Pearson Correlation	1	.163
	Sig. (2-tailed)		.364
	N	33	33

The above table interprets that there is a weaker correlation between total traded quantity on listing day and the resultant listing gain/loss. Statistically, $r(33) = 0.163$, $p = .364$, thus it is proved to accept H_0 . Therefore a weaker relationship exists between total traded quantity on listing day and the resultant listing gain/loss. In other words, volume of trading plays a negligible role in determining listing day gain/loss.

(TABLE 9) TABLE DISPLAYING THE ASSOCIATION BETWEEN TOTAL TRADED QUANTITY ON COMPLETION OF FIRST YEAR AND FIRST YEAR GAIN/LOSS CORRELATION FOR THE FY 2009-10

		First Year Gain/Loss	Total Traded Quantity on completion of first year
First Year Gain/Loss	Pearson Correlation	1	.052
	Sig. (2-tailed)		.775
	N	33	33

The above table interprets that there is a very weaker correlation between total traded quantity on completion of first year and the resultant first year gain/loss. Statistically, $r(33) = 0.052$, $p = .775$, thus it is proved to accept H_0 . In other words, volume of trading has no role to determine the ultimate gain/loss on completion of first year from listing.

(TABLE 10) TABLE DISPLAYING THE RELATIONSHIP BETWEEN TOTAL TRADED QUANTITY ON LISTING DAY AND LISTING GAIN/LOSS

CORRELATION FOR THE FY 2010-11

		Listing Gain/Loss	Total Traded Quantity on Listing Day
Listing Gain/Loss	Pearson Correlation	1	.095
	Sig. (2-tailed)		.520
	N	48	48

The above table interprets that there is a weaker correlation between total traded quantity on listing day and the resultant listing gain/loss. Statistically, $r(48) = 0.095$, $p = .520$, thus it is proved to accept H_0 . Therefore no relationship exists between total traded quantity on listing day and the resultant listing gain/loss.

(TABLE 11) TABLE DISPLAYING THE ASSOCIATION BETWEEN TOTAL TRADED QUANTITY ON COMPLETION OF FIRST YEAR AND FIRST YEAR GAIN/LOSS

CORRELATION FOR THE FY 2010-11

		First Year Gain/Loss	Total Traded Quantity on close of first year
First Year Gain/Loss	Pearson Correlation	1	.496*
	Sig. (2-tailed)		.036
	N	18 [@]	18

*. Correlation is significant at the 0.05 level (2-tailed).[@] Scrips that completed one year listing duration.

The above table interprets that there is a moderate correlation between total traded quantity on completion of first year and the resultant first year gain/loss. Statistically, $r(18) = 0.496$, $p = .036$, thus it is proved to reject H_0 . In other words, volume of trading plays a moderate role in determining gain/loss. Probably this could be possible due to the consideration of only 18 scrips.

LIMITATIONS OF THE STUDY

- The arrived outcome of this work is heavily dependent on the secondary data provided by NSE.
- This study concentrated only on the IPO issues made during the FY 2009-10 and FY 2010-11, and relevant information/data was processed based on availability and need.
- Follow-on Public issues made in the same duration are falling out of this study purview.
- Determination of gain/loss over various holding period was made on the basis of capital appreciation, and dividend yield was not considered.

CONCLUSION

It is a well-known fact that IPOs not only point to industrial growth but also reflect the confidence levels of investors in the market, trading system and on the overall performance. There are many reasons which affect the return on an IPO like the fundamentals of the company, management of the company, pricing of the issue, State of the Market, FII investment, and many other economic factors. Each of these factors differs from company to company and so does the returns. Many are jumping into this IPO foray just to make a killing on the day of listing. Thereafter market

participants are losing the steam and thereafter those scrips journey downwards, heavily supported by vanishing interest. This fact is witnessed very well on the trading volumes of those scrips now and earlier. Although in general market participants opines in favour of IPOs but it is without a valid proof. No doubt investment in IPO warrants careful thought and an in-depth, objective analysis.

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NPA Analysis of Public Sector Banks and Private Sector Banks (Sector wise)

* Dr. M. Sukanya

** S. Sirisha

ABSTRACT:

Several prudential and provisioning norms have been introduced, and these are pressurizing banks to improve efficiency and trim down Non Performing Assets (NPAs) to improve the financial health in the banking system. In the background of these developments, this study strives to examine the state of affair of the NPAs of the public sector banks and private sector banks in India. With this backdrop, the present treatise is an attempt to diagnose the sector wise NPAs of all domestic scheduled commercial banks. In light of this, The present research paper study was carried out to examine the trends in non-performing assets of priority sector and non priority sector of public sector and private sector banks and makes a comparison of public sector banks and private sector banks and further attempts to study the performance of nationalized banks, SBI group, old Private sector banks and new private sector banks by using data from the past ten years (2001 – 2010). The results indicate that the share of Non Priority Sector NPAs is more out of the total NPAs in case of Private Sector Banks during the period of study. The paper concludes that the public sector banks are in dominant position in terms of bring down their NPAs. Although there was a gradual decrease in the ratio of nonperforming loans to total loans for both public and private sector banks from 2001 to 2008, there has been a gradual increase from 2009 to 2010 and this increase is significantly higher for private sector banks over their public sector counterparts.

KEY WORDS : Non Performing Assets, public sector banks, Sector wise, Prudential Norms

INTRODUCTION

The recovery performance of commercial banks is the *sin qua non* for their liquidity of funds. Loan recovery is the main factor that determines the quality of loan assets of banks. Lower recovery indicates erosion of banks' profitability and blocking of bank credit to developmental projects of the area. The mounting over dues lead to high level of non-performing assets (NPA) and thereby deteriorate the asset quality. Thus, improving the quality of loan assets is the true test of improved efficiency of banking system. The importance of efficiency has assumed a critical significance for the viability of commercial banks in the liberalized era particularly in the backward regions of the country. The success of the commercial banks to maintain a healthy profit growth not only depends on the hardening of interest rate, which owes its origin to reduction in operational expenses, but also rests on improvement in their assets quality. The NPA of banks is an important criterion to assess the financial health of banking sector. It reflects the asset quality, credit risk and efficiency in the allocation of resources to productive sectors.

LITERATURE REVIEW

There have been many researches and studies on priority sector lending by banks in India. A brief review of these studies is highlighted in the following paragraphs to highlight the importance of the study

Ahmed (2005) in a diagnosis observed that commercial banks together have gradually increased the quantum of advances to small industries but the proportion in which total bank credit in priority sector has expanded, the relative share of small sector has not grown in the same ratio during the reform regime. The weak infrastructure facilities may have prevented the greater flow of credit. The industrial campaign, awareness programmes and industrial training to the prospective entrepreneurs from the appropriate authority may be the remedy in this respect. D. Naik (2003) opined that RBI feels that the banks have been neglecting their primary function of credit creation in favour of "narrow banking" for short-term gains. While this could be appropriate in times of easy liquidity, the macroeconomic performance of the banking system in the long term would hinge on its ability to fund industrial and other enterprises. The present article studies NPA's sector-wise and makes a comparison between public sector banks, old private sector banks, new private sector banks and foreign sector banks. Finally the article attempts to understand the relationship between NPA's and net-profit and total advances. Niranjana and Anbumani (2002) observed that there is anxiety among the bankers that the advances to priority sector resulted in a loss of interest income due to highly subsidized lending rates. In the context of enormous demand for funds for priority

*Dr. M Sukanya is Associate Professor, Sree Nidhi Institute of Science and Technology, Ghatkesar, Hyderabad

**S.Sirisha, Faculty, Warangal Institute of Management

sector, Shete, (2002) examined priority sector advances by PSBs during the post reform years and found that the PSBs are not able to reach the prescribed target of lending to priority sector. Sooden and Kumar (2007) analyzed the priority sector lending in the post reform period and suggested for a balanced approach as development agent and sustainability of directed lendings keeping in view the quantum of NPA in priority sector advances.

From the above review of earlier studies it is revealed that not many studies based exclusively on the NPAs of priority sector and non priority sector of banks. Most of the studies relate to the lending aspects of the banks and they were lacking in depth as well as in coverage. The present study is suggested in this background and an attempt has been made for a detailed analysis of sector wise NPAs.

RESEARCH METHODOLOGY :

Objectives of the study:

To understand the NPA's. Sector-wise and make a comparative study of NPA's sector-wise of public sector banks, and private sector banks.

To study the share of nationalized banks NPAs and SBI group NPAs in the public sector NPAs sector wise.

To identify the share of old private sector banks NPAs and new private sector banks NPAs in the private sector banks NPAs sector wise

Sources of data

The study is analytical in nature, and it is based on data available from the secondary published sources retrieved from Report on Trend and Progress of Banking in India

Data Analysis:

The data has been analyzed using percentage method and CAGR (Compound Annual Growth Rate)

Scope of the Study:

In order to have an in-depth idea of the issue, a reasonably suited period of 10 years commencing from 2000 -2001 to 2009-2010 has been considered for the study

Limitations of the Study:

The study is limited to the analysis of sector wise NPA's only and of only public sector banks and private sector banks

ANALYSIS AND INTERPRETATION OF NPAS ON THE BASIS OF SECTOR WISE:

Table 1
Sector wise comparative study between Public Sector Banks and Private Sector Banks
(Amount in Rs Crores)

Years	Priority Sector NPAs		Non Priority Sector NPAs	
	Public Sector Banks	Private Sector Banks	Public Sector Banks	Private Sector Banks
2001	24156.24	1834.71	27307.01	4452.26
2002	25139.34	2546.35	30251.5	9089.77
2003	24938.36	2445.4	26781.41	9326.52
2004	23840.33	2481.93	25697.75	7795.81
2005	23397.38	2188.46	23848.61	6569.03
2006	22373.74	2284.03	18663.99	5541.37
2007	22953.62	2884.18	15157.99	6352.51
2008	25286.67	3418.53	14163.14	9557.52
2009	24,318	3640	19251.0	13172.0
2010	30848	4792	25929	12592
CAGR	2.48%	10.08%	-0.52%	10.96%

Source: Report on Trend and Progress 2001-2010

-Nil / negligible

By seeing the above table we can analyse that public sector Banks is good than the Private Sector Banks in case of NPAs regarding both Priority and Non Priority Sectors during the study Period.

Table 2
Sector wise comparative study between Nationalised banks and State Bank Group
(Amount in Rs Crores)

Years	Priority Sector NPAs		Non Priority Sector NPAs	
	Nationalised Banks	State Bank Group	Nationalised Banks	State Bank Group
2001	16,277.89	8928.35	17,267.44	10,049.57
2002	16120.6	9018.75	20,145.74	10,105.41
2003	16885.52	8052.84	18,401.97	8,379.44
2004	16,704.78	7,135.55	17,894.78	7,802.97
2005	16,380.50	7,016.89	15,300.80	7,623.55
2006	15,123.92	7,249.83	12,845.35	5,818.64
2007	15,511.63	7,175.08	8,861.01	5,192.60
2008	16384.94	8901.73	7941.13	6222.01
2009	15871	8,447	10,001	9,250
2010	19,908	10,940	15283	10,646
CAGR	2.03%	2.05%	-1.21%	0.58%

Source: Report on Trend and Progress 2001-2010

The above table depicts that there is a marginal increase in priority sectors and a decrease in public sector NPAs whereas in the case of Non Priority Sector there is a decrease in nationalized banks and increase in state bank group.

Table 3
Sector wise comparative study between Old Private Sector banks and New Private Sector Banks
(Amount in Rs Crores)

Years	Priority Sector NPAs		Non Priority Sector NPAs	
	Old Private Sector Banks	New Private Sector Banks	Old Private Sector Banks	New Private Sector Banks
2001	1691.48	243.23	3,096.97	1,356.29
2002	1909.06	637.29	2,933.01	6,156.76
2003	1761.9	683.5	2,865.75	6,460.77
2004	1,801.90	680.03	2,590.90	5,204.90
2005	1,781.90	406.56	2,443.84	4,125.19
2006	1,631.55	652.48	2,078.33	3,463.04
2007	1416.15	1468.03	1552.36	4800.15
2008	1338.49	2080.04	1218.66	8338.86
2009	1233	2407	1839	11334
2010	1,613	3,179	1,999	10,594
CAGR	-0.47%	29.31%	-4.28%	22.82%

Source: Report on Trend and Progress 2001-2010

Nil / negligible

From the above table it is witnessed that during the period of study the old private sector banks NPAs were reduced in case of both priority Sector and Non Priority sector, whereas in the case of New Private sector banks the NPAs were increased in both the cases that is priority and non priority sector during the same period of the study.

Table 4 Share of Nationalised Banks priority Sector NPAs and State Bank Group priority Sector NPAs in the Total Public Sector Banks Priority Sector NPAs(Amount in Rs Crores)

years	Nationalised Banks	State Bank Group	public sector banks
2001	16277.89(64.58)	8928.35(35.42)	25206.24(100)
2002	16120.6(64.12)	9018.75(35.88)	25139.34(100)
2003	16885.52(67.71)	8052.84(32.29)	24938.36(100)
2004	16,704.78(70.07)	7,135.55(29.93)	23840.33(100)
2005	16,380.50(70)	7,016.89(30)	23397.38(100)
2006	15,123.92(67.60)	7,249.83(32.40)	22373.74(100)
2007	15,511.63(68.37)	7,175.08(31.63)	22686.71(100)
2008	16384.94(64.80)	8901.73(35.20)	25286.67(100)
2009	15871(65.26)	8,447(34.74)	24,318(100)
2010	19,908(64.54)	10,940(35.46)	30848(100)

Source: Report on Trend and Progress 2001-2010 , Figures in bracket indicates the percentage

The analysis of the table shows that the share of Nationalised banks priority sectors NPAs are more than the state bank group priority sector NPAs throughout the period of the study.

Table 5 Share of Nationalised Banks Non priority Sector NPAs and State Bank Group Non priority Sector NPAs in the Total Public Sector Banks Non Priority Sector NPAs (Amount in Rs Crores)

years	Nationalised Banks	State Bank Group	public sector banks
2001	17,267.44 (63.21)	10,049.57(36.79)	27317.01(100)
2002	20,145.74(66.59)	10,105.41(33.41)	30251.5(100)
2003	18,401.97(68.71)	8,379.44(31.29)	26781.41(100)
2004	17,894.78(69.64)	7,802.97(30.36)	25697.75(100)
2005	15,300.80(66.74)	7,623.55(33.26)	22924.35(100)
2006	12,845.35(68.82)	5,818.64(31.18)	18663.99(100)
2007	8,861.01(63.05))	5,192.60(36.94)	14053.61(100)
2008	7941.13(56.07)	6222.01(43.93)	14163.14(100)
2009	10,001(51.95)	9,250(48.05)	19251.0(100)
2010	15283(58.94)	10,646(41.06)	25929(100)

Source: Report on Trend and Progress 2001-2010

Figures in bracket indicates the percentage

The analysis of the table shows that the share of Nationalised banks Non priority sectors NPAs are more than the state bank group Non priority sector NPAs throughout the period of the study.

Table 6 Share of Old Private Sector Banks priority Sector NPAs and New Private Sector NPAs priority Sector NPAs in the Total Private Sector Banks Priority Sector NPAs(Amount in Rs Crores)

Years	Old Private Sector Banks	New Private Sector Banks	Private sector banks
2001	1691.48(87.43)	243.23(12.57)	1934.71(100)
2002	1909.06(74.97)	637.29(25.03)	2546.35(100)
2003	1761.9(72.05)	683.5(27.95)	2445.4(100)
2004	1,801.90(72.60)	680.03(27.40)	2481.93(100)
2005	1,781.90(81.42)	406.56(18.58)	2188.46(100)
2006	1,631.55(71.43)	652.48(28.57)	2284.03(100)
2007	1416.15(49.10)	1468.03(50.90)	2884.18(100)
2008	1338.49(39.15)	2080.04(60.85)	3418.53(100)
2009	1233(33.87)	2407(66.13)	3640(100)
2010	1,613(33.66)	3,179(66.34)	4792(100)

Source: Report on Trend and Progress 2001-2010

Figures in bracket indicates the percentage

From the above table, it is observed that old private sector banks have the highest share in total priority sector NPAs of private sector banks till the year 2006. Later on from the year 2007 it was the new private sector banks which had the highest share of priority sector NPAs.

Table 7 Share of Old Private Sector Banks Non Priority Sector NPAs and New Private Sector NPAs Non Priority Sector NPAs in the Total Private Sector Banks Non Priority Sector NPAs (Amount in Rs Crores)

Years	Old Private Sector Banks	New Private Sector Banks	Private sector banks
2001	3,096.97(69.54)	1,356.29(30.46)	4453.26(100)
2002	2,933.01(32.27)	6,156.76(67.73)	9089.77(100)
2003	2,865.75(30.73)	6,460.77(69.27)	9326.52(100)
2004	2,590.90(33.23)	5,204.90(66.77)	7795.81(100)
2005	2,443.84(37.20)	4,125.19(62.80)	6569.03(100)
2006	2,078.33(37.51)	3,463.04(62.49)	5541.37(100)
2007	1552.36(24.44)	4800.15(75.56)	6352.51(100)
2008	1218.66(12.75)	8338.86(87.25)	9557.52(100)
2009	1839(13.96)	11334(86.04)	13172.0(100)
2010	1,999(15.88)	10,594(84.12)	12592(100)

Source: Report on Trend and Progress 2001-2010
 Figures in bracket indicates the percentage

It is observed from the above table that the only during the year 2000 -2001 the Old Private Sector Banks had highest share of Non priority Sector NPAs out of the total NPAs .during the rest of the period of the study i.e., from 2001- 2002 to 2009 – 2010 the New Private banks had the highest share in the Non priority Sector NPAs out of the total private Sector Bank NPAs.

IMPLICATIONS OF THE STUDY

The study will be more beneficial for the bankers and policy makers to make some important decisions and to make policy measures to improve their performance. The study will be more helpful to the academicians and researchers for further study in this respect.

- New private banks, however, had substantial addition to their NPAs, reflecting the impact of merger
- The sharp rise in NPAs of non-priority sector was reflective of the slowdown in the economy and stressed financial conditions of corporate

FINDINGS AND RECOMMENDATIONS

- Between 2009 and 2010 Priority sector NPAs, which constituted little over half of the total NPAs of domestic banks up to 2008 had shown a steep decline in 2009 attributable primarily to the Agricultural Debt Waiver and Debt Relief Scheme of 2008. Between 2009 and 2010, however, the share of priority sector NPAs in general went up for domestic banks, partly a reflection of the impact of the financial crisis and the economic slowdown that had set in thereafter.

CONCLUSION

From the comparative analysis, it may be concluded that banks have managed its NPAs proficiently. The study observes that the prudential and provisioning norms and other initiatives taken by the regulatory bodies has pressurized banks to improve their performance, and consequently resulted into trim down of NPA as well as improvement in the financial health of the Indian banking system There was overall decline in the NPA's. The NPA's for public sector loans were least. The study finally concludes that banks were performing well in managing there NPA's. The main reasons could be attributed to prudential norms and RBI guidelines, securitizations and changes in law.

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Impact of Women Self Help Groups in Trichy District, Tamil Nadu

P. Murali

ABSTRACT

Microfinance is emerging as a powerful instrument for poverty alleviation in the new economy. In India, Microfinance scene is dominated by Self Help Group (SHGs)-Bank Linkage Programme as a cost effective mechanism for providing financial services to the "Unreached Poor" which has been successful not only in meeting financial needs of the rural poor women but also strengthen collective self help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now turned into an empowerment movement among women across the country.

Economic empowerment results in women's ability to influence or make decision, increased self confidence, better status and role in household etc. Micro finance is necessary to overcome exploitation, create confidence for economic self reliance of the rural poor, particularly among rural women who are mostly invisible in the social structure.

This paper puts forward how Self Help Group has received extensive recognition as a strategy for economic empowerment of women. This paper seeks to examine the impact of Micro finance with respect to poverty alleviation and socioeconomic empowerment of rural women. An effort is also made to suggest the ways to increase women empowerment.

INTRODUCTION

Women form a vital part of the Indian Economy, who constitute one third of the labour resource, and primary member contributing in the survival of the family. It is true that women form the backbone of agriculture sector, comprising the majority of agricultural labourers in India. Gender divisions in agriculture are stark with all activities involving manual labour assigned to women. While all operations involving machinery and drought animals generally performed by men. Female agricultural labourers are among the poorest sections of Indian society. Agricultural wages for women are on an average 30-50 percent less than those for men. The greater is dependence on women's income. Despite several progresses made since independence in the lives of women, a gender analysis of most social and economic data demonstrates that women in India continue to be relatively disadvantaged in matters of survival, health, nutrition, literacy and productivity.

India lives in her 6, 38,345 villages with 24 crore poor engaged in micro enterprises. As per the Government of India's Ministry of Micro, Small and Medium Enterprises (MSEs) Annual report 2008-2009, there are 133.68 lakhs (in number) micro enterprises in India. Poverty in India is widespread with the nation estimated to have a third of the world's poor. The credit needs and other financial services are provided to the rural masses in general and to the poor in particular through

the rural financial markets comprising an unorganized sector consisting of commission agents, moneylenders, landlords, etc., and an organized sector consisting of pyramid type cooperative credit institution – broadly classified into urban credit cooperatives and rural credit cooperatives.

In order to enlarge the flow of credit to the hard-core poor, NABARD launched a scheme of organizing them in self-help groups (SHGs) and linking the SHGs with banks, in 1992. The scheme is broadly on the pattern devised by Bangladesh Grameen Bank. Under the scheme, poor, preferably the women are organized in SHGs and banks financing these SHGs for on lending to poor are eligible for concessional refinance from NABARD.

There are three distinct modes to route the credit to micro enterprises. While under the first mode, banks lend directly to the SHGs for lending to micro entrepreneurs. Under the second mode, banks provide loans to the NGOs for on lending to the SHGs and ultimately to micro entrepreneurs. Under the third mode, banks extend credit to the SHGs with the NGO as facilitator.

Though the SHGs were started in 1997 in Tamil Nadu, the concept penetrated down only in recent years. Now there is a greater amount of socio-economic emancipation among the members of the SHGs. Hence there is a need for evaluating the social and economic impact of the SHGs on their members.

Among the various districts of Tamil Nadu, Trichy District occupies a predominant position in the starting of SHGs. In Trichy district the urban centers have more rural bias and the economic activities are more agro-based. Hence the SHGs have been formed for meeting the needs of industrial and agricultural activities. As on November 2008, there were 3.78 lakhs SHGs in Tamil Nadu with a membership of 60.63 lakhs.

The present study deals with the SHGs formed in Trichy district. The empirical findings of this study would pave the way for taking certain policy decisions for strengthening the SHGs and hence the study has been undertaken in Trichy district. Trichy district has an area of 4403.83 sq. kms as per 2001 census, it has a total population of 23, 88,831 of which male constitute 49.99 % and female population accounts for 50.01 %. The urban population is 46.65 % and the remaining 53.35 % is in rural areas.

STATEMENT OF THE PROBLEM

Poverty and unemployment are the twin problems faced by the developing countries. According to the Planning Commission more than one third of India's total population i.e. 320 million live below the poverty line. In India, the financial institutions have not been able to reach the poor households particularly women in the unorganized sector. Structural rigidities and overheads led to high cost in advancing small loans.

Experience in implementing different anti-poverty and other welfare programmes has shown that the key to success lies in starting appropriate community-based organizations with participation at the grass-root level. Moreover, the group approach may be one of the effective ways to reduce the difficulties of small businessmen and agriculturists. Motivating individual farmers, artisans and entrepreneurs to form small groups to pool their resources to handle selected operations may lead to a great success.

Peoples' participation in credit delivery and recovery and linking of formal credit institutions to borrowers through the SHGs have been recognized as a supplementary mechanism for providing credit support to the rural poor. The SHGs are informal groups formed on a voluntary basis, for providing the necessary support to their members for their social and economic emancipation. These groups are distinct from co-operative societies, mainly in terms of their size, homogeneity and functions. Non-Governmental Organizations play an important role in preparing the members by changing their attitude to participate in-group activities.

The NABARD is a pioneer in conceptualizing and implementing the concept of the SHGs through the pilot project of linking SHGs with banks. In 1992 the project was commenced throughout the country

through a set of well-defined guidelines with special reference to the objectives, criteria for selection of SHGs, size of group, assessment of credit needs, rate of interest, repayment period and security. Efforts were also made by NABARD to popularize the project among bankers and the NGOs by organizing a series of workshops and seminars at different levels. The response from banks and the NGOs was encouraging and positive.

The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their life in a sound hygienic environment and pursue a better living. The woman members involve themselves more in taking decisions regarding the education of their children, the investment of the family, managing the economic assets of the family and bringing up cohesion among the members of the family and others for a better living.

On the economic point of view both men and women work shoulder to shoulder to increase the income of the family. Every member of the SHGs has felt the need for more involvement in economic activities. The spirit for social and economic upliftment of members is the significant contribution of each and every SHG. There is a general tendency to consider the SHGs as a panacea for all the ills of the rural community. This is evident from mushroom growth of self help group in the states and also in Trichy District. In Trichy District, in the year 1998, the number of SHGs formed was 945. But in the year 2008 it was 18,773. In many cases it has been a blind replication of success models without considering the intricacies involved in group formation and sustainability. Hence the present study is undertaken to study the performance of SHG in Trichy district. Further an attempt is also made to evaluate the social and economic benefits accruing to the members of the SHGs.

OBJECTIVES OF THE STUDY

The objectives of the present study are as follows: To analyse the genesis and development of SHGs in Trichy District; To evaluate the performance of the sample SHGs in Trichy District selected for the study; To analyse the changes in the social conditions of the members of the self-help groups; To measure the impact of the SHGs on the economic development of the members; To analyse the attitude of the members of the SHGs towards economic impact, social impact, psychological impact and political impact; and To offer suggestions to improve the working of the SHGs.

SCOPE OF THE STUDY

The present study attempts to examine the socio-economic impact of the SHGs on the beneficiaries. It

examines how far the programme has helped in raising the incomes and levels of living of the rural poor women and in enabling them to cross the poverty line. The present study is from the standpoint of the SHGs and their members.

HYPOTHESES

The hypotheses framed are: there is no significant difference in the performance of SHGs and tenure of existence, literacy level of the leader and size of membership of the groups; there is no significant difference in the social and economic condition of the members before joining SHGs and afterwards; and there is no significant difference in the perception scores of the different groups of members and social factors and the attitude of the members.

METHODOLOGY

The present study is based on both primary and secondary data. The primary data were collected through two interview schedule, one for SHGs and another for SHG's members. The secondary data were collected from books, journals, websites and records of Mahalir Thittam Office, Trichy. The data were collected from 180 self help groups and 540 members through interview schedule. The collected data were analyzed by applying the statistical tools like Mc Nemar test, Sign test, chi-square test and Kolmogorov-Smirnov test.

FINDINGS

An attempt is made to analyse the performance of SHGs in Trichy district and social and economic impact on members of SHGs.

In order to measure the performance of SHGs in Trichy district, various factors such as homogeneity, regularity in conducting the meetings, regularity in attendance, role of NGOs in meetings, repayment performance, decision on financial transactions, utilization of common fund, increased rate of savings, awareness of rules and regulations, and maintenance of accounts have been taken into account. It is found that 63% of SHGs conducted meeting once in a week. There was more NGO participation. The performance of repayment is better in all groups. 80% of the loan is utilized for productive purposes. The savings performances of SHGs are up to the mark. All the members of SHGs availed training facilities provided by the Mahalir Thittam. The books of accounts are properly maintained. Further it is found that there is significant difference in performance scores among the different groups in conduct of meeting, regularity in attendance, participation of NGOs in meeting, repayment performance, decision on financial transactions, utilisation of common fund and

training. But there is no significant difference in the performance scores among the different groups obtained indicators such as homogeneity, share of production loan to total loan, increased rate savings, awareness of rules and regulations and maintenance of books of accounts. It is also found that there is no influence of the tenure of existence of the SHGs on performance. But the literacy level of leader and the size of the membership of the SHGs influence the performance of SHGs.

To assess the social impact of the SHGs on its members, first the socio – economic factors of the members are studied. Then social issues like self confidence, awareness of social evils, behavioral changes, change in education level, access to amenities and political participation also discussed. It is found that association with SHGs encompasses a large cross section of people with self – confidence. Association with SHGs increases the helping tendency. The membership in SHGs gave importance to woman in family decision. It is also found that

there is a significant shift in the level of communication, which might be due to association with the SHGs. SHGs create awareness among members on the social evils. The study also shows that there is a positive impact of SHGs on members in resisting social evils. It is interesting to note that all the members of SHGs avail all the social living amenities in the urban and rural areas to the fullest level possible. It is inferred that 96.1% of members have shown their interest in contesting elections after joining the SHGs.

The economic impact of the SHGs on the members have been analysed in terms of their level of savings, amount of borrowings, creation of assets, employment generation, income generation, poverty level and expenditure pattern. It is found that after joining SHGs, the awareness level of savings increased. There is a paradigm shift from loans borrowed for consumption purposes to productive purposes after association with SHGs. It is found that the SHG programmes have positive effect on alleviation of poverty. The consumption expenditure of the members has increased after becoming members of SHGs. The Composite Index of standard of living shows that the impact of micro credit encompassing economic as well as social aspects was relatively more pronounced on the social aspects than on the economic aspects.

The perception of the sample respondents regarding the economical impact, social impact, psychological impact and political impact shaped by the SHGs has been analysed with the help of a scaling technique. It is found that the perception of the sample members on social impact occupies first place followed by psychological impact, economical impact and political impact. It is also found that the four categories of impact are equally important. Chi-square test was used to

explore relationship between personal variables and the perception of impact. It is found that the age, occupational pattern, marital status and community influences the perception of members on the nature of the impact. On the other hand, the level of literacy had no influence on perception of members of the impact of the SHGs.

SUGGESTIONS

Based on the above findings, the following suggestions are made.

- 144 (75.8%) sample SHGs are purely depending upon the NGOs in financial decision making process. In the inception period, the NGOs are forming and giving necessary training to SHGs. After some period, they have to give the freedom to think and work especially in decision making process. The financial decisions are to be taken by all the members unanimously. Hence, it is suggested that the necessary skills with regard to financial decision making may be inculcated to the members of SHGs. In this regard, a financial literacy and credit counseling centre may be opened in every district with suitable financial experts, bank officials etc. This credit counseling centre may give the suitable training to all the members of SHGs in the field of financial management.
- The study shows that 62.1% of SHGs are formed in rural panchayats, 18.11% in town panchayats, 29.29% in municipal areas. As the SHGs are playing a crucial role in alleviation of poverty, steps may be taken on war footing basis to form more number of SHGs not only in rural but also in municipal and corporation areas in Namakkal District. In this regard, the state Government may consider giving preference to uncovered areas for promoting the SHGs.
- Mahalir Thittam Office, Trichy has arranged more number of training for the members of SHGs to start their own economic activities. The training was given only on the conventional or traditional business activities. Apart from this, only half of the respondents have received training and orientation for capacity building. These training programmes were attended by some members only. Overall, the training programmes have not been useful to the participants. It is suggested that training on innovative economic activities by using the resources in and around the district may be given to the SHGs members. The training in the areas such as vermicelli making, beautician training, training on bakery unit may also be given. For this purpose, Entrepreneurship development cell in the district, resource persons from small scale sectors, private ventures may also be properly used. And chances should be given to all members by rotation to attend the training programmes. In this way the SHGs can able to know the innovative ideas for income generating activities and all the members can develop their skill.
- Only 8 groups have recorded as poor repayment performance of loan in the district.
- It is suggested that incentives may be given for prompt repayment. This will catch the attention of the groups to repay the loan. Further, suitable advice may also be given the members of SHGs for prompt repayment of loan.
- Among the sample only 35.78% (68) of SHGs are increased their savings less than 20%. Hence, it is suggested that motivational campaign may be conducted for inculcating saving habit in the minds of the members. The campaign should give the exposure of savings, its future benefits, how the savings of members are utilized for rotation among the members, how the amount of groups' savings form a base for getting government sponsored scheme for income generating activities and the benefits to the individual member.
- It is found that among the sample 40 (21.05%) SHGs are faced the problem of delay in sanctioning the loan. It is suggested that the bank should visit SHGs and grade them based on their quality. The grading system and format is already approved by NABARD. If needed, banks can outsource the task of grading the SHGs to third party to expedite the sanctioning of loan. Further, the loan applications of SHGs should not be delayed beyond 15 days. Banks can fix a day for transactions of SHGs. The formalities while opening the SHG accounts in banks and while advancing loan to them should be minimum and procedures should be simplified. There should be uniform format for account opening and loan applications across banks. It is also suggested that necessary instructions may be given to the authorities and bank officials to avoid the delay in sanctioning the loan and to respond the queries of SHG members.
- It is observed that 17.89% (34) of SHGs were faced the problem of administrating the affairs of its business. It is suggested that suitable administrative training to all the members of SHGs should be given or at least the animators and representatives of the groups may be given administrative training initially, then the same may be given to the members gradually. Further, Extension participation programme may be arranged with extension agencies for the SHGs to visit their business houses to know the functions and its administration. And also this extension

participation programme will create awareness and skills of the business.

- It is also observed that 22 sample (11.57%) SHGs were faced the problem of in adequate loan amount. Loan amount is one of the basic components to start an activity and also women can be financially sound when loan amount is given sufficiently. Loan amount should be increased to the extent that they can take up an income generating activity.
- Majority (92.45%) of the members said that they could sign after joining the SHGs. Only 2.63% of the members are completed their XII standard. Education plays a crucial role in administering the affairs of the business. Hence, it is suggested that adult education system may also be adapted to the members of SHGs to upgrade their educational status.
- The development of a nation is vested on the shoulders of both men and women. Now a days the women self help groups are playing a predominant role in the eradication of poverty among the rural poor. It is suggested that the SHG concept for men is not adopted in the study area. If this has been implemented, the youth especially unemployed can be benefitted and they can also involve themselves in the process of poverty eradication.

CONCLUSION

The new millennium has thrown many challenges subjecting many nations to undergo transformation cutting across their established tradition and culture. New issues have to be addressed to effect social and economical progress of our nation. The most important one is women's empowerment through Self-help groups. SHGs have undoubtedly begun to make a significant contribution in poverty alleviation and empowerment of poor, especially women in rural areas of our country. Women are the vital infrastructure and their empowerment would hasten the pace of social development. Investing in women's capabilities and empowering them to achieve their choices and opportunities is the definite way to contribute to economic growth and overall development. The empowerment of rural women leads to benefit not only to individual women and women groups, but also to the families and the community as a whole. The present study is an attempt to analyses the socio-economic development of members and the performance of SHGs in Trichy district. The performance of SHGs was good. The greater percentage of women were impacted positively by being members of SHGs. Women's participation in

SHGs enabled them to discover inner strength, gain self confidence, social, economical, political and psychological empowerment and capacity building. If the aforesaid suggestions are carried out by the authorities concerned, the SHGs will improve in Trichy District.

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Work Life-Balance In Selected Private Banks With Reference To Aurangabad Region

Sonali Ramesh Kshirsagar

ABSTRACT:

You can pay workers to work, but you can't pay them to love it. Rick Bayan, Rick's Notebook: "Work" (August 2000), at The Cynic's Sanctuary website. Yes it is very true as Work is an unavoidable part of our day to day life and source of our bread and butter. If we take an average we daily expend around 12-13 hours in the work spot which is one third of our whole life. It has a great impact on overall quality of life. One of the main aspects which affect a good quality of work life is the Work Life balance of an employee. It is the opportunity for individuals to balance their homes and work lives. It is also been said "Balance in your life between work and your personal life is very important. Without balance, you eventually burnout negatively affecting your performance at work." Byron & Catherine Pulsifer, What Are the Benefits to Me, which means that if work life balance of an employee is disturbed, it leads to disturbance in personal life and disturbance in personal life eventually affects the employee performance at work? Despite the fact that work-life conflict has significant business costs associated with lack of engagement, absenteeism, turnover rates, low productivity and creativity or poor retention levels, the importance of Work life balance was overlooked by most of the organizations in the past. Now there have been a progressive increase in considerations in work life of an employee in the work spot but there is still a lot to improve in work life environment This paper examines the various issues of employees' work-life balance in selected private banks of Aurangabad region and suggest some measures to improve Work life Balance that will give new dimensions to the management in terms of improved quality and quantity of work which can retain not only the existing skilled man power but also attract juvenile and potential talent.

KEYWORDS: work life Balance, Stress & Flexibility.

INTRODUCTION:

You can pay workers to work, but you can't pay them to love it. Rick Bayan, Rick's Notebook: "Work" (August 2000), at The Cynic's Sanctuary website. Yes it is very true as Work is an unavoidable part of our day to day life and source of our bread and butter. If we take an average we daily expend around 12-13 hours in the work spot which is one third of our whole life. It has a great impact on overall quality of life. One of the main aspects which affect a good quality of work life is the Work Life balance of an employee. It is the opportunity for individuals to balance their homes and work lives. It is also been said "Balance in your life between work and your personal life is very important. Without balance, you eventually burnout negatively affecting your performance at work." Byron & Catherine Pulsifer, What Are the Benefits to Me, which means that if work life balance of an employee is disturbed, it leads to disturbance in personal life and disturbance in personal life eventually affects the employee performance at work. Despite the fact that work-life conflict has significant business costs associated with lack of engagement, absenteeism, turnover rates, low productivity and creativity or poor retention levels, the importance of Work life balance was overlooked by most of the organizations in the past. Now there have been a progressive increase in considerations in work

life of an employee in the work spot but there is still a lot to improve in work life environment. For future commercial sustainability, organizations need to ensure they not just encourage but mandate a practical and workable work/life balance policy, benefiting and meeting the needs of both the organization and its employees. And importantly, organizations not providing real opportunity for employee work Life balance are opening themselves up to increasing numbers of dissatisfied and unproductive employees and hence increased attrition rates. Merely creating a work life policy framework is not enough; fostering an organizational culture that supports the use of available Policies are also of great importance.

2. OBJECTIVES:

- 1.To understand the issues regarding the work life-Balance in banking industries with reference to Aurangabad region.
2. To suggest the measures to improve work life-Balance in banking industries.

3.SIGNIFICANCE/ SCOPE OF THE STUDY:

Quality of work life encompasses varied aspects and has broad scope. The research will be helpful in understanding the current position of the banks, which in turn will be applicable to all the organizations

wherever the human resource is needed. The study of QWL is having following importance in the Banking Sector:

- 1) A satisfied employee will give better output, make good decision and positively contributes to the organizational goals and objectives.
- 2) It will give new dimensions to the management in terms of improved quality and quantity of work.
- 3) The study will be helpful to ensure a good quality of work life which can retain not only the existing experienced man power but also attract young and budding talent.

The areas identified that will be benefitted most out of this research are:

- a) Service industries. E.g.: banking, finance, insurance, stock exchange etc.
- b) Academia

4. LITERATURE REVIEW:

1. Concept of Work Life Balance

V S Rao on December 6, 2007; Life is like a game and an individual has to play with work, family, health, friends and spirit. Work is like a rubber ball. If dropped it will bounce back but the other four aspects family, health, friends and spirit are made of glass. Assuming one of these are dropped they will be irrevocably scuffed, marked, nicked, damaged, or even shattered. They will never be the same. One must understand that and strive for balance in life.

Industries have realized the importance of the above. Organizations are setting up policies for maintaining a work life balance. They are going in for innovative methods to keep their employees happy and satisfied, as it makes office a better place to work and also positively impact productivity. The concept of work-life balance (WLB) is not a new but with the changing pace of life and increase in stress levels, negatively affecting the quality of work, has made many organizations think about the strategies for maintaining a work life balance.

There is a strong link between work life balance policies and reduced absenteeism, increased productivity and job satisfaction. Other benefits include improved recruitment and retention rates with associated cost savings, a reduction stress, greater levels of job satisfaction and loyalty and an improved corporate image.

Hudson; The case for Work life balance; 20:20 series. Work life balance is generally associated with equilibrium, or maintaining an overall sense of harmony in life. The study of work life balance involves the examination of people's ability to manage simultaneously the multi-faceted demands of life.

4.2 A Balance of Family, Life and Work

In recent years, the term 'work/life balance' has replaced what used to be known as 'work/family balance'. Although the concept of family has broadened to encompass extended families, shared parenting, same-sex relationships and a wide range of social and support networks and communities, the semantic shift from work/family to work/life arises from a recognition that care of dependent children is by no means the only important non-work function. Other life activities that need to be balanced with employment may include study, sport and exercise, volunteer work, hobbies or care of the elderly. 'Eldercare' in particular is becoming a growing issue for employers.

4.3 Why Balance Has Become More Difficult

The 1990s saw an increase in the number of working women, dual-earner and single-parent families, sandwich employees and employees who had responsibility for eldercare. During this decade employers downsized, right sized and restructured, job insecurity increased for many and time in work rose. At the same time, technological change blurred the boundary between work and family.

As noted below, each of these factors can be linked to increased work-life conflict.

4.4 Stress and work-life balance

The number of stress-related disability claims by American employees has doubled according to the Employee Assistance Professionals Association in Arlington, Virginia. Seventy-five to ninety percent of physician visits are related to stress and, according to the American Institute of Stress, the cost to industry has been estimated at \$200 billion-\$300 billion a year.

Steven L. Sauter, chief of the Applied Psychology and Ergonomics Branch of the National Institute for Occupational Safety and Health in Cincinnati, Ohio, states that recent studies show that "the workplace has become the single greatest source of stress". Michael Feuerstein, professor of clinical psychology at the Uniformed Services University of the Health Sciences at Bethesda Naval Hospital states, "We're seeing a greater increase in work-related neuro skeletal disorders from a combination of stress and ergonomic stressors".

It is clear that problems caused by stress have become a major concern to both employers and employees. Symptoms of stress are manifested both physiologically and psychologically. Persistent stress can result in cardiovascular disease, sexual health problems, a weaker immune system and frequent headaches, stiff muscles, or backache. It can also result in poor coping skills, irritability, jumpiness, insecurity, exhaustion, and difficulty concentrating. Stress may also perpetuate or lead to binge eating, smoking, and alcohol consumption.

4.5 What Can Be Done by the Employer to Reduce Work-Life Conflict?

The employer can intervene to reduce all three dimensions of work-life conflict: perceived flexibility, ability to refuse overtime, and supportive management.

4.5.1 Increase Flexibility

Employees who have greater work time and work location flexibility (i.e., find it easier to vary when they work, where they work, interrupt their work day and return, take holidays when they want, arrange their work schedule to meet personal and family commitments) report lower levels of role overload, work to family and family to work interference, even when hours of work are controlled for. In other words, employees with more flexibility can work longer hours without feeling overloaded and that work and non-work roles conflict with each other. Perceived flexibility seems to have the greatest positive effect on work to family interference, perhaps by allowing employees to better co-ordinate their work and non-work lives.

4.5.2 Increase the Number of Supportive Managers

Employees who work for a supportive manager – one who is a good communicator, focuses on output rather than hours, demonstrates respect for employees and supports their career development are better able to balance work and family than those who work for a non-supportive manager. Having a supportive manager helps employees cope with all three aspects of work-life conflict.

4.5.3 Make It Possible for Employees to Refuse Overtime

Employees who can refuse overtime are better able to balance work and family demands. Whereas the ability to refuse overtime is associated with reduced role overload, this form of control really affects the extent to which an employee experiences high role interference (either works to family or family to work). The data would suggest that allowing employees some control over their overtime hours appears to be a particularly effective way of reducing high role interference, perhaps because it makes it possible for employees to schedule family time and deal with unexpected events. It should be noted that employees with supportive managers are significantly more likely to feel that they can refuse overtime work than are their counterparts with non-supportive managers.

4.5.4 Make the Work Environment More Supportive

An organization's culture also appears to play a role in an employee's ability to balance work and family. Employees who perceive that their organization promotes an environment that supports balance, has policies in place that are supportive of work-life balance, and encourages the use of supportive policies report lower role overload (RO) and lower work to

family and family to work interference than their counterparts who work in organizations without these values. While these aspects of the culture have positive benefits on all three dimensions of work-life conflict, they have their most positive impacts in the area of role overload. The organization's culture around "face time" and hours at work also has a large impact on all three dimensions of work-life balance. Employees who believe that they will not advance if they cannot work long hours, that family responsibilities make it difficult to advance, and that it is not acceptable to say no to more work report higher levels of all three types of work-life conflict. Employees who work for organizations whose culture focuses on hours not output (i.e., who believe they cannot say no, feel advancement is linked to hours) are more likely to experience more problems.

5. RESEARCH METHODOLOGY:

5.1 Sample Design:

The data is generated with the help of the selected samples from the study area which is considered representative of the whole universe.

5.1.1 Universe: Private Banks in Aurangabad region & its employees

5.1.2 Sample unit: (Area) Aurangabad region. Employees of selected private bank branches

5.1.3 Sample size: 20 employees of total selected bank branches

5.1.4 Sampling procedure: Convenience Random Sampling

5.2 data collection:

To complete this study the primary as well as secondary source of information is used.

5.2.1 Primary data:

The primary data was collected from the employees of selected private banks from the Aurangabad region. The method of data collection was survey method for which structured Questionnaire was prepared.

Data collection Method: 1) Survey -Structured Interviews

Survey Method: Questionnaire

5.2.2 Secondary Data:

Secondary data was collected from relevant national journals, report, magazines & books from libraries, published & unpublished thesis and websites.

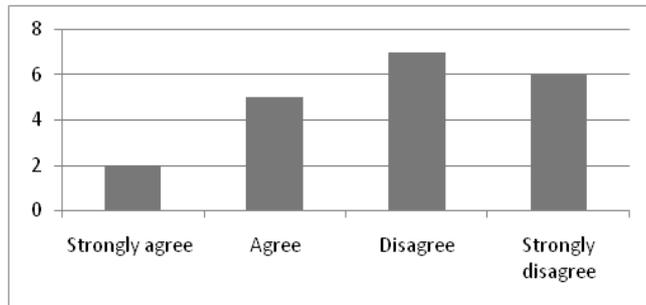
6. DATA ANALYSIS/ FINDINGS:

The data was first classified and analyzed. The paper mainly focuses on the issues regarding the work life Balance in banking industries with reference to Aurangabad region. Firstly we discuss the current issues of Work Life Balance faced by the bank employees in Aurangabad region with the help of analyzed

questionnaire. The figures below shows the total number of responses in y-axis and the x-axis shows the options selected by the respondents.

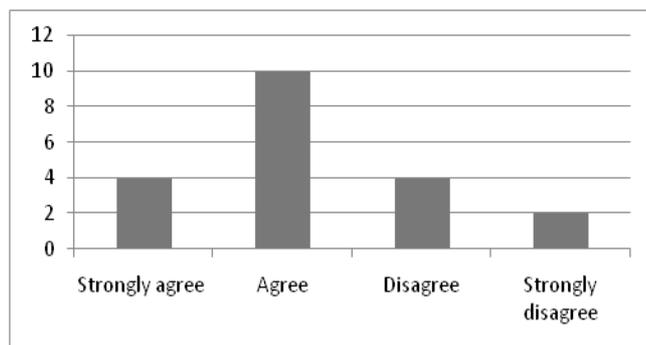
1. I spend as much time as I'd like with my loved ones.

Strongly Agree	Agree	Disagree	Strongly disagree	
	2	5	7	6



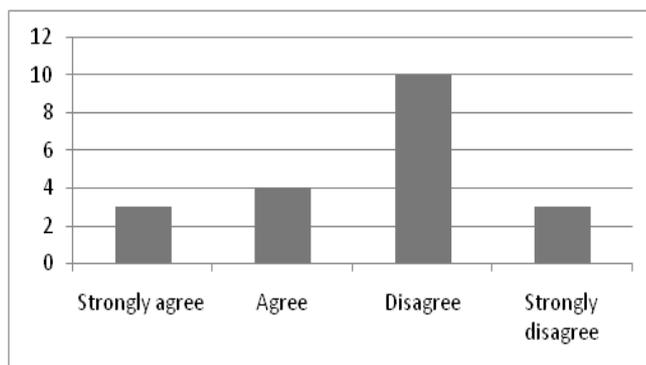
2. My job makes me feel tired to do things that need my attention at home.

Strongly agree	Agree	Disagree	Strongly disagree
4	10	4	21



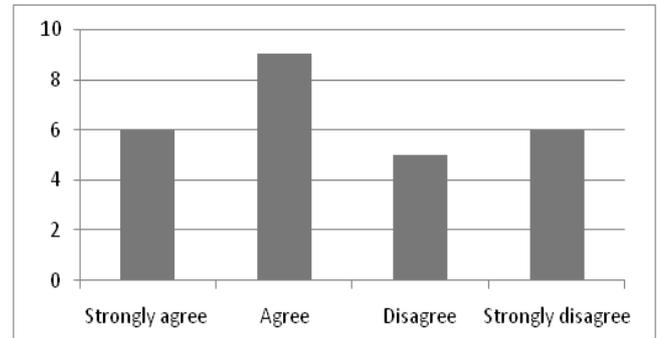
3. In a working day I spend some time on the ousehold activities & preserving my Hobbies.

Strongly agree	Agree	Disagree	Strongly disagree
3	4	10	3



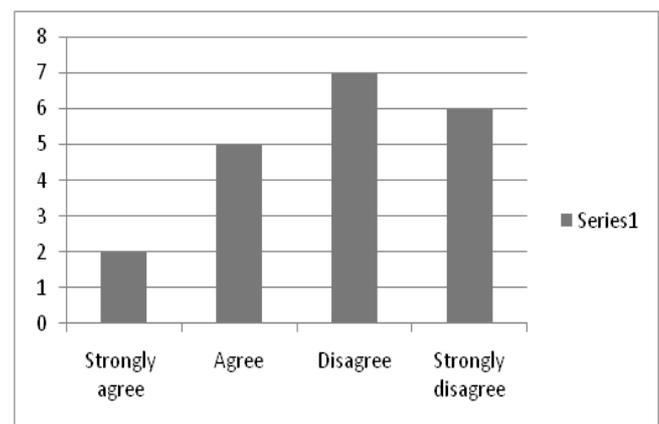
4. My family is frequently upset with me about how much time I spend working.

Strongly agree	Agree	Disagree	Strongly disagree
6	9	5	6



5. My organization provides some work life balance programs.

Strongly agree	Agree	Disagree	Strongly disagree
2	5	7	6



7. CONCLUSION:

You've achieved success in your field when you don't know whether what you're doing is work or play (William Martin, p. 213, 2004). Yes very correctly said that when you love your work which you are doing and there is no indisposition for you to do that work then and then only you can achieve success. It is also very true that you cannot achieve success without the cooperation of the organization in which you work. The study reveals that the work overload, non flexibility, unbalanced work life and unbalance family life are some of the problems of human resources in the specified region. Below are some of the suggestions to overcome the problems of human resources:

1. Suggestions:

1. Employees with more flexibility can work longer hours without feeling overloaded and that work and non-work roles conflict with each other.

2. Increase the Number of Supportive Managers helps employees cope with all three aspects of work-life conflict.
3. Increase employee's sense of control, and focus on creating a more supportive work environment
4. Allowing the employees control over their overtime hours appears to be a effective way of reducing high role interference, because it makes it possible for employees to schedule family time and deal with unexpected events.

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Knowledge Management: Driving Force for organizations in today's competitive environment

* Prof. Pratibha Giri

* Prof. Reeva Verma

Abstract

Knowledge Management attempts to manage the process of creation or identification, accumulation, and application of knowledge across an organisation. It is the introduction of some new tools, new methods, new processes and new strategies that enabled us to think, for the first time, very differently about knowledge, and how to make some substantial improvements in the way we manage knowledge, as individuals, teams, organizations, and between organizations. It attempts to bring under one set of practices various strands of thought and practice relating to the knowledge worker, knowledge economy, organisations becoming a learning organisation. Various enabling technologies such as knowledge bases and expert systems, help desks, intranet, extranet etc.

The ability of an organization to compete in the global village is defined by its ability to manage its knowledge and knowledge workers. Knowledge management has become an important issue in all type of organizations and industries. It is being said that only those organizations that are able to create a culture for knowledge management will be able to survive and grow in near future.

World has no boundaries today, and in this era of globalization changing technology requires adaptation at a breathtaking rate. Knowledge management is a new branch of management with its focus on the management of change, uncertainty and complexity. With this tool, organisation can achieve developmental results, increase organizational flexibility, can create desire and motivation among workforce and can retain talent also which is the major concern of today's organisations.

This paper highlights the issues about knowledge management which acts like a key force in a business organisation and explains how knowledge acts as a driving force for the success of organizations in today's competitive environment.

Key Words: Knowledge Management, Expert System, Globalization, Adaptation, Driving force, Competitive.

INTRODUCTION

Knowledge is a fluid mix of framed experiences, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knower. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices and norms. Knowledge Management (KM) refers to a range of practices used by organisations to identify, create, represent, and distribute knowledge for reuse, awareness and learning across the organisation. Knowledge Management programs are typically tied to organisational objectives and are intended to lead to the achievement of specific outcomes such as shared intelligence, improved performance, competitive advantage, or higher levels of innovation.

It is an approach to managing thoughts, insights, ideas, lessons learnt, best and worst practices, experiences made available, etc. Managing this knowledge requires that knowledge is captured where it is created, shared

between people and applied in business processes. If the culture allows and encourages it, and if technology supports it, then learning will happen. Currently, 85% of organizations said their ability to strategically manage knowledge is weak, 80% said hiring, evaluation, and compensation practices do not take knowledge into account, and 70% believe knowledge assets can fuel growth - both revenue and core competencies. KM has become embedded in the policy, strategy, and implementation processes of worldwide corporations, governments, and institutions. Doubling in size from 2001, the global KM market has been projected to reach US\$8.8 billion during this year. Likewise, the market for KM business application capabilities such as CRM (Malhotra, 2004a) is expected to grow to \$148 billion by the next year. KM is also expected to help save \$31 billion in annual re-invention costs at Fortune 500 companies. The broader application context of KM, which includes learning, education, and training industries, offers similarly sanguine forecasts. Annual public K-12 education is

estimated at \$373 billion dollars in US alone, with higher education accounting for \$247 billion dollars. In addition, the annual corporate and government training expenditures in the US alone are projected at over \$70 billion dollars.

The key to change and growth is awareness, sharing ideas and coming up with new and innovative ways of staying ahead of the competition.

In the twenty first centuries and the knowledge society, the business landscape is changing rapidly. Survival and success depends entirely on the Organisation's ability to adjust to the dynamics of the business environment. Changes in information technology have generated gaps in access and control of information and knowledge.

What is Knowledge Management

"Knowledge Management is the discipline of enabling individuals, teams and entire organisations to collectively and systematically create, share and apply knowledge, to better achieve their objectives"

Ron Young, CEO/CKO Knowledge Associates International Knowledge Management is newly emerging, interdisciplinary business model that focuses on knowledge within the frame work of an organisation. There are several definitions of knowledge management. Awad (2003) has described Knowledge Management as a "systematic process for capturing and communicating knowledge people can use". Knowledge Management acts something like a library in that it not only provides a repository for written information on a given subject but it also tries to make available to the organisation as a whole the knowledge that is in peoples head.

Horwitch and Armacost (2002) KM is the creation, extraction, transformation and storage of the correct knowledge and information in order to design better policy, modify action and deliver results.

Several definitions and concepts of knowledge management explain that knowledge management is a combination of people, technology and process as shown in the figure-1, (Awad, 2003). The overlapping part in the figure contains several integral parts using accessible knowledge of outside source embedding and storing it in business process, products and services, documenting and storing knowledge, promoting its growth through organizational culture, transferring and sharing knowledge and assessing its value.

knowledge and information have become the medium in which business problems occur. As a result, managing knowledge represents the primary opportunity for achieving substantial savings, significant improvements in human performance, and competitive advantage.

Dimensions of Knowledge Management **Personal Knowledge Management**

A number of organizations have implemented a KM strategy for personal knowledge management. This is a 'bottom up' approach and comes from the belief that by improving the personal ability of employees to better identify, capture, store, share and apply their personal knowledge this will inevitably result, as an automatic outcome, in better knowledge management at the team, organizational, and inter-organizational levels.

The other driver for personal knowledge management is the growing need, for many individuals and organizations, to better tackle 'information overload' and make more sense of our world, to develop more focus, to become more proactive in task prioritization and decision making, to better manage time and projects. This also comes from the realisation that this will reduce stress, increase personal creativity and productivity, and lead to greatly improved work-life balance. The strategies, methods and tools used for this dimension are at the personal level, and include methods and tools to personally capture, learn, interpret, envision, analyze, synthesize, communicate, create, share and apply.

Team Knowledge Management

A number of organizations have implemented a KM strategy for team knowledge management. This is an approach that comes from the realisation that teams are 'the key knowledge work units' or knowledge engines of the organization.

It has been recognized that a team that 'collaborates' well transfers knowledge between members much faster, and, as importantly, is a powerful creator of new knowledge. Project team leaders can now produce new knowledge as a key deliverable, as well as, and alongside the traditional project deliverables.

Team knowledge management, therefore, is based on 'Share' or 'Pull' models of information and knowledge transfer, as opposed to the overused 'Send' or 'Push' models that create information overload. It is also based on team knowledge plans.

As with personal knowledge management, team knowledge management has been greatly accelerated by mobile, wireless and web-based tools communication and collaboration tools.

Organizational Knowledge Management

This approach is primarily a 'top down approach'. It starts by identifying the key knowledge assets, or critical knowledge assets of the organization that are needed to achieve its objectives, and then sets out to develop and leverage those assets as fast as possible.

To do this, the organization sets up an organization-wide infrastructure to enable the identification, capturing, storing, sharing and applying of knowledge, retention and the re-use of knowledge assets.

Powerful organizational knowledge systems and tools are used to support these organization-wide knowledge activities, including intranets, knowledge portals, taxonomies, collaborative work spaces, locators

- Changes in strategic direction may result in the loss of knowledge in a specific area.
- Products and services are increasingly complex, endowing them with a significant information component.

Objectives of Knowledge Management

- The foremost aim of Knowledge Management is empowering employees who are the internal customers of an organization. The employees are empowered by sharing knowledge, replicating knowledge, getting recognized and getting rewarded.
- Standardized process with minimal variation.
- Improving cost efficiency through storage of required knowledge.
- Innovative services using the past experience and the content. Replication allows people to spend time on 'real innovations'.

Model of Knowledge Management

The communication model by Maurer Tochtermann in Figure 2 clearly illustrates in which way KM goes beyond (distributed) information systems and databases. Figure 2 shows a group of people exchanging knowledge with one another, whereby a large portion of this knowledge is exchanged over a networked computer system (this being asynchronous, i.e. time-delayed, as well). Each of the arrows 1 through 7 has the following particular meaning attached to it: Arrow 1 shows that people exchange knowledge directly with one another, e.g. during coffee breaks, on business trips, over the telephone, etc. It is this type of exchange that the organizational side of knowledge management is mainly concerned with and will not be handled further in this paper. Arrows 2 through 4 symbolize the different ways that information is put into the KM system, while arrows 5 and 6 indicate that there are at least two ways for knowledge to be delivered from the KM system to the users. More precisely, arrow 2 symbolizes the explicit input of information in the system and arrow 3 symbolizes the implicit input. It should be noted that the gathering of this information and knowledge occurs as a by-product of other activities that are carried out, i.e. new knowledge is created within the KM system without additional work being required. Arrow 4 signifies that a KM system is also able to "systematically" generate information by observing users. Arrow 5 symbolizes the traditional querying of information in an information system or database. Users enter explicit queries and receive the corresponding answers from the KM system, which can be anything from fragments of

information to large coherent documents, such as manuals, books or teaching modules. Perhaps even "more interesting" is arrow 6, which symbolizes that a KM system can act on its own to deliver knowledge to the user, even without an explicit request. Finally, arrow 7 symbolizes that a KM system is able to generate new knowledge out of existing knowledge.

Figure 2 illustrates quite clearly the differences between classical information systems (databases) and KM systems. Taking away the arrows 3, 4, 6 and 7 away, then what is left is the exact model of a classical information system. Thus, the question of whether KM systems are really different from classical information systems depends on whether the behavior symbolized by arrows 3, 4, 6 and 7 is actually feasible. The answer to this question will be answered affirmatively in the following sections. KM for Organizations, depicted in Figure 2, can also stand for KM for Archives, if arrows 1 and 3 are ignored. This confirms the previous statement that attention can be focused on KM for Organizations since KM for Archives is included within it by definition.

Knowledge management approaches

The term "knowledge management" is now in a widespread use and there are, of course, many ways to categorize the multi-disciplinary knowledge management. In a posting to the Knowledge Management Forum, Karl-Erik Sveiby identified two "tracks" of knowledge management:

Management of Information: To researchers in this track, according to Sveiby, "... knowledge = Objects that can be identified and handled in information systems."

Management of People: For researchers and practitioners in this field, knowledge consists of "... processes, a complex set of dynamic skills, know-how, etc., that is constantly changing."

Sveiby's characterization is on target, but it may not capture the important distinctions in approaches to organizational knowledge management.

At *Knowledge Praxis*, we have adopted a three-part categorization: (1) mechanistic approaches, (2) cultural/behaviouristic approaches, and (3) systematic approaches to knowledge management.

Mechanistic approaches to knowledge management

1. It is characterized by the application of technology and resources to sheer volume of information will make it work. The main assumptions of the mechanistic approach include:

2. Better accessibility to information is a key, including enhanced methods of access and reuse of documents (hypertext linking, databases, full-text search, etc.)
3. Networking technology in general (especially intranets), and groupware in particular, will be key solutions.

Cultural/behaviouristic approaches to knowledge management

With the substantial roots in process re-engineering and change management, it tends to view the “knowledge problem” as a management issue. Technology — though ultimately essential for managing explicit (recorded) knowledge resources — is not the solution. These approaches focus more on innovation and creativity i.e. “learning organization” than on leveraging existing explicit resources. Assumptions of cultural/behaviouristic approaches include:

1. Organizational behaviours and culture need to be changed... dramatically else our information-intensive environments, organizations become dysfunctional relative to business objectives.
2. Organizational behavior and culture can be changed, but traditional technology and methods of attempting to solve the “knowledge problem” have reached their limits of effectiveness. A “holistic” view is required.
3. It is the process that matters, not the technology.
4. Nothing happens or changes unless a manager makes it happen.

• **Systematic approaches to knowledge management**

These approaches to knowledge management retain the traditional faith in rational analysis of the knowledge problem i.e. the problem can be solved, but new thoughts and ideas of many kind are required. Systematic approaches show the most promising and positive cumulative impact, measurability, and sustainability.

• **Knowledge Management as a Growth Driver in an Organisation**

Knowledge management provides the process and structure to create, capture, analyze and act on information. It highlights the conducts to knowledge, as well as the bottlenecks. Now the knowledge is taking the place of capital (intellectual capital) as the driving force in organisation world wide. Knowledge management not only answers the critical question of survival of organisations but also induces growth by providing a cutting edge over others. Whether to minimize loss and risk improve organisational efficiency or embrace innovation, knowledge management efforts and initiatives add great value to an organisation.

Foster Innovation: Knowledge management induces innovation by encouraging free flow of ideas. By sharing knowledge an organisation creates exponential benefits from the knowledge as people learn from it. Knowledge management processes induces greater encouragement for learning and sharing of knowledge

to build skills sets in the most valuable assets of organisation i.e. employees , which leads to growth of over all organisation.

Improved customer service & efficiency: Knowledge management helps in improving customer services by streamlining the response time. Adopting knowledge management leads to improved ways of customer service which enhances the organisations image in the competitive. Employees are able to access compiled subject customer reference and resource files available either directly through the system or from CD- ROMs available to all offices. Employees are enabled for responding quickly to customer in this manner.

Boosts Revenue: Knowledge Management improves the revenue by getting the products and services faster in the market. Today technology has enabled companies to reengineer the ways to do business.

Building Sensitivity to Brain-Drain (retention): How does the firm replace expertise when it retires, resigns or simply leaves? More and more companies realize the importance of managing and pressuring expertise turnover. Knowledge management tries to enhance employee retention rates by recognizing the value of employee’s knowledge and rewarding them for it’. Knowledge management creates the environment that will motivate existing personnel and appeal to potential recruits. It supports higher levels of understanding that tacit knowledge and the implicit skills are key resources. Smart managers strive to ensure the right match between various vocational needs (achievement, ability utilization, recognition etc.) of their knowledge workers and the requirements of their jobs for worker satisfaction and retention in the organisation.

Reduction of Cost: Knowledge management reduces the cost by eliminating redundant and unnecessary processes for higher productivity. Knowledge management adoption leads to improved ways of supporting people through the provision of appropriate processes and information.

Knowledge Management used as Key Driver for Success: Some Examples

Most of the giant players like to Infosys, HCL, Wipro, Philips used to give a lot of value their intellectual asset or knowledge workers. There are some examples as follows:

- **Hewlett-Packard**- by sharing expertise already in the company, but not known to their development teams, now bring new products to market much faster than before.
- **Texas Instruments** – by sharing best practice between its semiconductor fabrication plants saved the equivalent of investing in a new plant.
- **Dow Chemical** – by focusing on the active management of its patent portfolio have generated

over \$125 million in revenues from licensing and other ways of exploiting their intangible assets.

- **Skandia Assurance** – by developing new measures of intellectual capital and aiming their managers on increasing its value have grown revenues much faster than their industry average.
- **BP** – by introducing virtual teamwork using videoconferencing have speeded up the solution of critical operation problems.
- **Hoffman La Roche** – through its right first time programme has reduced the cost and time to achieve regulatory approvals for new drugs.
- **HLL** - by adopting measures like building communities of practice (CoP), IT interventions, culture change initiatives ,a system of reward and recognition for collaborative team effort, training and performance development practices.

Success mantras for an effective Knowledge Management Company

The basic but open secrets termed as the mantras for the company to become an effective knowledge management company are namely, 1) Culture 2) Knowledge Management Organization 3) Strategy, System & Infrastructure , 4) Effective & Systematic processes 5) Measures

Based on the above factors ,the following facts could be added for the future requirements to ensure KM initiatives to succeed:

- High priority given to the initiative at the very top of the hierarchy;
- Well developed and co-ordinated communications plan for the initiative;
- Strong involvement of staff in the reform;
- Establishment of incentives to share knowledge;
- Allocation of sufficient financial resources;

The success of the initiative is ultimately determined by sufficient combination of the above mention factors and their incorporation within the line of Organization.

Implementation Measures for Facilitating Knowledge Management

- Instead of the traditional emphasis on controlling the people and their behaviors by setting up pre-defined goals and procedures, they would need to view the organization as a human community capable of providing diverse meanings to information outputs generated by the technological systems.
- De-emphasize the adherence to the company view of ‘how things are done here’ and ‘best practices’ so that such ways and practices are continuously assessed from multiple perspectives for their alignment with the dynamically changing external environment.

- Invest in multiple and diverse interpretations to enable constructive conflict mode of inquiry and, thus, lessen oversimplification of issues or premature decision closure.
- Encourage greater proactive involvement of human imagination and creativity to facilitate greater internal diversity to match the variety and complexity of the wicked environment.
- Give more explicit recognition to tacit knowledge and related human aspects, such as ideals, values, or emotions, for developing a richer conceptualization of knowledge management
- Implement new, flexible technologies and systems that support and enable *communities of practice*, informal and semi-informal networks of internal employees and external individuals based on shared concerns and interests.
- Make the organizational information base accessible to organization members who are closer to the action while simultaneously ensuring that they have the skills and authority to execute decisive responses to changing conditions.

Roadblocks to adoption of Knowledge Management

There are many barriers on the individual, organizational levels some of the barriers related to organizational aspects are observed as follows :

- **Top Management Involvement** : In a dynamic, turbulent and uncertain environment, members of the top management in an organization get busy managing and exploiting marketing opportunities in the global village. When top management does not invest enough time in educating organizational members, they can not institutionalize values and norms and create organizational culture. In the absence of any culture building initiatives from the top management, knowledge workers also become market focused and try to maximize their payoffs for the knowledge they have.
- **Cross-functional Ownership**: A good KM system should help an organization deliver what its markets and its customers require. Hence it should have strong linkages with organizational strategies. The HR department should be actively associated with its design and management. Information and network technology should be effectively utilized for knowledge sharing and knowledge generation. Thus different functional specialists should be involved in designing and managing the KM system. However, organizations are usually pressed for time and do not create process to institutionalize cross-functional ownership for the KM system. In the absence of multi-functional involvement and ownership, KM systems do not deliver what is expected of them.

- **Obstructive Organizational Structure:** In hierarchical organizations, information flow from lower to higher levels is hindered. Hierarchies limit the contributions of people at lower levels in knowledge sharing. Interestingly, even in flatter organizations, knowledge sharing did not occur easily. It has been observed that knowledge workers were reluctant to learn from and share their knowledge with their colleagues.
- **Lack of Pull for KM System:** An organization may initiate a KM system without defining what is useful or essential knowledge for its employees. Having created a KM system, and under pressure to show results, the concerned authority may deposit whatever knowledge is easily available rather than ensuring that only relevant knowledge is incorporated in the KM system. When organizational members find that the knowledge in the system is not relevant, they lose the motivation to use it again.
- **Dysfunctional Reward System :** Organizations are increasingly using big discretionary rewards to motivate their employees for excellent performance. This makes every person in the organization mindful of the decisive performance criteria, which again leads to organizations using performance criteria that are tangible, visible, involving short duration and which appear to be objective. Some of the KM processes being long-drawn, subjective and not easily measurable, such performance criteria and reward systems become dysfunctional for knowledge generation and knowledge sharing. Similar findings were reported by other studies on knowledge transfer. Ernst and Young found that culture was the biggest barrier to knowledge transfer (54%). The other major factors that were perceived to be barriers to knowledge transfer were top management failure to signal importance (32%), lack of shared understanding of strategy of business model (30%), organizational structure (28%), and lack of ownership of the problem (28%).

- **Conclusion**

The value of knowledge is derived from the value of the decisions with which it is associated. The measurement of knowledge management success is therefore related to improved decision making and the achievement of objectives. Some measures may be objective; others may be more subjective such as attitude surveys among stakeholders. The biggest challenge is to change the mindset of the

people regarding the importance of knowledge sharing compared to just retaining it. It is challenging really to convert the culture from believing that knowledge is power to believing that knowledge sharing is power. This dramatic contrast change is not at all easy to establish and therefore would require a constant training and development of human resources of the organisation in all spheres.

Knowledge Management is helping all managers to establish knowledge resource management as part of their toolkit. So implementation of knowledge management in the organisation will lead to better appreciation and expression of the skills required and available, improved ways of supporting people through the provision of appropriate processes and information, greater encouragement for learning and sharing of knowledge to build skill sets, higher levels of understanding that tacit knowledge and the implicit skills are key management resources, creating the environment that will motivate existing personnel and appeal to potential recruits. We are in a knowledge revolution. Knowledge has replaced other sources of production as the main source of wealth creation. The traditional sources of competitive advantage are fading away and are being copied easily, knowledge management has emerged as the source of sustainable competitive advantage. Francis Bacon has said that "Knowledge is power, But mere knowledge is not power; it is only possibility. Action is power; and its highest manifestation is when it is directed by knowledge."

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Figure 1: Knowledge Management Factors

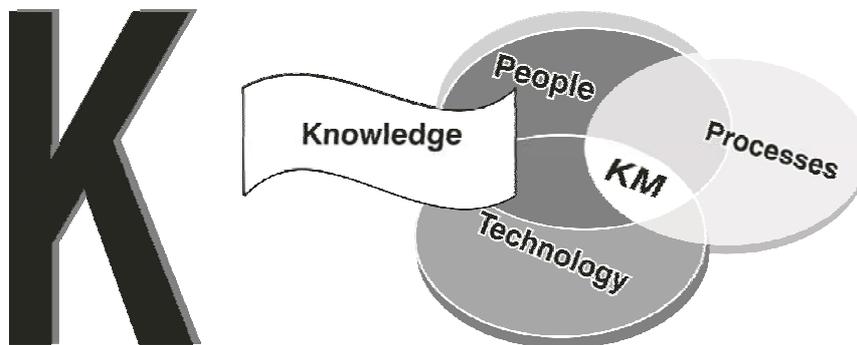
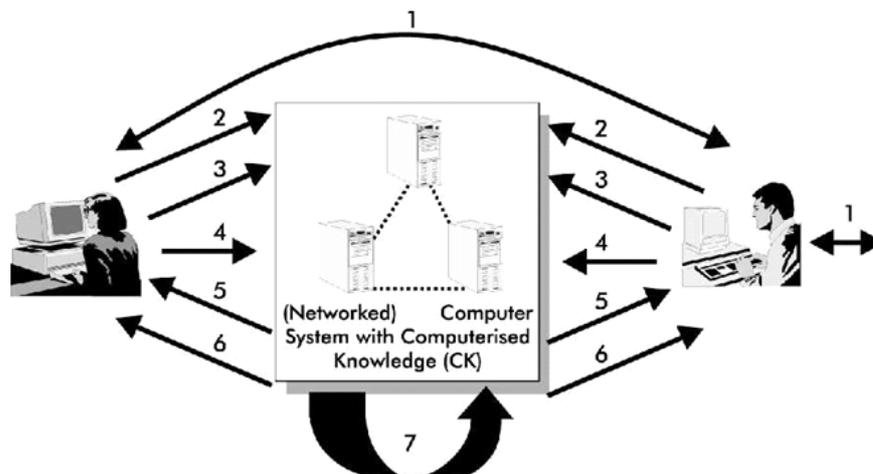


Figure 2: Communication Model of Knowledge Management by Maurer Tochtermann



Women Empowerment Through Self Help Groups - An Analytical Study Of Entrepreneurial Development

Dr. A. V. Hemalatha

ABSTRACT

The present economic system stressed the necessity for a move that emphasises the involvement of both men and women who constitute somewhat equal proportion of total population. Of course, there are women who could demonstrate high feats and bring glory in their lives as well as to the nation. However majority of women who reside in rural areas are destined to be poor and continued to be in a state of vulnerability and deprivation in many parts of the country. The need for bringing them to the forefront of economic process is thus essential for a growth oriented process. A novel approach of formation of groups of persons especially women, named as Self Help Groups (SHGs) introduced in the country during 80's known as micro finance works with the main focus on economic welfare based on the principle of self help and mutual help. The present study is an attempt to examine the nature and working of SHGs in Kerala and assessing the benefits enjoyed by women in terms of empowerment and entrepreneurial competence by joining as members in SHGs.

The study is designed as descriptive cum analytical. Both primary and secondary data are used in the study. The socio economic conditions, level of empowerment and the extent of entrepreneurial competence achieved by women are analysed by framing relevant variables. The collected data are processed and analysed by using statistical tools like percentages, weighted average, and Kendall's coefficient of concordance, Chi-square test and Analysis of Variance. For assessing the level of empowerment of members, a comparison was made with the position of non members of SHGs. The study revealed that members are far ahead of non members in the level of empowerment and entrepreneurial competence.

Key words : Empowerment, Micro finance, Homogeneous class of women, Self Help Groups, Entrepreneurial Competence, Micro enterprises.

INTRODUCTION

Empowerment of women entails a social process that signifies the participation of both male and female in the development arena of the economy. The present economic system stressed the necessity for such a move as both constitute somewhat equal proportion of total population. History reveals that there are women who could demonstrate high feats and bring glory in their lives as well as to the nation. However majority of women who reside in rural areas are destined to be poor and continued to be in a state of vulnerability and deprivation in many parts of the country. The need for bringing them to the forefront of economic process is thus essential for a growth oriented process.

Women in Kerala show a lead in terms of social indicators of development like literacy rate, human development index and gender development index compared to women of other Indian states. But these achievements have not been adequately reflected in the standard of living of the rural women in Kerala. They suffer from financial difficulties for meeting their day today requirements. Thus credit is needed for creating a resource base and to give relief to satisfy their

requirements. Banks and other financial institutions hesitate to lend money to women, since they lack assets to offer as securities and due to the apprehension on prompt repayment.

A novel approach facilitating credit requirements to the poor on easy terms, called as Microfinance was introduced in the country following the footsteps of Prof. Muhammed Yunus, a great reformer in Bangladesh who successfully practiced the system of credit to the poor through 'Grameen Bank of Bangladesh'. This movement named as micro credit or micro finance through SHG approach works with the main focus on economic welfare based on the principle of self help and mutual help. The system works with the formation of small groups of persons especially women, named as Self Help Groups (SHGs) joining together voluntarily and making use of the thrift collected from among them. Micro finance has made a positive impact on the quality of life of millions of poor people by providing greater access to credit, savings, insurance, transfer remittances and other financial services which would otherwise be unreachable to them.¹ (Soundarapandian. M, (2005).

Significance of the study

Prevalence of many government programmes and policies that are exclusively meant for women, has not contributed much in improving their socio economic condition. Formation of homogeneous groups of women named as SHGs endeavours as a potential forum for orienting the women folk and for building awareness and capacity to work and develop. Membership in SHGs helps them to inculcate saving habit and to have access to resources for meeting their requirements. So the need for promoting SHGs as a device for empowering women and developing entrepreneurial competence appears as a momentous measure for effectuating requisite change in the existing status. The present study assumes significance against this background, as it concentrates on examining the nature and working of SHGs in Kerala and assessing the benefits enjoyed by women in terms of empowerment and entrepreneurial competence by taking membership in SHGs.

Objectives of the study

1. To examine the nature and working of Self Help Groups in Kerala.
2. To analyse the extent to which members of Self Help Groups achieved social, economic and political empowerment when compared to non members.
3. To analyse the extent to which members of Self Help Groups attained entrepreneurial competence in establishing micro enterprises compared to non members.
4. To examine the problems faced by women in establishing and maintaining micro enterprises.

Hypothesis

1. There is significant difference between the extent of empowerment achieved at the individual level and at the group level.
2. SHG members are socially, economically and politically better empowered than non members.
3. Inadequate finance is the most dominant of the problems in establishing and running of micro enterprises.
4. SHG members are entrepreneurially more competent than non members.

Data source and Methodology

The study is designed as descriptive cum analytical. Both primary and secondary data are used in the study. Primary data is collected with the help of a well structured and pre-tested questionnaire. The socio economic conditions, level of empowerment and the extent of entrepreneurial competence achieved by women are analysed by framing relevant variables.

Multi stage random sampling method was adopted for the selection of sample. Since, the study is Kerala based and to give representation to the whole state, six districts were selected for the study. Two districts were selected on random sampling basis from each of the three parts, namely, southern, central and northern region. Districts selected are, Thiruvananthapuram and Alapuzha from southern region, Idukki and Trissur from central region, Wayanad and Kannur from northern region. From each district, 25 SHGs promoted by NGOs are selected. On an average 16 members are found in the selected groups and 25 percent of this average is taken as sample. From each SHG, four members are selected on random basis, constituting 600 members. A peer group consisting of 240 non-members with similar socio-economic status as that of members of SHGs was taken from the study area on purposive sampling basis, for comparative assessment.

Tools of analysis

The collected data are processed and analysed by using statistical tools like percentages, weighted average, and Kendall's coefficient of concordance, Chi-square test and Analysis of Variance. Software package Statistica and Micro Soft Excel are used for analysis.

Findings of the study

A. Functioning of Self Help Groups

- NGOs with their dedicated social service constitute the major motivators for women in all regions to start SHG. They continue to provide necessary support and assistance. A few are self motivated and some are motivated by banks.
- Prime motivation for starting the group is the consideration of members to the principle of self help and mutual help which forms the basis of group approach
- Participation of entire members is the practice followed by 57.3 per cent of the groups and majority of the members attend the meeting in the case of 64 (42.7 %) groups.
- Thrift collected from members of the group is deposited in a savings account opened in the name of the group in a local bank. Average annual savings of the sample groups figure to 14304.36 and standard deviation 11093.39.
- The mean value of total asset holdings of the group is 53193.93 with standard deviation 28244.79.
- Majority (84%) of the groups receives assistance from external agencies like local government, banks and agencies like CAPART in the form of financial assistance, training facilities and developmental support, thereby adding strength to their efforts.
- Majority (82%) of the groups gets repayment of loan from members in time, a default is caused

occasionally in some cases (15.3 %) and a low of 2.7 per cent experiences irregularity in repayment.

- Some of the groups (23.3%) have to face competition from nearby groups as they take up the same line of activities without proper market study. This appears as a practice to be discouraged.
- Groups take up enterprising activities like trading business, small enterprises, cultivation of agricultural products.
- The perception of the group leaders about the level of empowerment achieved at group level varies significantly in comparison to the opinion of members of the group regarding their individual empowerment.

B. Measuring Empowerment

- A higher level of economic empowerment is displayed by members compared to non members. Region wise analysis reveals significant difference in the level of empowerment between regions.
- The extent of political empowerment achieved by members of SHG when compared to non members is significant. The level of political empowerment of respondents shows insignificant variation among regions.
- Members achieve a higher level of social empowerment when compared to non members. Region has no influence upon the level of social empowerment among the respondents.
- Measuring the degree of empowerment validates an improvement in the empowerment level of members than non members. The level of overall empowerment achieved by members of SHG is higher compared to non members.

C. Entrepreneurial competence

- Majority of the members expressed their confidence to start small enterprises with the competence they acquired through membership in SHG.
- Majority of them could earn profit from the units, since they are producing goods based on ready demand and lower incidental expenses were involved in the process.
- The degree of competence achieved by members of SHG remains at an average position in the case of 71.83 percent of members.
- Majority (90 per cent) of members expressed their confidence to initiate ventures and 68 per cent attended various training on group related activities, as low as 40 per cent could engage in entrepreneurial activities.

Recommendations

1. SHGs should ensure the participation of entire members in their meeting. The meeting should be arranged considering the opinion of all members, to enable total participation.
2. The practice of dividing the common fund when accumulated into a larger amount by some of the groups should be discouraged. In fact the amount should be channelized for productive investment.
3. Proper guidance and education in the utilization of fund should be given by the NGOs to the groups for better performance in sustenance.
4. Effective monitoring through frequent interaction and monthly review of performance should be practised by the NGOs for the growth and sustainability of SHGs.
5. Encouragement and assistance should be given by the authorities, like NGOs and Government agencies to those groups which have the initiative to start enterprises. While lending money by the group, members should be encouraged to invest the whole amount or at least a part of it for establishing income generating activities.
6. Necessary support and assistance needed for starting enterprises should be imparted to the group and NGOs should take efforts to raise the groups to a level of self managed entity.
7. Members should be given intensive training in motivation, leadership, group dynamics, women empowerment schemes, sensitization of gender issues, welfare programmes, accounting and entrepreneurship.
8. Efforts should be taken by the promotional institutions like NGOs and NABARD to help the group members to tackle the problems encountered while establishing units.
9. Women of younger age should also be encouraged to take membership in SHG, with a motive of building confidence of younger generation for better performance in life and society.
10. Members should be encouraged to follow a practice of saving money in their own name and to gradually acquire assets including mortgaged properties.
11. Members should be inspired to take up income generating enterprises to have own income for sustenance and for timely repayment of loan.
12. A few members still depend on money lenders for satisfying their financial needs. NGOs with the co operation from SHG members should jointly work in each locality for the elimination of money lenders from their locality.
13. Multiple memberships in groups should be discouraged. The dangers of having more amount of debt burden from more than one SHG will create adverse effect in the long run.

14. Efforts should be there from the part of all members with a positive mindset to reach at higher levels of empowerment in respect of social, political and economic spheres. NGOs should assume the role of motivators towards the programme.
15. Awareness about the benefits and success of the SHG system should be created among poor women so that they are also motivated to take membership in SHGs and ultimately become the beneficiary of group approach.

Micro finance as a strategy for empowering women in Kerala has acquired considerable significance over the past few years. SHG system offers benefits like provision of hassle-free finance, awareness generation, knowledge dissemination and assistance for establishing income generating activities. The need of the hour is to strengthen the system with all possible support and assistance from all corners of the economy. Still more expectation rests on the system for furthering the development arena.

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ANNEXURE

Table 1.1
Authority that Gave Motivation to Start the Group

Region	Motivating agencies			Totals
	Bank	NGO	Self	
North	3(6)	45(90)	2(4)	50(100)
Central	2(4)	43(86)	5(10)	50(100)
South	0(0)	46(92)	4(8)	50(100)
Total	5(3.3)	134(89.3)	11(7.4)	150(100)

Source: Survey data
Values in parentheses denote percentages

Table 1.2
Scores of the Motivation to Start the Group

Reason	Rank					Total	Weighted Score
	I	II	III	IV	V		
Self help and mutual help	85(56.67)	29(19.33)	21(14.00)	12(8.00)	3(2.00)	150 (100.00)	631
Good relation with neighbors	20(13.33)	67(44.67)	35(23.33)	21(14.00)	7(4.67)	150 (100.00)	522
Use of locally available resources	0(0.00)	3(2.00)	25(16.67)	35(23.33)	87(58.00)	150 (100.00)	244
Economic independence	19(12.67)	24(16.00)	40(26.67)	40(26.67)	27(18.00)	150 (100.00)	418
To develop saving habit	26(17.33)	27(18.00)	29(19.33)	42(28.00)	26(17.33)	150 (100.00)	435

Source: Survey data
Values in parentheses denote percentage

Table1.3
Annual Savings of the Group

Region	Number	Mean (Rs)	SD	F	p-level
North	50	16735.35	11076.22	3.575082	0.03002
Central	50	11945.36	10843.08		
South	50	12740.39	10823.9		
Total	150	14304.36	11093.39		

Source: survey data

Table 1.4
Value of Assets held by the Group

Region	Number	Mean (Rs)	SD	F	p-level
North	50	56777.19	28243.38	2.443086	
Central	50	45084.17	26714.61		
South	50	54078.34	28600.09		
Total	150	53193.93	28244.7		

Source: survey data

Table 1.5
Group Participation in Social Development Programme

Region	Village Cleaning	Road Road Construction	Awareness Seminar	Anti-drug Campaign	Women development programme
North	49 (98)	43 (86)	50 (100)	20 (40)	41 (82)
Central	27 (54)	7 (14)	25 (50)	13 (26)	19 (38)
South	50 (100)	19 (38)	44 (88)	25 (50)	34 (68)
Total	126 (84)	69 (46)	119 (79)	58 (39)	94 (63)

Source: Survey data (Values in parentheses denote percentages)

Table 1.6
Comparison of Empowerment Scores between Group and Members

	Number	Mean	SD	F	p-level
Group	150	55.70	5.60	19.9966	0.0000089
Member	600	52.24	10.02		
Total	750	53.05	9.30		

Source: Survey data

Table 1.7
Source of Loan of Non Members and
Members before and after becoming Member in SHG

Source	Non member		Before becoming a member		After becoming a member	
	No.	%	No.	%	No.	%
Bank	74	30.8	214	35.7	160	26.7
Friends/ Relatives	26	10.8	82	13.7	12	2.0
Money lenders	40	16.7	239	39.8	9	1.5
No loan	100	41.7	65	10.8	0	0
Self help group	-	-	-	-	419	69.8
Total	240	100	600	100	600	100

Source: Survey data

Table 1.8
Economic Empowerment of Respondents

Region	Member		Non-Member		F	P
	Mean	SD	Mean	SD		
North	19.47	1.93	15.21	2.07	265.83	0.0000
Central	19.95	1.76	15.75	2.15	286.74	0.0000
South	19.95	2.03	15.79	2.16	231.47	0.0000
Total	19.79	1.92	15.58	2.14	770.94	0.0000

Table 1.9
Political Empowerment of Respondents

Region	Member		Non-Member		F	P
	Mean	SD	Mean	SD		
North	10.20	2.29	6.38	2.03	169.56	0.0000
Central	10.35	2.36	6.36	1.76	186.68	0.0000
South	10.61	2.51	6.14	1.42	225.74	0.0000
Total	10.39	2.39	6.29	1.75	580.22	0.0000

Source: Survey data

Table 1.10
Social Empowerment of Respondents

Region	Member		Non-Member		F	P
	Mean	SD	Mean	SD		
North	71.17	9.82	46.99	8.82	366.82	0.0000
Central	72.20	10.21	50.83	6.89	296.47	0.0000
South	73.33	9.81	46.91	6.74	487.61	0.0000
Total	72.24	9.97	48.24	7.73	1120.27	0.0000

Source: Survey data

Table 1.11
Measuring Overall Empowerment

Region	Member		Non-Member		Total		F	P
	Mean	SD	Mean	SD	Mean	SD		
North	100.84	12.09	68.57	11.33	91.62	18.81	421.4406	0.0000
Central	102.50	12.73	72.94	7.74	94.05	17.65	375.5187	0.0000
South	103.90	12.88	68.84	8.16	93.89	19.72	510.5345	0.0000
Total	102.42	12.61	70.12	9.39	93.19	18.76	1287.745	0.0000

Source: Survey data

Table 1.12
Entrepreneurial Competence

Region	Member		Non-Member		F	P
	Mean	SD	Mean	SD		
North	33.74	6.18	19.61	5.07	329.21	0.0000
Central	33.68	6.66	19.35	4.24	318.08	0.0000
South	36.21	6.33	18.69	2.71	570.03	0.0000
Total	34.54	6.49	19.22	4.13	1151.25	0.0000

Source: Survey data

Integrated Wasteland Development Programme, Rajnagar, Jharkhand:

A Successful Initiative

* Dr. Ritesh Dwivedi

** Priyanka Singh

Abstract

At present, approximately 68.35 million hectare area of the land is lying as wastelands in India. Out of these lands, approximately 50% lands are such non-forest lands, which can be made fertile again if treated properly. It was unprotected non-forestlands, which suffered the maximum degradation mainly due to the tremendous biotic pressure on it. In the last 50 years it is India's lush green village forests and woodlots have been deforested to the maximum. It is precisely to restore this ecological imbalance by developing the degraded non-forest wastelands.

Integrated Wasteland Development Project, launched by Government has been implemented properly in block Rajnagar, distt. Saraikela & Kharsawan, Jharkhand; this could be easily realised after seeing the improvement in all the concerned villages; man-days have been increased leading towards increase in income which has improved the economic condition of the villagers. Villagers were having enough but partially cultivable land but now most of their land has been converted into agricultural land which has supported villager's socio-economic development. The SHGs formed under IWDP have helped the women a lot, due to these groups they learned to discuss socio-economic issues relevant at village level and had also developed the habit of saving money. In given circumstances and challenging scenario, IWDP has really helped the villagers in improving their living standard.

INTRODUCTION: IWDP

As early in 1980s Tata group had launched a dedicated Rural Development Society to address the needs of rural community around its operation, steel work, ore mines and quarries etc. Thus began the journey of empowerment of rural and underprivileged masses through the Tata Steel Rural Development Society. (TSRDS)

The company, through its dedicated agency, supports and partners with government in programmes with the aim to induce socio-economic change and empower the society. It is ensured that knowledge, skills, education and healthcare are accessible to people who reside in the vicinity of its operations.

Meanwhile, Government of India have launched the Integrated Wastelands Development Programme (IWDP) throughout the country so as to improve the productivity of these lands and there by improve the living standards of the rural poor who own these lands. The IWDP is a 100% centrally sponsored scheme. The development of wastelands is taken up on watershed basis. Watershed is a geographical unit where rain falling in the area drains through a common point. DRDA assigns project areas to Project implementing Agencies which is TSRDS in this case and this report shows how

TSRDS has divided the work in four part i.e. Natural Resource Management, Land based activities, Non-land based activities and Other community based activities in this paper we will analyse how IWDP has affected the villages.

The objective of the programme is to arrest rainwater runoff and conserve it in site where it falls. This would in turn lead to control of soil erosion which is usually caused by rainwater-run-off. Water and soil conservation also leads to improved green cover in the project areas leading to improved productivity of land. Under this programme, Wastelands are sought to be developed in an integrated manner based on village micro watershed plans. These plans are prepared after taking into consideration the land capability and site conditions and in consultation with the local people in regard to their needs. The watershed projects are executed by the local people using low cost technologies locally available.

Degraded land which can be brought under vegetative cover, with reasonable effort, and which is currently under utilised and land which is deteriorating for lack of appropriate water and soil management or on account of natural causes. India shares 16% of the world

* Lecturer, Amity School of Rural Management, Sec-125, Noida

** Relationship Manager, ivolunteer, Delhi

population, while its land is only 2% of the total geographical area of the world. Naturally, the pressure on the land is often beyond its carrying capacity. Therefore, the productive lands, especially the farmlands in the India are in the constant process of various degrees of degradation and are fast turning into wastelands.

Development of wastelands mainly in non-forest areas aimed at checking land degradation, putting such wastelands of the country to sustainable use & increasing bio-mass availability especially that of fuelwood , fodder , fruits, fiber & small timber. Government of India is taking up this colossal task through IWDP; by revitalizing & reviving village level institutions & enlisting people’s participation. It is people’s own programme which aims at giving them actual decision making powers in terms of project implementation & fund disbursal.

It is one programme which is making sincere efforts towards the empowerment of the people so that a sense of collective responsibility can be evolved among them. The new guidelines for watershed development provide a paradigm shift in the traditional approach where the role of the Government is changed from that of governance to facilitation. The institutional arrangements envisaged in the Guidelines can be seen as a true reflection of the Agenda 21 where the sustainability comes through the involvement of people & the local bodies.

The approach of watershed development in a holistic manner automatically strikes a prudent balance between environmental concerns & developmental aspirations. The efforts being made under the guidelines can be termed as sincere & honest as here the survival of life itself is at stake with the watershed development rather than the quality of life itself as compared to similar situations in the developed countries. In fact, the effective community control has been an integral part of the Indian social fabric which was fragmented by the colonial rule. This programme is an effort towards its restoration & a small step in the achievement of this goal which might turn into a big leap with the support from the people.

The programme does not focus solely on uncultivable wastelands because such lands are:

- Too degraded to recoupe in isolation
- Cost of treatment is very expensive and economical
- Such lands are too remote from the village through protection of vegetative measures and participation of local people is not possible

STUDY

A study on IWDP has been done in Rajnagar Block which comes under Seraikela-Kharsawan district of Jharkhand, this block consist of 35 villages.

METHODOLOGY

To know how this project has affected the lives of rural people of Rajnagar block it was essential to meet them, that is why 5 villages of this block was selected for data collection. These are Bankhairbani, Sosomuli, Balrampur, Matkombera, and Batarbera, the first reason behind selecting these villages is because these were easily accessible to me and the second reason is that 3 out of these 5 villages had improved a lot since inception of this project and rest 2 villages had shown a normal growth. 10 families from each village have been selected as sample through random sampling method. People were very friendly and they interacted freely about their present and pre-project condition.

OBJECTIVES OF STUDY

To know how Integrated Wasteland Development programme helped in improving the socioeconomic condition of the poor people and disadvantaged sections inhabiting the programme areas.

SARAIKELA-KHARSAWAN : (BLOCK - RAJNAGAR)



Here all collected data has been arranged in the form of Charts so that analysis can be done easily.....

Community Profile

The Chart 1 shows the caste ratio where only two villages have Schedule Cast population.

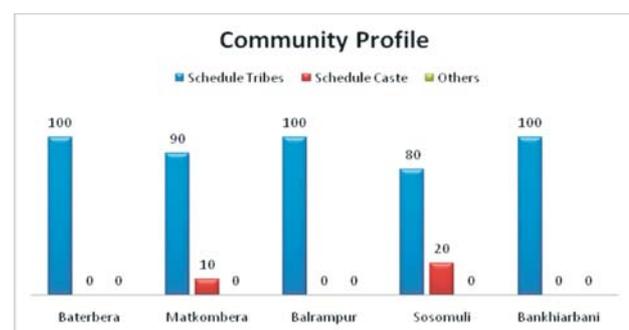


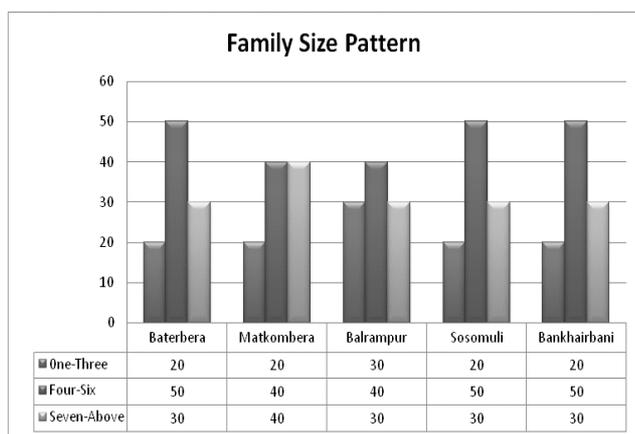
Chart 1

Here we can clearly see that the three villages Batarbera, Balrampur and Bankhairbani have 100% population of schedule tribes, and only two villages have little population of Schedule Caste; there is no other community in nearby villages.

Family Size

Here in Chart -2 family size has been shown, which is divided in three section 01-03 members, 04-06 members and 07-above members, all villages have different ratio in each section but most of the population lie in the second section i.e. 04-06. In these villages all the family members live together till their parents are alive and after the death of the parents they get separated. Second marriage is not entertained in these areas.

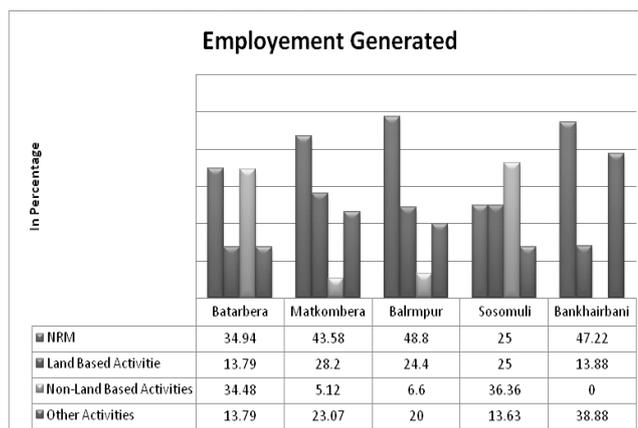
Chart-2



Employment

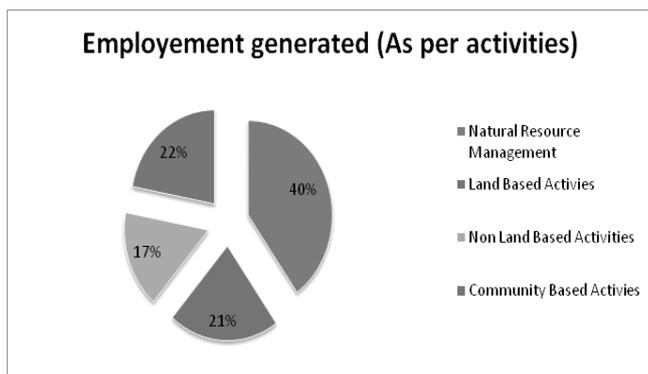
Chart-3 shows the different occupation and the employment generated in the last four years. Before the implementation of this programme the employment condition was very bad, most of the people were involved in agriculture and because of barren land and less irrigation facility; it was also not that fruitful, beside that they were facing seasonal unemployment also. But now the scenario has changed, construction work is going on in all the villages under the IWDP component “Natural Resource Management”, which involves construction of ponds, check dams, land bunding and many more. People are still involved in agricultural activities with better results because of improved irrigation facilities and conversion of many barren lands into agricultural lands.

Chart - 3



As it is visible in the chart-3 that most of the people are engaged in construction work but this does not mean that they are not engaged in agriculture, everyone in these villages have land and they all practice agriculture no matter on large scale or on small. Construction of ponds had helped a lot, because of this lot of people got employment in that time period when they remain job less. This all provided them a wonderful opportunity to earn, besides this after construction of these ponds the water problem of these villages had also solved, now many families grow vegetable at the bank of the ponds; which not only fulfil their needs but also help them to earn. Other activities involve activities such as piggery, Goatry or being part of any SHG. Here people are very comfortable in keeping pig or goat in their houses and it’s also an easy source of income, so many people adopt this idea. Besides this, the Land based activities which include timber plantation, fruit plantation and pasture development, have also helped in employment generation but the main motive of this activity is to utilise the barren lands. The Non land based activities include Pisciculture, Goatry and Piggery which were already practiced by locals traditionally. But, they were lacking in proper management of these activities, TSRDS helped them to learn the new techniques regarding the different aspects relating to feeding & fodder, shelter and vaccinations. In other community based activities TSRDS help the villagers to form different groups with a common objective; this has motivated the villagers a lot. All the group members are very much aware about the different works going on in the village either by TSRDS, Government or any other organisation and this is because of the SHG meetings; people of all groups discuss all such issues during their weekly meetings. This makes them more knowledgeable, responsible and helped them in developing their living standard.

Pie Chart-4



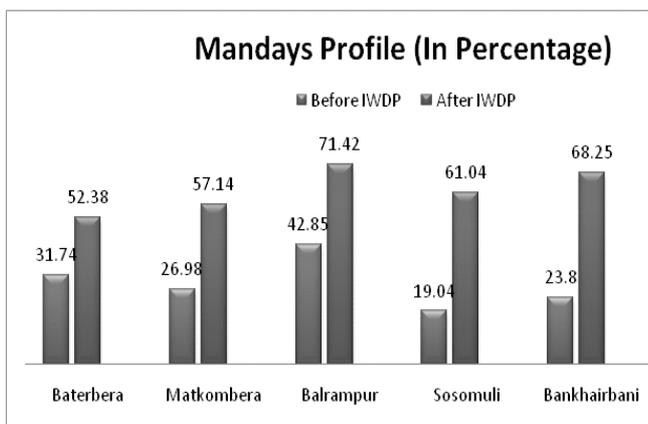
As we can see in the Employment Generation chart that all the four activities had helped in generating new employment opportunity, but the NRM had contributed the highest which has been clearly indicated in the Pie chart-4.

All the four components under Integrated Wasteland Development Programme have been implemented by TSRDS and these have provided a lot of livelihood opportunities to the villagers.

Man days Profile

The man-days has been increased in last four years, earlier people were engaged in work for 2-3 days a week which now has been increased up to 4-5 days. It is a big achievement (see in the Chart-5).

Chart -5

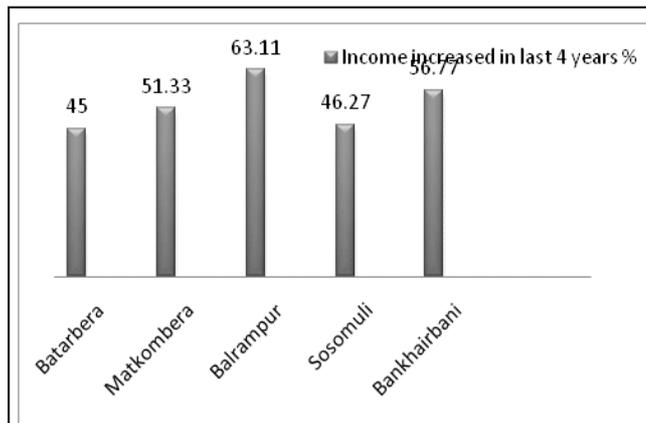


Here, it is very much clear that the highest percentage of man-days has increased in Bankhairbani which has shown increase of 45%, Matkombera is the biggest village out of these five villages and it has shown an increase of 30%. Rest 2 villages Balrampur and Sosomuli has shown increase of approximate 30% and 42% respectively. Batarbera has also performed better.

Increase in Income

All the activities which had been discussed earlier have helped in employment generation which also results in increase in income. See the Chart-6.

Chart -6



Balrampur has improved a lot as this was the most neglected village 4 years back so from that time it has improved a lot and its income has raised by 63.11%. Bankhairbani and Matkombera has also shown good increase which is more than 50%, but rest two village Sosomuli and Batarbera has shown an increase of 46.27% and 45% respectively which is also not bad.

Chart-7

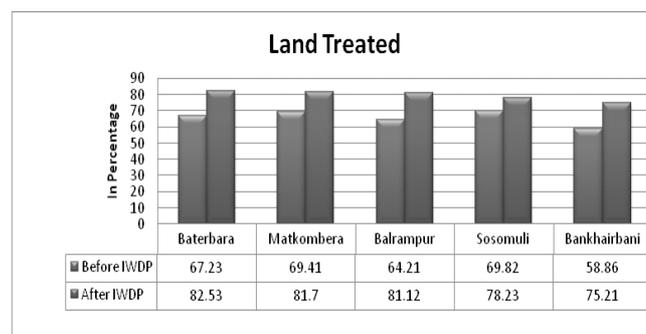


Table -1

	Batarbera	Matkombera	Balrampur	Sosomuli	Bankhairbani
Improved %	15.3	12.29	16.91	8.41	16.35

Chart -7 shows the comparison of agricultural lands at present and of four years back when the project was started in all 5 villages. It shows that every village has improved its kitty of land.

The best out of these villages is Balrampur (see table - 1) whose agricultural land improved from 64.21% to 81.12% i.e. 16.91%, Bankhairbani has shown an improvement of 16.35%, Batarbera has also shown an improvement of 15.3% and the rest two villages has also shown changes but not as per the top three villages i.e. Matkombera by 12.29% and Sosomuli by 8.41%. All these improvement is because of different work under different activities such as Land Bunding which helped in controlling soil erosion resulting in agricultural land, Timber plantation has made use of many lands which were unutilised; Pasture development has also helped in converting the barren land into agricultural land.

Because of this project people got employment and through this they learn new skill on basis of which they could easily grab work at any construction sites, many people who are involved in training programmes are inspiration for other villagers.

Conclusion

After going through all the aspects of this project, visiting different sites of the project, meeting different people some of whom were also involved in this project and beneficiaries, one can definitely say that project has been successful.

Employment rate has improved a lot, despite very tough conditions where all the villagers were having land but they were not able to utilise it because much of the land was not feasible for cultivation, besides that they were not having enough money for buying seeds, they were growing crops according to their needs only.

This project is running since 2005-2006 that means it has completed 4 years and 5th year is going on, in this five year the villages had been benefited in a lot of ways, now the life style of people had improved a lot. Because of this project much construction work is going on which has generated employment opportunity and people's earning power has also increased a lot. TSRDS had suggested farmers to grow 'Babai ghas', a type of grass which is used to prepare rope, on other lands which are not good for agriculture. Farmers can sell them in the market.

The SHGs have helped the women a lot, due to these groups they learned to discuss socio-economic issues relevant at village level and had also developed the habit of saving money. These women were helping their husband in fields but their contribution was not recognised. Earlier whatever they were earning, they used to give it to their husband but now they deposit the money in their SHG accounts and whenever there's any requirement of money they could contribute on their own which has automatically empowered their status in the family. They are very happy with SHG, now they understand the power of unity. All in all TSRDS through this project IWDP has helped a lot in development of these villages and now the living standard of the villagers is much better.

Areas of improvement

- NRM activities are providing higher the mandays and in this way the land has also been treated better so this activity should be encouraged more and more.
- The book keeping at (registers etc.) Self Help Group level is not that appropriate, this taken care of immediately.
- BABAI GHASS (grass) plantation and marketing should be promoted so that people can avail maximum earning due to the high demand of this grass.
- Vocational training programmes should be organised to benefit every section of the society in this region.

The women have shown their keen interest in learning new things; most of them had expressed their desire to get trained in using swing machine.

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An Empirical Study on Occupational Stress in Academicians with special reference to Bangalore city

* Mrs Purnima Thampi V

** Dr. Lakshmi Jagannathan

Abstract

Due to the competitive nature of the job environment today, most of the people in the world are spending their time for job related work purposes and thus ignoring the stressors that are influencing their work. Job stress poses a threat to the health of the workers and in turn to the health of the organization. The major objective of the study was to analyse the factors which contribute to the stress among academicians. The study attempts to understand the relationship between occupational stress and certain personal variables like age, designation, gender etc. The sample consists of 150 academicians of various designations and disciplines in two prominent educational institutions in Bangalore. But at the end the researchers have got only 133 questionnaires. Primary data was collected using a structured Likert scale questionnaire ranging from 1 (strongly disagree) to 5 (strongly agree). Statistical tools like Factor Analysis, Correlation, Anova were applied. The results show that there were primarily seven factors which cause occupational stress in academicians. The seven factors identified were role clarity and workplace relationships, employee development support, academic and research recognition, work home interface, workload acknowledgement, professional and home demands, remuneration and student supervision. This was found in accordance with earlier studies conducted by researchers. It was also found that there was a positive correlation between work load and occupational stress in academicians. It was found through anova that there was no significant variation between certain personal variables like gender, education and designation with occupational stress.

Keywords: Stress, Occupation, Academicians, Organization, recognition.

INTRODUCTION

The modern world where individuals are more achievement oriented is also a world of stress. Today stress is found everywhere like in one's own family, business organizations or and other social or economic activities. A child who is born till his death is exposed to various forms of stress either in personal or professional life. Thus today's age can be called as the "Age of anxiety and stress"(Pestonjee 1999). The concept of stress was first introduced in the life sciences by Hans Selye in 1936. It is a concept borrowed from the life sciences. The term stress has been derived from the latin word "Stringere", stress was popularly used in the seventeenth century to mean hardship, strain, adversity or affliction. In Psycho Physiology, stress refers to some stimulus resulting in a detectable strain that cannot be accommodated by the organism and which ultimately results in impaired health or behavior. Mason (1975) reviewed literature on stress and concluded that there was confusion and lack of consensus regarding its definition. The term stress has been approached in four different ways. First, as the stimulus or external force acting on the organism, second as the interaction between an external force and the resistance opposed to it as in biology and finally

as a comprehensive phenomenon encompassing all the three. Lazarus, Cohen, Folkman (1980) has clarified that stress is not only a response but also a function of the individual appraisal of the situation. People do not respond directly to a stimulus but they respond to the meaning of the stimulus in relation to the perception of the environment. Any event can be stressful for a person only when they are perceived to be threatening. Thus stress varies from one person to another depending on situations. The stress felt by a person in one situation may not be stressful for another person in the same situation. Kets de Vries (1979) had noted each individual needs a moderate amount of stress to be alert and capable of functioning effectively in an organization.

2 REVIEW OF LITERATURE

Stress is derived from desirable and undesirable events. Stress resulting from desirable events is called Eustress (good stress). Stress resulting from undesirable events is called Distress (bad stress). Stress results from confronting an opportunity, constraint or demand, when the expected outcome is important and uncertain (Robbins and Sanghi, 2006, p 542).

It arises from a mismatch between an individual and his/her environment, if there is an inability to cope with the constraints and demands encountered (Harrison 1976). Stress cannot be avoided (Pestonjee, 1999, p 15 – 34) as events influencing us are often beyond our control, things do not work as planned and unexpected changes take place.

Stress is a question that has beguiled many prominent researchers of this era. The term itself is amorphous and sustains the difficulty in discerning its meaning. Definitions of stress range from metallurgical strain to one's emotional wits end. Although convergence on a common definition of stress is highly desirable, the scientific community has not been able to do so. Instead, the research literature reflects wide and divergent opinions concerning stress. Stokes and Kite (2001) suggest that the term's versatility (its range of application), is its undoing as a useful scientific term or concept, and they are not alone in this assertion (Tepas & Price, 2001).

Stress can be viewed as, "...an agent, circumstance, situation, or variable that disturbs the 'normal' functioning of the individual...stress [is also] seen as an effect—that is the disturbed state itself...this bifurcation of meaning is arguably the most fundamental source of the confusion surrounding the stress concept." (p. 109). Stokes and Kite contend that there are no psychological stressors in any absolute, objective sense. Tepas and Price (2001) suggested that stress is commonly connected to the following concepts: adaptation, anxiety, arousal, burnout, coping, exertion, exhaustion, exposure, fatigue, hardness, mental load, repetitiveness, strain, stressor, and tension. Given the formidable breadth of the domain it is not difficult to see why stress as a construct has become unwieldy for most researchers.

Numerous studies found that job stress influences the employees' job satisfaction and their overall performance in their work. Beehr and Newman (1978) had defined stress as a situation which will force a person to deviate from normal functioning due to the change (i.e. disrupt or enhance) in his/her psychological and/or physiological condition, such that the person is forced to deviate from normal functioning. From the definition that has been identified by researchers, we can conclude that it is truly important for an individual to recognize the stresses that are faced by them in their career. Some demographic factors may influence the way academic staffs act in their workplace.

Management role of an organization is one of the aspects that affect work-related stress among workers (Alexandros-Stamatios et. al., 2003). Workers in an organization can face occupational stress through the role stress that the management gave. Role stress means anything about an organizational role that produces adverse consequences for the individual

(Kahn and Quinn, 1970). Management will have their own role that stands as their related. Role related are concerned with how individuals perceive the expectations other have of them and includes role ambiguity and role conflict (Alexandros-Stamatios et. al., 2003).

Family and work are inter-related and interdependent to the extent that experiences in one area affect the quality of life in the other (Sarantakos, 1996). Home-work interface can be known as the overlap between work and home; the two way relationship involves the source of stress at work affecting home life and vice versa affects of seafaring on home life, demands from work at home, no support from home, absent of stability in home life. It asks about whether home problems are brought to work and work has a negative impact on home life (Alexandros-Stamatios G.A et al., 2003). For example, it questions whether the workers have to take work home, or inability to forget about work when the individual is at home. Home-work interface is important for the workers to reduce the level of work-related stress. According to Lasky (1995) demands associated with family and finances can be a major source of 'extra-organisational' stress that can complicate, or even precipitate, workplace stress. Russo & Vitaliano (1995) argued that the occurrence of stressors in the workplace either immediately following a period of chronic stress at home, or in conjunction with other major life stressors, is likely to have a marked impact on outcome.

Several studies have highlighted the deleterious consequences of high workloads or work overload. According to Wilkes et al. (1998) work overloads and time constraints were significant contributors to work stress among community nurses. Workload stress can be defined as reluctance to come to work and a feeling of constant pressure (i.e. no effort is enough) accompanied by the general physiological, psychological, and behavioral stress symptoms (Division of Human Resource, 2000).

Al-Aameri AS. (2003) has mentioned in his studies that one of the six factors of occupational stress is pressure originating from workload. Alexandros-Stamatios G.A. et al. (2003) also argued that "factors intrinsic to the job" means explore workload, variety of tasks and rates of pay. In this study the various factors which causes job stress in academic staffs (of various designations ranging from Head of the Departments, Professors and Lecturers from various disciplines) of a well reputed and leading Educational Institute in Bangalore was examined.

3 OBJECTIVES

- To identify the various factors which contribute to occupational stress among academicians in Bangalore.

- To find whether there is a relationship between occupational stress and workload of academicians
- To identify the relationship between personal variables like gender, age, designation, experience on occupational stress

4 HYPOTHESES OF THE STUDY

1 There is a significant variance between occupational stress and demographic variables like gender, age, designation and experience among academicians in Bangalore.

2 There is a positive correlation between occupational stress and work load

5. METHODOLOGY

The study required both primary and secondary data. The primary data was collected with the help of a survey conducted in Bangalore. The main concentration was to collect the required data from academicians from two of the most prominent educational institutions in Bangalore. Data for the study was obtained by using a structured questionnaire.

The questionnaires were distributed to 150 academicians of two prominent educational institutions in Bangalore. But at the end the researcher has got only 133 questionnaires out of the 150 given to academicians. Academicians from various disciplines ranging from Engineering, Management, Science and Mathematics and at various designation levels (Head of the departments, Professors and lecturers) were included in the sample. The study was conducted over a period of three months. The secondary data for literature review was collected from EBSCO database, Google website and other journal papers.

5.1 FORMULATION OF QUESTIONNAIRE

The survey used a questionnaire which had 23 statements and some demographic questions like gender, age, years of experience in teaching, designation, level of education and marital status. The responses were collected on a five point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The factor analysis, correlation analysis and one way ANOVA were used as statistical tool for analysis.

5.2 TEST OF RELIABILITY (CRONBACH'S ALPHA)

Cronbach's á (alpha) is a statistic. It is commonly used as a measure of the internal consistency or reliability of a psychometric test score for a sample of examinees. Cronbach's alpha can be written as a function of the number of test items and the average inter-correlation among the items. The formula for the standardized Cronbach's alpha:

$$\alpha = \frac{N \cdot \bar{c}}{\bar{v} + (N - 1) \cdot \bar{c}}$$

Here N is equal to the number of items, \bar{c} is the average inter-item covariance among the items and \bar{v} equals the average variance.

A reliability test of the number of questions (23 statements) using Cronbach's alpha was computed using the SPSS software. The result is as follows:

Reliability Statistics

Cronbach's Alpha	N of Items
.769	23

Table 1

The alpha coefficient for the 23 items is 0.769, suggesting that the items have relatively high internal consistency. A reliability coefficient of .70 or higher is considered "acceptable" in most social science research situations. Nunnally (1978) has indicated 0.7 to be an acceptable reliability coefficient.

6 RESULTS OF ANALYSIS

In this research work demographic variables such as gender, age, marital status, educational qualifications, experience was used.

The number of female academicians were more in number than male academicians. Therefore the questionnaires were distributed among both genders but 71% females and 29% males returned the filled up questionnaires.

Results of demographic analysis is presented in following tables

Table 2 Demographic Variable - Gender

1 Gender	Frequency	Percentage (%)
Male	38	29
Female	95	71

Table 3 Demographic Variable – Age

2 Age of the respondents	Frequency	Percentage (%)
21 - 30	51	38
31 - 40	61	46
41 - 50	17	13
51 - 60	4	3
61 or above	0	0

Table 4 Demographic Variable -Designation

4 Designation	Frequency	Percentage (%)
Lecturer	81	61
Senior Lecturer	21	16
Assistant professor	19	14
Professor	7	5
Director/Head of the department	5	4
Total	133	100

Table 5 Demographic Variable -Experience in teaching

3 Years of experience in teaching	Frequency	Percentage (%)
< 1 year	6	5
1 – 3 years	36	27
3 – 5 years	35	26
>5 years	56	42

6.1 Analysis for the Objective 1:

The aim is to identify the various factors which affect the job stress among academicians in the city of Bangalore.

FACTOR ANALYSIS

Factor analysis is a very useful method of reducing data complexity by reducing the number of variables being studied. Factor analysis reduces number of variables into fewer factors, which explains much of the original data. Principal component analysis was used to identify

the number of factors which can be extracted from the data.

Varimax rotation was used to get the percentage of variance for the 23 statements in the questionnaire. Eigenvalue of greater than 1 was identified and the relevant factors have been obtained accordingly in line with the statements in the questionnaire. Further analysis of the results has indicated that a total of 73.090 % the variance (information from the original 23 statements) was observed. As per Nunally (1978), this value is acceptable for further analysis.

A Rotated Component Matrix Table is generated and seven factors are derived. Factor loading above 0.50 are considered as per factor analysis format. The derived factors are arranged based on the statements that have gone into each factor. The list of factors along with the supporting statements is displayed in Table – The derived factors obtained using SPSS software are as follows

Factor	Loading	Item	Variable
Factor 1: Role clarity and workplace relationships	0.570	V5	Willingness to put in effort to help the organization be successful
	0.818	V16	Role in the department is well defined
	0.783	V17	Clarity on role expectations
	0.689	V22	Good support from supervisor and colleagues
Factor2: Employee development support	0.513	V1	Excellent internal communication within the organization
	0.813	V3	Organizational support for pursuing higher education
	0.699	V4	Sent for training programs to improve teaching and research capabilities
	0.654	V12	Gets feedback related to teaching and departmental responsibilities
Factor 3 : Academic and Research recognition	0.743	V13	Teaching and research achievements are considered during promotions
	0.765	V14	Work recognition
	0.643	V21	Organizational support for finding finances for research
Factor 4: Work home interface	0.612	V6	Stress when handling new subjects
	0.709	V18	Personal priorities are compromised due to professional work
	0.784	V19	Need to take work home to meet work requirement
	0.650	V23	Job physically exhausting at the end of the day
Factor 5: Work load acknowledgement	0.607	V2	Acknowledgement for a job well done
	0.485	V9	Time to do quality research
	0.732	V10	Manageable work load
	0.646	V11	Belief that promotion procedures recognize the variety of works that academicians perform
Factor 6: Professional and home demands	0.760	V7	Ability to cope with intellectual and technical demands of the job
	0.702	V20	Ability to manage work and home life
Factor7 Remuneration and student supervision.	0.717	V8	Reasonable number of students to teach and supervise
	0.694	V15	Adequate level of pay for work

Table 6

The first step in interpreting the output is to look at all factors extracted and their eigen values and the cumulative percentage of variance. Thus from the above table 6 factors have been extracted from 23 factors.

The seven derived factors are role clarity and work place relationships, employee development, academic and research recognition, work home interface, workload acknowledgement, Professional and home demands, Remuneration and student supervision.

6.2 Analysis of Objective 2:

The aim is to analyze the impact of work load on occupational stress in academicians.

6.2.1 Correlation

While the correlation could range between -1.0 to +1.0 , we need to understand whether any correlation found between two variables is significant or not i.e if it has occurred solely by chance or if there is a high probability of its existence. A significance of p=.05 is the generally accepted conventional level. This indicates that 95 times out of 100 , we can be sure that there is a true or significant correlation between the two variables, and there is only a 5% chance that the relationship does not truly exist. We would not know which variable causes what , but we know that the two variables are associated with each other. Thus the hypothesis postulates a significant positive (or negative) relationship between the two .The results are as follows in Table 7

Correlation between Occupational stress and work load.

Correlations

		WORK LOAD	STRESS
WORK LOAD	PEARSON CORRELATION	1	.230**
	SIG. (2-TAILED)		.000
	N	133	133
STRESS	PEARSON CORRELATION	.230**	1
	SIG. (2-TAILED)		.000
	N	133	133

Table 7

From the table 7 we can say that there is a positive correlation of 0.230 between work load and occupational stress which is significant at 0.01 level ie the probability of this not being true is 1% or less.That is over 99% of the time we would expect this correlation to exist.

Thus it can be inferred that as work load increases , occupational stress also increases.

6.2.2 One way ANOVA

One – way ANOVA table is a statistical tool which helps us to know the degree of variance between one factor

and other variables .It helps us to know how the main factor will get influenced by other variables. One way ANOVA is used to measure how demographic variables will have an impact on particular variable.

Gender : If we take 0.90 as a level of significance it can be seen that there is no significant variance between gender and occupational stress because value of sig is 0.369 which is more than 0.10.

Education : There is no significant variance between education and occupational stress because the value of sig is 0.670 which is more than 0.10 which means that irrespective of educational level job stress is uniform across academicians

Designation : There is no significant variance between designation and occupational stress because the value of sig is 0.809 which is more than 0.10 which means that irrespective of designation levels job stress is uniform.

Table 8. One Way ANOVA showing the relationship between demographic factors with occupational stress.

Demographic Variables		Sum of squares	df	Mean Square	F	Sig
Gender	Between Groups	1.390	1	1.390	0.814	0.369
	Within Groups	223.248	131	1.709		
	Total	225.248	132			
Education	Between Groups	1.385	2	0.693	0.402	0.670
	Within Groups	222.863	130	1.722		
	Total	225.248	132			
Designation	Between Groups	2.777	4	0.694	0.399	0.809
	Within Groups	222.471	128	1.738		
	Total	225.248	132			

7 Conclusion

The researcher has found seven factors which affect occupational stress among academicians like role clarity and workplace relationships, employee development support, academic and research support, work home interface, workload acknowledgement, Professional and home demands, Remuneration and student supervision. It is found that among the seven factors which have been identified as causing occupational stress in academicians, work home interface has been identified as one of the factors

which causes occupational stress among academicians according to a study conducted by Alexandros – Stamatios, 2003. It was also found that as work load increases, Occupational stress also increases. This is in accordance with earlier researches conducted by Wilkes et al in 1998 that work overloads and time constraints were significant contributors to work stress among community nurses. Al Aameri has also mentioned in his studies that one of the six factors of occupational stress is pressure originating from workload. This is also identified as one of the factors which causes stress in the present study also. It is also found that certain personal variables like gender, education, designation has no relation with occupational stress.

8 Limitations of the study

The study was limited to only 133 samples of two prominent educational institutions in Bangalore. There was some reluctance among some academicians in filing the questionnaire. There was also some difficulty in getting the questionnaire filled from Head of the departments and Directors due to their busy schedule.

9 Scope for further research

The study can be strengthened by increasing the sample size as the data analysis results and findings may vary substantially when the sample size is increased. The study can be extended to teaching staffs in other academic Institutions within the city of Bangalore and outside the city. More factors or variables can also be included in the questionnaire as many different aspects of the working environment can cause stress. Potential correlation between some of the independent variables like organization culture, impact of technology, emotional demands of the work and unclear work roles need to be reported in a future study. The study can also be further extended to understand the job satisfaction level and job burnout among academicians.

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