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Contents

From the Editor

This Issue containing 12 Articles and one Review of Study Report tries to cater to the taste of all sections of the readers with its blend of varied functions starting from Food and Beverage sales owing to growth of multiplex occupancies to project management methodologies.

There has been a tremendous growth of multiplex occupancies in recent times leading to Indian movies entering into Rs. 100 crore club and its multiples without having much uniqueness in story or screenplay or direction, which was a dream for movies with high degree of uniqueness a few decades ago. In fact, growth of multiplex occupancies has been making an average movie blockbuster so far as box office collection is concerned. This in turn reinforces positive externality on Food and Beverages (F & B) industry. Movie-goers who visit multiplexes don't mind to spend some amount on F & B for their comfort and status. Considering this, one of the authors of this Issue has aptly showcasing the linkage in her article titled "Impact of Growth of Multiplex Occupancies on Food & Beverages Sales".

Projects of any sort are coupled with so many constraints like time, money, labour, etc. If the project is related to information technology (IT), the constraints get heaped on owing to the highly competitive industry with no monopoly power. Since managing IT projects plays a vital role in the success of the concerned organization, knowing the methodologies of managing projects and picking up the apt one is very important. On the backdrop of this fact, one author has concisely analyzed the basic methodologies of project management and advocated for unique unified approach - a concise, practical and people-oriented approach to project management in his article "A Comparative Study of Project Management Methodologies: with respect to PMP and PRINCE 2".

While countries like India are struggling to manage population pressure, at the same time, some couples are there with no child owing to infertility. Such couples can go for adopting child from other parents or orphanage, but, probably, the feeling of true parenthood comes from the child a couple gives birth. That's why, for a single child, couples from well-off community with infertility gets ready to spend even in lakhs. This is the basis of the emergence of infertility treatment market. On this backdrop, one author has precisely presented the infertility treatment market in India in his article "Infertility Treatment Market in India: Present and Future".

Financial exclusion has been identified as one of the factors responsible for poverty and deprivation in India. That's why the concepts like Financial Inclusion, Microfinance, Priority Sector Lending, Self-Help Groups (SHGs) have got importance in current scenario. While there is strong urge for microfinance and formation of SHGs in Indian context, they have not got appropriate attention for some or other reasons and hence have lost their sanctity. To revive and reinforce these concepts, research is a must to highlight the positive and normative aspects in their operation. Realizing this, an author, in her article "Emerging Trends of Research on Microfinance in India" tries to establish the pattern or the trend of researches carried out on Microfinance in recent years and discuss the gaps in the researches done along with the further scope of the research in this field. Similarly, another author, in his article "Motivation for the Rural People to Join SHGs: A Study in Shivamogga District" has attempted to analyze the reasons for joining SHGs by the rural women and other people, the source of awareness, the relationship between reasons for joining SHGs and the education background and the community. Considering the importance of electronic banking in present financial system, one of the authors has tried to give a direction for the provision of optimal benefit to the maximum number of financially excluded persons by making use of e-banking in his article "A Study on Financial Inclusion with Specific Emphasis to Electronic Banking".

Getting advantage in competitive environment is an enormous task which organization love to take up because this is the only way out to survive in the market amidst stiff competition. If it is the question of entering into international market, that too in pharmaceutical market, the task of getting competitive advantage becomes immensely tougher. On the basis of this, two authors have highlighted 'Reputation' of the firm as a means of competitive advantage in their article "Reputation as a Competitive Advantage for Entry into International Pharmaceutical Market: with Specific Reference to Mexico".

B-schools in India, barring a few in Tier-1, struggle a lot in admissions and placement. While students go for selecting a B-school for his/her studies on the basis of brand value pertaining to curriculum, pedagogy, delivery and placement records, placement scenario of a B-school depends upon its knack with the industry and employability of the students. Since developing brand equity is one of the most crucial tasks a business has to concentrate, an author in his article "Branding Business Schools: a Literature Review and Research Agenda" has tried to provide a conceptual view on branding of business school through review of literature and develop a research agenda for their successful branding strategies. While B-Schools in India are focusing on Branding for better admission figures, some aspirants are there who are strongly motivated to pursue post-graduate programs, specifically MBA, in foreign countries. Careers Research and Advisory Centre (CRAC) Ltd has published a Study Report titled "Understanding how People Choose to Pursue Taught Postgraduate Study" in the year April 2014 wherein the authors have tried to identify the factors or the needs that are to be considered while returning to PGT or post graduate taught study. One of the authors of this Issue has taken up this Study Report to review and has especially tried to analyze the title, objectives, aims and research questions.

Success is the only aim of any venture but success does not come like this. To succeed in entrepreneurial efforts, one has not just to follow the foot-prints of successful entrepreneurs, more importantly; one has to carefully look into the opposite side also so as to avoid such situations that lead him/her to fail. Keeping this in mind, three authors in their trial to alert the would-be entrepreneurs on how the personal (negative) traits distort the potential strength of the enterprise, have vividly uncovered the reasons of failure of five famous entrepreneurs in their article "Entrepreneurial Failures Lessons to be Learnt to Boost Entrepreneurship".

Corporate Social Responsibility (CSR) is no more confined to philanthropy only. It has been emerged as a strategy for establishing brand image of the organization it owns. The concept of CSR is now very popular amongst corporate players. The Public Sector Organizations also play a vital role in carrying out CSR. On the basis of the socioeconomic importance of CSR in an emerging state like Jharkhand, two authors in their article "Analysis of CSR activities Undertaken by Major Public Sector Organisations of Jharkhand" have tried to highlight different CSR activities of organizations of repute like Mecon Limited, Central Coalfields Limited and Hindustan Copper Limited in development of the society and promoting economy of Jharkhand.

The success of any corporate is mostly the outcome of the governance it has and internal audit occupies a pivotal position in corporate governance. Two authors in their article "Internal Audit: A Tool for Effective Corporate Governance" have theoretically examined, by way of extended review of literature followed by an integrated conceptual framework, the contribution of internal audit towards effective corporate governance.

We are aware that a negligible portion of India's population invests in stock market with the plea of 'not interested in taking risk'. But it has been seen that most of us take risk in our life in one way or other. But when it comes to financial risk, most of us run away telling 'that's not my cup of tea'. In view of this, an author tries to highlight the behavioral bias of investors in his article "Attitude towards Risk in Investment vis-à-vis State of Wealth of an Individual: a Study on Behavioral Bias in Investment". In fact, the author has tried to highlight the bias of Risk aversion and Risk seeking when making decisions pertaining to investments.

With all graciousness, I would like to invite all the readers to give their feedback on the prescribed format annexed towards the end of this Issue, which will definitely facilitate upgrading the quality of the Journal.

Wish the contents of this issue make all the readers intellectually blissful.

(Dr. Sukanta. Chandra Swain)
Managing Editor

Impact of Growth of Multiplex Occupancies on Food & Beverages Sales

Seema Laddha[1]

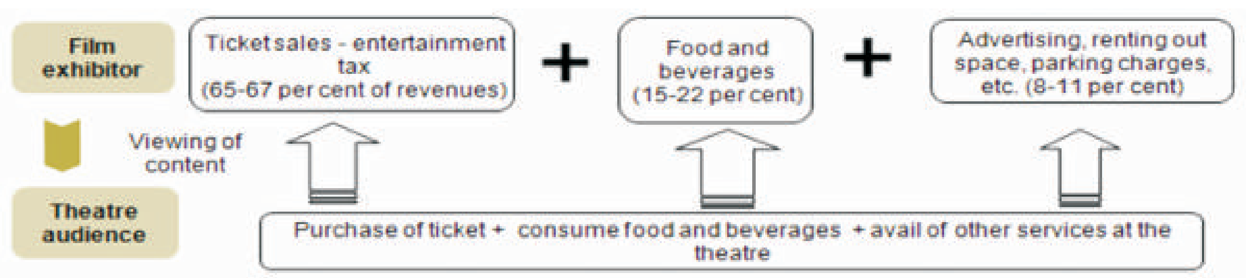
Footfalls at multiplexes increased 1.5 times over the last three fiscals, as rising spending power in smaller cities saw more moviegoers flock to such entertainment outlets. An ET Intelligence Group analysis shows that between 2010-11 and 2012-13, most exhibition companies increased their penetration in tier-II and -III cities, pushing up the total screen count in the country by 43%. About 90% of these screens were added in malls in the smaller cities. For multiplex chain operator and segment leader PVR, footfalls increased 2.7 times. In the same period, its nearest listed rival, Inox Leisure, saw footfalls grow 2.1 times. Inox Leisure, which has expanded its screen capacity to 284 in FY13 from 102 in FY11, has. The film industry is not the sole gainer from this trend. Another segment that is enjoying prolific growth is the Food & Beverages (F&B) industry. The purpose of the study is to understand the impact of growth of Multiplex on F & B sale. Direct relation was found in growth of multiplex and F & B sales. Several marketing strategies have been use by the companies for increasing occupancies. Although increase ticket prices is one of the reason of increasing revenue but average spending per head on F & B is also increasing.

Keywords: multiplex, F & B, marketing strategies, consumer behavior

Introduction

After cricket, if there is anything that truly excites India, it is 'movies'. This film crazy nation has an insatiable appetite for movies with over 300 crore movie tickets sold in a year - the highest number of cinema admissions in the world. The Indian film industry is the largest film industry in the world in terms of number of film production. As per business today edition May 13,2013 the Multiplex Association of India estimates that there are around 900 multiplex screens in India. By April 2014, the count will increase to 1,350. The cinema exhibition industry in India is growing at 10% per annum driven by multiplexes, which are expanding rapidly in major metropolitan cities as well as tier II & III cities. Industry is dominated by 5 big players – PVR, Cinemax, Inox, Adlabs and Fame.

In the changing scenario today, revenues collected at the box office get shared between the theatre owners and the distributors, especially in the case of multiplexes. The revenue model shows that multiplexes earn from ticket sales amounts to 65-70 per cent, the revenue share from F&B amounts to 20-25 per cent which is a whopping Rs60-70 crore business annually. "While earlier, it was only about watching a film, today, a tub of popcorn actually serves as an 'emotion bag' that the patrons eat according to the emotions in a movie. So F&B is actually a huge support to multiplexes," says Arpan Dutta, COO, Cinemax as stated in ET. Meanwhile, the costs incurred in this department are a mere 29 per cent of the revenue earnings.



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Revenue Model of Multiplex

Indian economy is witness the increase in inflation in last few years that may result in increase in prices of ticket which results in increases the revenue but following data shows that despite of increase in prices of ticket F & B spending still increases it shows that F & B sales is

PVR	FY10	FY11	FY12
ATP (Rs.)	152	162	156
F&B SPH (Rs.)	39.0	40.5	43.3

Cinemax	FY10	FY11	FY12
ATP (Rs.)	128	135	140
F&B SPH (Rs.)	31	35	38

Note: *ATP - Average Ticket Price; F&B SPH - Food & Beverages Spend Per Head*

Source: Company reports

Therefore for satisfying increase demand of F & B and to increase the occupancy rate, multiplexes are using various strategies. As per Pramod Arora president PVR Ltd."Except certain menu options like branded coffee we see little sense in outsourcing or using other partners to sell food and beverages at our cinemas." Other multiplex chains like Inox also have their in-house F&B team. "It helps keep a strict eye on the quality and packaging of the food," says Alok Tandon CEO Inox Leisure."Even as popcorn and cola remains the staple, revenues are growing due to the addition of new menu options," said Sunil Punjabi CEO of Cinemax.

Multiplexes beneficial to every stakeholder across the value chain

Every stakeholder across the film industry value chain benefits from a multiplex

- *Consumers :* The movie watching experience is much better in a multiplex than in single screen cinemas with a wider option of movies to choose from. It also provides enhanced movie viewing experience to the consumers.
- *Exhibitors :* As stated earlier, average occupancy as well as realisations in multiplexes are higher than in single screen cinemas. Multiplex theatre owners also enjoy the flexibility to exploit the commercial value of a movie in a better manner.
- *Distributor :* All the sales are reported in a multiplex given its computerized ticketing system leaving little scope for any revenue leakage on account of under reporting of actual revenues. Distributors stand to gain through multiplexes, as their returns would increase when higher collections are reported.
- *Producers :* Higher revenue collections would translate into better returns for the producer as well. Multiplexes also provide producers with increased scope for producing niche and low-budget films.

Research Objective

- To understand the growth drivers of multiplex
- To understand Impact of growth in multiplex on F & B sale

Growth Drivers of Multiplexes

Following are driving factors which can be attributed for the growth of Multiplex:

1. Rising Disposable Income

Multiplex generally cater the high and middle income group with increase in number of household within this income group result in higher consumption & spending pattern. Middle class consumers are prominent drivers of growth and consumption in India due to their increasing disposable income. A report by National Council for Applied Economic Research's (NCAER) Centre for Macro Consumer Research indicates that by 2015-16, India will be a country of 53.3 million middle class households, translating into 267 million people. NCAER defines Indian middle class as the one with income level between INR 3.4 lakh-17 lakh at 2009-10. As per Ministry of Statistics Personal Disposable Income of consumer in 2012 is increase to 72583 Billion Rs. This leads to increase in consumer spending. Urban population increasing their expenditure on leisure and entrainment which results in increase in demand of Multiplex.

2. Production of quality, blockbuster and family movies

This is one of the prime driver because in last two decades Indian movei goers have seen lot of family blockbusters viz.Hum apke hai kaun,DDLJ,Yaden,Hum Sath Sath Hai etc.These family entertainment brought out family members back to theaters.

3. Strict Implementation of Copy Right Act 1957

Due to prolong recession in Film exhibition Industry due to low priced CDs and cassettes many theater are closed down or converted to other profitable businesses. Due to outcry of producers and film industry stakeholders Government both state and central have initiated action against the illegal video screening ,fake CDs and other material which violates Copy right act 1957. At many places Associations of Distributors have taken proactive interest and formed anti piracy cells. They also took help from reired police personnel for his purpose. These efforts resulted in bringing back public to theaters again.

4. Value added products and services by Multiplexes

Historically, most movie theatres in India were set up as single screen theatres with large seating capacities which vary in the range of 750-1500 seats per screen. However, lack of investments in maintaining and upgrading facilities at the single screen theatres resulted in their poor condition which meant a deterrent to the family audiences. On the other hand, multiplex cinemas characterized by their limited seating capacity of about 250-400 seats per screen, good ambience, quality viewing with high-end sound systems, comfortable seating arrangements, excellent service as well as good quality food & beverages have succeeded in attracting family audiences back to the theatres. Watching movies in the movie theatre has once again become a highly preferred source of family entertainment.

Multiplex are generally located in quality place such as malls, which is comfortable for family to spend time. According to Arindam Chakravarti head food & beverages at the country's largest multiplex chain Big Cinemas, says "young executives have little time to spend with their families after work."Parking your car for food, movie and shopping at different places is a nightmare and multiplexes are now one stop shop for entertainment and food."

5. Changing Life Style

Families spending week end not only in metro city but also in tier II & III cities malls are the favorite place where they will get along with movie snacks and shopping too. Children like to enjoy the movie with some snacks. Therefore preferably they visit to multiplex to satisfy there needs. To cater such type of consumers multiplex even add variety in there food products. Big Cinemas that successfully introduced popcorns under various flavours has gone a step ahead and has started offering finger food, kebab wraps and meal combos. Live kitchens that make sandwiches and burgers, hand tossed pizzas, salads besides steamed momos and roasted products for the diet conscious have all made an entry at various multiplex food counters in the country.

In the view of many such thought this article spots the light on the relationship between growth of multiplex with the sales of F & B by considering the demand drivers of multiplex growth by using secondary data.

6. Demographic dividend

As per census 2011, India's population is 1,220 million, out of which about 60% belongs to middle age group. Due to expansion of rural Indian economy, job opportunities have been created to unmarried youngsters. In urban cities both husband and wife are working. This resulted in more disposable income, which helps to increase demand of multiplexes.

7. Willingness of People to spend on recreation

More number of youth, technological development, and changes in standard of living helps to influence the consumer to spend. Technology, communication Medias help people transformation of information which creates curiosity in the mind of consumer and influence spending

Relation between Growth of Multiplex & F & B Sale

Multiplex revenue is not only depending on the Ticket sale but also food and Beverages and advertising. F&B is such an important constituent in the revenue earning model, the increase in revenue of multiplex directly correlates with the sale of Food and bevarages.

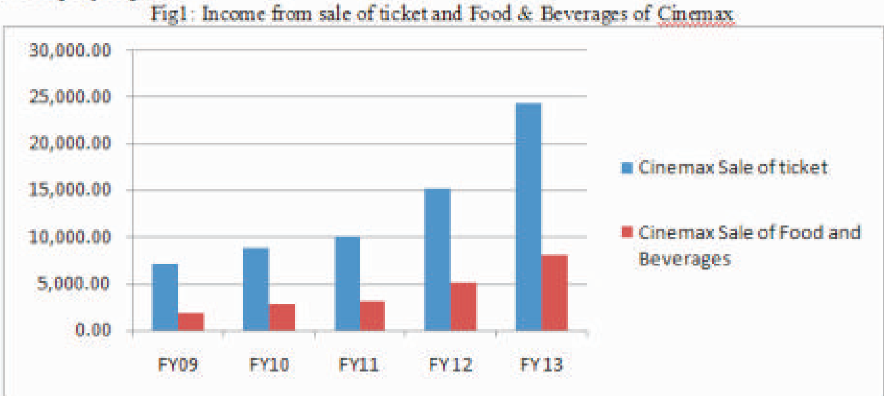
The theatre owners leave no stone unturned to ensure that the diverse tastes of their audience are satisfied. "The variety of food items and its pricing depends on the demographics of the cinema hall as well. But usually we serve hot corn, sandwiches, pasta, burgers besides the conventional samosas, popcorn and cold drinks," adds Dutta. Following financial reports of the company shows

Table1: Income from sale of ticket and Food & Beverages Amt. in Lakhs

Name of Company		FY09	FY10	FY11	FY 12	FY 13
PVR	Sale of ticket	17646	18367	23031	29730	42127
	Sale of Food and Beverages	5427	5305	6461	9285	13568
Cinemax	Sale of ticket	7,059.4	8,890.8	10,108.6	15,114.2	24246.4
	Sale of Food and Beverages	1,879.4	2,718.3	3,143.85	5,152.25	8073.89

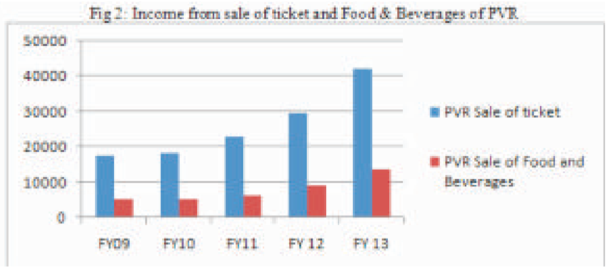
Source: Company Report

Fig1: Income from sale of ticket and Food & Beverages of Cinemax



Source: Company Report

Increase in revenue of Cinmax from ticket sale in 5 years from Rs.7059 lakhs in Fy 2009 to Rs. 24246 in FY 2013 at the same time revenue from Sale of Food and Beverages also increased from Rs.1879 lakhs in Fy 2009 to Rs.8073 in FY 2013



Source: Company Report

Revenue of PVR cinema from ticket sale in 5 years increased from Rs.17646 lakhs in Fy 2009 to Rs. 42127 in FY 2013, an increase of 139%. At the same time, revenue from Sale of Food and Beverages is increased from Rs.5427 lakhs in Fy 2009 to Rs.13568 in FY 2013, which is a higher growth of 150%.

Findings

1. Despite of inflation, demand of multiplex with F & B sale is continuously increasing. It shows the developing economic condition.
2. The revenue that multiplexes earn from ticket sales amounts to 65-70 per cent, the revenue share from F&B amounts to 20-25 per cent which is a whopping Rs60-70 crore business annually. The contribution of food and beverages to revenue of multiplexes has almost doubled from 10-15% over the past 3-4 years. Cinema operators see huge potential in increasing volumes 20-30% every year
3. Various factors like rising disposable income, production of quality, blockbuster and family movies. , strict implementation of copy right act 1957, value added products and services by multiplexes. changing life style , demographic dividend, willingness of people to spend on recreation are responsible for the growth of multiplex which also reflects in F & B sales
4. Financial reports of two companies Cinemax and PVR also shows the direct relation between growth of Multiplex and F & B sales revenue.

Suggested Marketing Strategies for increasing sales revenue of F & B

- The main objective of offering a range of F&B in multiplexes is to grab a larger piece of consumer's wallet and make them spend in the cinema theatre rather than at a fast food nook or a restaurant right outside the multiplex. Besides offering a movie goer an expanded menu spread over different cuisines to choose from, it also saves time for the consumer battling limited time for leisure especially during the weekdays.
- Because of fast moving life of consumer in metro cities they have very limited time to spend and if they get entrainment and food of their choice it will definitely increase the demand of multiplex.

  Large multiplex operator, PVR Cinemas has a 60-member team developing menus and sourcing products. It has introduced nine new food options for patrons in the past two months and plans to completely take over the food and beverage segment under its control in the next three months as per the ET news. This strategy, if adopted by other multiplex operators, will help in increasing demand of multiplexes.
- Generally, multiplex have limited beverages option. Increase in variety will also help in increase in sale of beverages. Also the seasonal variation has to be taken into consideration.
- For selection of food, quality and price both plays a major role in Indian economy. Generally the Food and Beverages available in Multiplexes are costly. One reason for this may be the cost associated with it. If companies go for economies of scale by reducing price, it can increase demand.

Conclusion

Many MNCs and Indian companies are expanding foot prints in India as it is considered as land of opportunities. This will also translates the increase in demand of life style products like Multiplexes. Producers' thinking is shifting from action packed dramas to family entertainments, thereby resulting in many Hum Do and Hamare Do families in multiplexes. More over, due to rise in disposable income and limited family expenses during initial years, working youngsters are less inclined towards savings and spend more. In view of this, Multiplexes must redefine their strategies for F & B segment so that this segment can become significant contributor to both top line and bottom line of distressed Multiplex owners.

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A Comparative Study of Project Management Methodologies : with respect to PMP and PRINCE 2

Deepak Arora[1]

The prime objective of this article is to precisely present the basics of Project Management through comparison of two leading Project Management methodologies – PMP (Project Management Professional) and PRINCE 2 (Projects in Controlled Environments). The proposition behind comparison is to understand project management from two different but related approaches. Based on the understanding from these two methodologies, coupled with personal expertise and exposure to project management, the article purposes a 'Unique Unified Approach' – a concise, practical and people-oriented approach to project management.

Key Words: Project Management, Methodologies, PMP, PRINCE 2

Introduction

With its origination in the United States of America, Project Management Professional (PMP) is one of the most sought after certifications in the world today. In December 2005, the PMP credential was tied for fourth place in CertCities.com's 10 Hottest Certifications for 2006, and in December 2008, it was number 7 of ZDNet's 10 best IT certifications. More recently, in 2012 and 2013, the PMP credential has been ranked as a top certification by CIO, Global Knowledge and About.com. For 2014, the PMP certification was rated #1 most valuable by IT Career Finder in their "Top 10 Highest Paying IT Certifications for 2014" Outside of IT, the PMP ranked #5 with Global Knowledge "15 Top-Paying Certifications for 2014, and #8 with Careerealism "Top 10 Professional Certifications For A Bright Future".

'Projects in Controlled Environments' (PRINCE2) has its roots in the United Kingdom, and was initially developed as UK government standard for information systems project management. With applicability of project management process and approach to multiple industries, PRINCE2 certification is highly sought after for project managers in UK and rest of the Europe.

Whereas PMP certification is acceptable throughout the North American continent and rest of the world, PRINCE2 is considered more favorably is UK and in European region.

To understand the basics of a Project, we will study and analyse the definition of 'Project' as defined by two leading project management methodologies acceptable across the world.

Project Management as per PMP (Project Management Professional)

As defined in 'A guide to the Project Management Body of Knowledge (PMBOK Guide)' from PMP, a project is a 'temporary' endeavor undertaken to create a unique product, service, or result. [2]

Key characteristics of a project are explained below:

a) Temporary nature of project

i. Definite beginning and end date or period

ii. Ends when the project objectives have been achieved

iii. Or the project is ended or terminated or closed because the project objectives cannot be met or achieved or the project needs are not required

iv. Or terminated due to other reasons (funding issues etc.)

Temporary does not mean or relate to duration of the project, or to the results and objectives achieved by the project.

Duration of the project is dependent upon the nature of the project, and project duration can extend from one day to that of multiple years or even decades.

Similarly, even though a project is temporary in nature, the benefits and / or results achieved and extended by a given project can run permanently and are not temporary in nature.

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b) Unique nature of project

Every project has its unique nature, and every project create a unique benefit, result through a product or through a service. Projects may be similar to each other, but are fundamentally unique in the way each project is executed.

Projects related to a single program or a portfolio is also unique in their approach, execution, results and benefit.

Project Management as per PRINCE2 (Projects in Controlled Environments)

As mentioned in PRINCE2 guide, Projects are means by which change is introduced and is defined as 'temporary organization created for the purpose of delivering one or more business products in accordance with the agreed Business case'.

Key characteristics of project as defined by PRINCE2 are:

a) Change – Projects are introduced to initiate change

b) Temporary – Defined start and end dates, and the project ends when the required change by the project has been executed.

c) Cross-functional – Team of people with different skills across cross-functional teams

d) Unique - As mentioned for PMP, each project is unique in nature. Similar projects are also unique in some ways.

e) Uncertainty – Overall more risk and uncertainties in comparison to business as usual.

Projects can exist independently on their own and also exist as part of Programs and sub-programs, which in turn exist as part of Portfolios and sub-portfolios.

Salient Features of a PROJECT (combined from PMP and PRINCE2)

Some of the typical examples of projects are:

a. Constructing of a building

b. Implementation of Core Banking system in a bank

c. PhD. Program at IUJ, Jharkhand

PhD. as a project: All the PhD. scholars enrolled at PhD. program of IUJ, Jharkhand are in process of executing a unique project of PhD. The characteristics of the Ph.D. as a project are given below:

i. **Temporary –** PhD. has definite Start and End dates, and is hence temporary in nature.

ii. **Unique –** Though each of the scholar is executing the same project i.e. PhD. but each of the PhD. is unique in nature.

iii. **Change –** PhD. will result in change, and will change the scholars into doctors.

iv. **Cross functional –** PhD. requires scholars to work with inter and cross-functional team to complete the PhD.

v. **Uncertain –** Doing a PhD. involves unimaginable amount of uncertainties!!!

A project can create: A product, a service, an improvement, a result or an outcome. And of course the research we are doing is a 'Project'.

WHEN WORK HAS BEEN COMPLETED – THE PROJECT AND THE PROJECT TEAM IS DISBANDED

2. Project Management Approach:

PMP Approach:

Project Management is application of knowledge, skills, tools and techniques to project activities to meet the project requirements, and is accomplished through appropriate application and integration of 47 project management processes categorized by PMI into 5 Process Groups and 9 Project Knowledge Areas. These are grouped as below:

	Process Groups				
Project Knowledge Areas Management	Initiating	Planning	Executing	Monitoring & Controlling	Closing
Integration	*Develop Project Charter	*Develop Project Management Plan	*Direct and Manage Project work	*Monitor and Control Project Work *Perform Integrated Change Control	*Close Project or Phase
Scope		*Plan Scope Management *Collect Requirements *Define Scope *Create WBS		*Validate Scope *Control Scope	
Time		*Plan Schedule Management *Define Activities *Sequence Activities *Estimate Activity Resources *Estimate Activity Durations *Develop Schedule		*Control Schedule	
Cost		*Plan Cost Management *Estimate Costs *Determine Budget		*Control Costs	
Quality		*Plan Quality Management	*Perform Quality Assurance	*Control Quality	
Human Resource		*Plan Human Resources Management	*Acquire Project Team *Develop Project Team *Manage Project Team		
Communications		*Plan Communications Management	*Manage Communications	*Control Communications	
Risk		*Plan Risk Management *Identify Risks *Perform Qualitative Risk Management *Perform Quantitative Risk Management *Plan Risk Responses		*Control Risks	
Procurement		*Plan Procurement Management	*Conduct Procurements	*Control Procurement	* Close Procurements
Stakeholder	*Identify Stakeholders	*Plan Stakeholder Management	*Manage Stakeholder Engagement	*Control Stakeholder Engagement	

Source: www.pmi.org.in

PRINCE2 Approach:

PRINCE2 suggests that - Project management involves plans for sequence of activities, delegation of work, monitoring of project progress as per plan, and to exert control on the plan thorough the six variables of project performance. [3]

PRINCE 2 controls and manages a project underlying seven principles executed through the following three integrated elements:

A. Seven Themes

B. Seven Process

C. Tailoring PRINCE 2 to the project environment

PRINCE2 project management concepts are based on Seven Principles…Supported by Seven Themes…Delivered through Seven Processes. The inter-relation of the seven themes and seven process with project management tasks executed in each of the themes and process is depicted below:

	Pre-Project Preparation	Initiation Stage	Rest of Project			
			Directing a Project - Throughout the Project			
PRINCE2 Themes	Starting up a Project	Initiating a Project	Controlling a Stage	Managing Product Delivery	Managing a Stage Boundary	Closing a Project
Business Case	*Business Options *Expected Benefits *Negative Outcomes *Investment Appraisal *Outline Business Case	*Detailed Business Case * Benefits Baselined	*Stage Business Case *Highlight Report		*Continuous Evaluation *External Factors *Update Business Case	
Organisation (Executive, Project Manager)	* Executive Decision Maker * Project Management Team *Organisation Structure *Roles and Responsibilities *Define Accountability	*Project Initiation Document (PID) *Authorise Project / Stage *Communication Management Strategy	*Work Package		*Exception Plan Approval *Update PID (if required) *End Stage Report (Approval) *Request Authorization (Stage)	*End Project Report *Draft Project Closure Recommendation *Authorise Project Closure
Quality	*Project Product Description *Quality Assurance *Lessons Log *Lessons Report	*Quality Management Strategy *Quality Register *Product Description	*Lessons Log *Lessons Report	*Product Status Account *Update Quality Register	*Quality Review *Update Quality Register *Lessons Log *Lessons Report	*Lessons Report *Quality Register Closed
Plans	*Project Definition *Project Approach *Project Plan (High Level)	*Project Plan *Stage Plans (Initiation / Current Stage) *Team Plans	*Product Checklist *Review Team Plan *Updated Stage Plan	*Team Plan	*Stage Plan (Subsequent Stages) *Update Project Plan	*Follow-on Action recommendations *Acceptance Record
Risks		*Risk Management Strategy *Risk Management Procedure *Risk Register	*Update Risk Register	*Risk Raised	*Update Risk Register	*Risk Register Closed
Change		*Configuration Management Strategy *Configuration Item Records *Issue Register *Daily Log	*Change Control Procedure *Exception Report / Plan *Issue Report * Update Issue Register *Update CI Records	*Issue Raised	*Configuration Item Records Update *Update Issue Register	*Evaluate Configuration Management Strategy *Issue Register Closed
Progress	*Benefits Review Plan	*Benefits Review Plan	*Product Status Account *Authorise Work Package *Highlight Report	*Checkpoint Report	*Product Description (Review to Approve) *End Stage Report *Update & Review Benefits Plan	*Update Benefits Review Plan

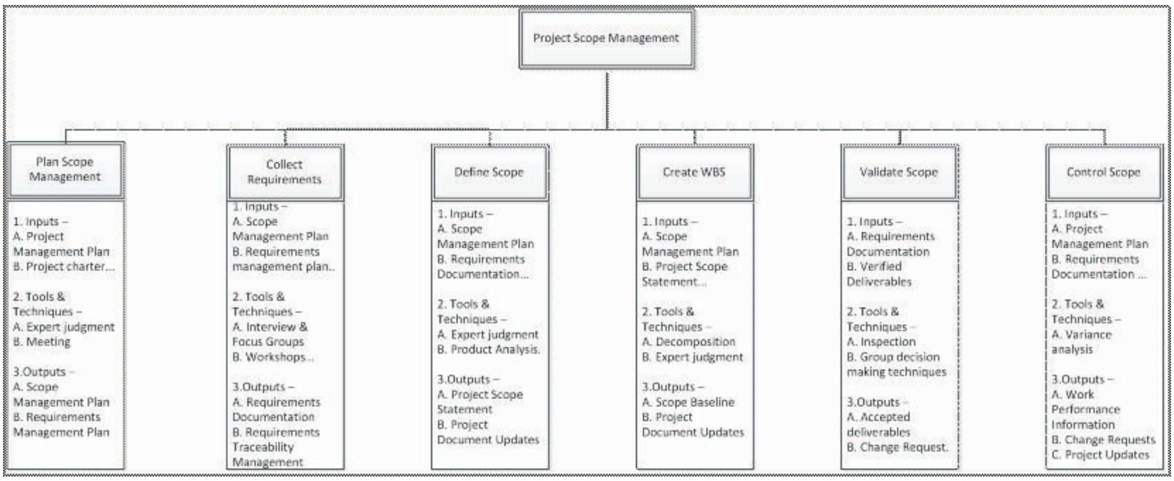
Source: www.prince2.com

3. Depth and Breadth of Processes

PMP- Depth of Processes

PMP aims to deliver project through detailed analysis and execution of '47 Project Management process' distributed throughout the life cycle of a project. These 47 processes are mapped and allocated to the respective process groups and knowledge areas. The interaction between these processes is distinctly defined in the PMBOK. It is expected by PMI that: To effectively manage a project, the project manager needs to follow the methodology and sequence for each of the 47 processes.

The PMBOK gives detailed description of each of the processes. For each process, PMBOK describes, the 'inputs' required for the process along with the 'tools and



techniques' to support effective project management. It also identifies the expected 'outputs' from the execution of the given process. Consequently, the output/s from a process becomes an input for other process/s. See below an example for the 'Project Scope Management Process':

The purpose of identifying inputs, tools & techniques and outputs for each process is twofold:

a. To provide traceability and interlinking of various processes.

b. To identify activities and tasks for each process area.

PMBOK is extremely detailed and suggests the ideal and the expected way of executing project management at each level by proposing the activities and tasks to be followed for each of the process, sub-process and tasks.

PMP- Breadth of Processes

Through the identification of 47 process aligned to 9 knowledge management areas and 5 process groups, PMP has the entire range of project management processes covered throughout the lifecycle of a project. PMBOK covers almost every aspect of project management – from the project initiation to the project closure, taking forward project management in a very sequential manner describing the minute details of the processes involved.

But PMP gives no reference to the Business Case i.e. the process initiated for selection of a project, and only gives a brief reference to the Benefits accrued from a project.

PRINCE2 - Depth of Processes

In PRINCE2, as mentioned earlier, project management relies on the Seven Principles which are supported by Seven Themes and delivered through Seven Processes.

PRINCE2 does not entail to give detailed description of any of the sub processes within the seven themes and seven processes. But it endeavors with the understanding and assumption that the senior management, including the project manager, has clear understanding of the project objectives and executes the project to realize the benefits from a given project.

PRINCE2 Guide – 'Managing Successful Projects with PRINCE2' published in association with OGC (Office of Government Commerce, UK) depicts the following:

1) Brief description of the underlying Seven Principles

2) For each of the Seven Themes:

a) Purpose

b) Definition

c) Approach

d) Responsibilities

3) For each of the Seven Processes:

a) Purpose

b) Objective

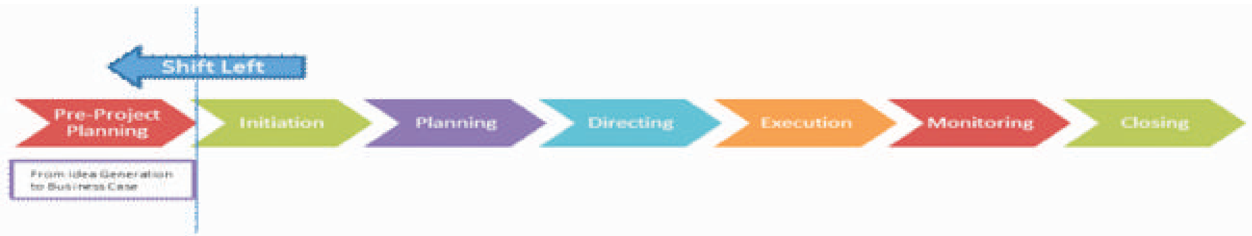
c) Context

d) Activities

To summarize, PRINCE2 only gives high level direction to project management through its themes and processes, with focus on general management as its underlying principles. PRINCE2 connects and refers to general management both directly and indirectly, and refers project management as internal to the organisation management.

PRINCE2 - Breadth of Processes

As per PRINCE2, the project management begins much before the project is actually initiated. The project starts when the idea to execute a certain work with value to the organization is perceived. This idea basically refers to the 'Why' of the existence of project. In other words, PRINCE2 takes a 'shift left' approach in the project management arena. Referring to the horizontal view below, PRINCE2 project management starts much before the project comes into existence.



As per PRINCE2, the project starts when feasibility is accepted i.e. when the Business Case is accepted. To be acceptable, the business case has to be: Desirable, Viable and Achievable.

PRINCE2: NO BUSINESS CASE – NO PROJECT

The purpose and the benefit of shift left strategy in PRINCE2 is that the key stakeholders and the decision makers for a given project are identified much earlier in the life cycle of the project, and the same set of stakeholders are involved till the closure of the project and also in the benefits realization of the project. This results in clear lines of RACI throughout the lifecycle of the project resulting better project management.

2. Comparative Study of PMP and PRINCE2

Highlights of Similarities

Purpose of the PRINCE2 and PMBOK Manual:

PRINCE2: A structured project management method based on experience drawn from thousands of projects – and from contributors of countless project sponsors, project teams, project managers, academics, trainers and consultants [3]. The manual is designed for:

(i) Entry level project management personnel

(ii) Experience Project Managers

(iii) Detailed reference source for PRINCE2 practitioners

(iv) Source of information on PRINCE2 for managers considering to adopt the method

Manual covers the questions frequently asked by people involved in project management and support roles.

PMP: The PMBOK guide identifies that subset of project management body of knowledge that is generally recognized as good practice. 'Generally recognized' means the knowledge and practices described are applicable to most projects most of the time, and there is consensus about their values and usefulness. 'Good Practice' means there is general agreement that the application of the knowledge, skills, tools and techniques can enhance the chance of success over many projects. [2]

The PMBOK Guide also provides and promotes a common vocabulary within the project management profession for using and applying project management concepts, as a common vocabulary is an essential element of a professional discipline. [2]

Considering the above, the PRINCE2 refers to a PM methodology based on experience, whereas PMP refers to body of knowledge which is recognized and practiced. Both the methodologies are basically similar and refer to knowledge repository built from experience and are capable to enhance the performance of projects.

Constituents of a project

Irrespective of the approach, the constituents of a project remains same for both the methodologies. The project manager needs to follow a methodological approach for a project to realize its objectives, through execution of processes in a step by step approach, and managing the project life cycle through initiating, planning, execution, monitoring and closing processes.

Critical Success Factors (CSF's)

Any given project works on multiple constraints, and managing these constraints is critical to the success of the project. Based on the constraints, 'Critical Success Factors' (CSFs) are identified for the project, and most of the CSFs for effective project execution are inter-related and dependent upon each other.

Both PRINCE2 and PMP are concurrent on the type of constraints within the framework of a project, and conclude that effective management CSFs leads to the success of a project.

Differences

Roles & Responsibilities:

PRINCE2 suggest that the organisation and senior management should be a part of project from idea inception stage till the closure of the project, and even beyond project closure to realize the project benefits in future. The roles and responsibilities of organisation involved - Project Board, Executive (Sponsor), Senior User, Senior Supplier, Project Manager, Team Manager, Project Assurance, Change Authority and Project Support, are defined in the PRINCE2 guide.

On the other hand, PMP does not define the roles of organisation involved in project. PMP refers to the role and influence of organisation on the project throughout the life cycle of the project, but in PMP parlance the Project Manager is the key role for a project, and project manager has the authority to take all decisions related to the project. PMBOK guide though gives reference to the influence of organizational structure, organizational communications and organizational culture on the performance of a project, as projects are a sub-set of the large ecosystem and environment within an organisation.

The organisation roles as mentioned in PRINCE2 are dealt with in PMBOK as part of stakeholder management, and not as organisation team leading the project from inception to the conclusion.

Role of Project Manager:

As per PMP, Project Manager is assigned by the organisation for achieving project objectives with project manager assuming the complete responsibility and accountability for delivery of the project. The project manager is the key decision maker and has overall authority to take decisions for the execution and performance of the project.

As per PRINCE2, Project Manager has the authority to run the project on day-to-day basis on behalf of the project board within the constraints laid down by the project board.

Project Manager's role as per PRINCE2 is governed by the Project Board, whereas a PMP Project Manager has complete authority over the project decisions.

Flexible process vs Standard Process:

Though both PRINCE2 and PMP identify and define the deliverables from each process, PMP is extremely detailed in terms of linking the inputs and outputs at sub-process level. PRINCE2 defines the output at process level but not at the sub- process level, whereas PMP subscribes to the minute details along with tools & techniques involved during each sub process. PRINCE2 considers these as internal to the project, with decisions on tools &

techniques to be taken by project manager and the project team.

Approach to Business Case –Shift Left:

PRINCE2 lays continuous emphasis in the Business Case and the 'Continuous Justification' of the Business Case for which the project has been undertaken. The business case is continuously evaluated throughout the life cycle of project. If at any stage during the life cycle of the project the business case is not justified, the project cease to exist from immediate effect.

PMP also refers to the business case and its justification, but considers it 'Outside Project Boundaries'. Business case approval, funding and justification are outside the scope of project management and are managed by the organisation external to the project. PMP emphasize on the objectives to be achieved by the project as defined in the project charter, and the project success or failure evaluated though the achievement of these objectives.

Thus, PRINCE2 shifts its project boundaries LEFT to include business case as one of the key components of decision making throughout the life cycle of a project.

Benefits Realization – Shift Right:

Projects are temporary organisation initiated as change agents with a purpose of delivering business benefits as per needs identified for the project. The benefits accrued through the deliverables produced by the project are to be realized beyond the duration of the project.

With project board being the authority as per PRINCE2 methodology, the BENEFITS from the project are recorded and measured by the project board even after the closure of the project. Whereas in PMP, the benefits are recoded till the closure of the project with no formal mechanism of measuring and recording the benefits post closure of the project, even though the deliverables produced continue to give benefits beyond the duration of the project.

This 'SHIFT RIGHT' approach to measure benefits helps the organisation to justify the business case for which the project came into existence, even after the closure of project.

Tailoring of processes:

Tailoring of process is one of the integrated elements of PRINCE2 methodology. PRINCE2 explicitly states the process for tailoring to suit the project's environment, size, complexity, importance, capability and risk. In fact, PRINCE2 gives loose coupling of the processes to enable tailoring as per needs of the project.

PMP defines tailoring as: Act of carefully selecting process and related inputs and outputs contained within PMBOK guide to determine a subset of specific processes that will be included within project's overall management approach.

PMP defines a set of 47 sub-processes with defined inputs, tools and techniques and outputs, with an option to tailor these as per the needs of the project. Whereas PRINCE2 enables tailoring at all levels of the project i.e. the organisation level, process level and sub-process level.

3. Conclusion

Based on the similarities and the differences between PRINCE2 and PMP methodology, it is possible to overlay the processes of both PMP and PRINCE2, thus developing a UNIFIED PROJECT MANAGEMENT MODEL.

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Infertility Treatment Market in India : Present and Future

Ashis Majumder[1]

Polycystic Ovarian Disease (POCD) prevalence is 35 %(by NIH 1990 criteria) in women with child bearing age in India. Since PCOD (polycystic ovarian disease) leads to infertility, diabetes mellitus, obesity and other equally significant life style related disorder, it's a major burden to society and no longer a small, rare or negligible incidence. Female Infertility is also a quite worrisome in developing countries like us. A WHO evaluation of Demographic and Health Surveys (DHS) data (2004), estimated that more than 186 million ever-married women of reproductive age in developing countries, about 25% of the married couples, maintain a "child wish". Current available therapies offer suboptimal benefits to this syndrome opens an enormous opportunity to introduction of modern advance therapy at an affordable cost. Since a vast population is affected, the economic burden in terms of loss of productivity and psychological instability of the affected population also escalate the need for aggressive intervention. The affordability & accessibility are the two key factors in providing an effective therapeutic solution. The objective of this paper is to evaluate the infertility treatment market and the possible solutions for the present and the future.

Key Words: Infertility Treatment, PCOD, DHS, ART

Introduction

Polycystic Ovarian Disease prevalence is 35 %(by NIH 1990 criteria) in women with child bearing age in India. Current available therapies offer suboptimal benefits to this syndrome opens an enormous opportunity to introduction of modern advance therapy at an affordable cost. Since PCOD (polycystic ovarian disease) leads to infertility, diabetes mellitus, obesity and other equally significant life style related disorder, it's a major burden to society and no longer a small, rare or negligible incidence. Since a vast population is affected the economic burden in terms of loss of productivity and psychological instability of the affected population also escalate the need for aggressive intervention.

Female Infertility is also a quite worrisome in developing countries like us. A WHO evaluation of Demographic and Health Surveys (DHS) data (2004), estimated that more than 186 million ever-married women of reproductive age in developing countries were maintaining a "child wish", translating into one in every four couples. Which means 25% of the married couple and it's a quite big market considering 1.2billion Indian population.

A broad Data base is being analyzed, independently from different primary and secondary sources to reach the conclusion. Data source to name Mckinsey Global Institute (Bird of Gold), Accenture, IMS world review, IMS Midas, Central Bureau of Health intelligence, WHO, Medical Council of India, ORG & CMARK.

Michel E Porter's 5 Force Analysis in the perspective and SWOT application in the environmental scanning is applied here to reach the conclusion.

The affordability & accessibility are the two key factors in providing the therapeutic solution.

2. What is Art?

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Assisted Reproductive Technology (ART) is the application of laboratory or clinical technology to gametes (human egg or sperm) and/or embryos for the purposes of reproduction.

There are various treatment option available to address the female "infertility" or" sub-fertility" depending on the biological condition of the female or the couple and diagnosed probable cause of Infertility.

Treatment' s Algorithm

1. Counseling and Guidance
2. Drug therapy to control ovulation.

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3. Surgery to improve blocked or damages fallopian tubes.
4. Intra - uterine insemination (IUI) using the husband's sperm.
5. Insemination using donor sperm "(DI)" if the husband or partner has no sperm or very poor perm or risks passing on an inherited disease.
6. In vitro fertilization "(IVF)".
7. Egg donation with IVF.
8. Embryo donation.
9. Gamete intra fallopian transfer "(GIFT)".
10. Intra cytoplasmic sperm injection "(ICSI)".
11. IVF or ICSI with "PGD" (pre-implantation genetic diagnosis) where there is a risk of inheritable disease

2.1 Types of ART

Predominantly Three Technologies are used –a) GIFT b) ZIFT &c) IVF.

GIFT-Gametes are not fertilized outside the body rather they are placed together in the one fallopian tube of the female patients.

ZIFT- Zygote is placed in the fallopian tube through laparoscopic surgery.

IVF- It's a process in which ova or egg is fertilized by sperm in vitro (outside human body), in a laboratory. It's used when other techniques failed. Then the fertilized ova(embryo)is placed in the female uterus for expecting viable pregnancy.

2.2 Causes of Infertility

Infertility caused by various factors apart from Organic, Genetic anomalies or secondary to some ailments, diseases or injuries like; Stress, Obesity, Urbanization, Pollution and Chemical Exposure, Fast Paced Life style, Late Settlement in Life (Delayed Marriage), Career Priorities, Increased Incidences Of Diabetes, Pelvic Inflammatory Diseases, and PCOD (Metabolic &Hormonal Disorder)

Hence the Target Population age lies in the range of 30-39yrs.

3. Fertility Rate of India and World

The Subject Matter the Indian infertility Market growth directly linked with its own fertility rate, fertility rates of adjoining countries and fertility rates of advanced countries.

Indian Fertility rate is just 2.53, a little above the global average of 2.47(CIA-2013). Considering its 1.22billion population, India house a vast quantum of infertile couple seeks ART. Asia's (SAARC) poor fertility rate creates a vast opportunity for the Infertility Treatment Market (Fertility Industry) or the ART market in India.

Other factors make India a better choice discussed later.

Economic Impact

"Low Fertility Trap" has a dire consequence on economic growth. In one hand low fertility with fewer children leads to diminished cost of parenting there by increases per capita GDP, on the other hand in long run it severely impact the supply of work force as population ages.

Similar Situations are already evident in countries like Japan, Indonesia (240 million aging population). To circumvent the trap many governments start intervening with subsidiaries or with financial supports for infertility treatment. Thus further widen the opportunity for ART market to flourish with Regional Opportunities.

Countries like South Korea, Singapore are the examples where government sponsors up to 75 % of the cost of fertility treatment to lessen the cost burden and encourage fertility treatment.

State-wise Fertility Rate in India:

4. Factors favoring this growth of Fertility Tourism in India-

Rank	State	Fertility Rate 2013	Fertility Rate 2010	Change
1	Chandigarh	1.23	1.38	-0.15
2	Goa	1.42	1.54	-0.12
3	Punjab	1.61	1.8	-0.19
3	Himachal Pradesh	1.64	1.83	-0.19
3	Tamil Nadu	1.64	1.72	-0.08
3	Kerala	1.65	1.79	-0.14
3	Andhra Pradesh	1.66	1.83	-0.17
4	Delhi	1.71	1.88	-0.17
4	West Bengal	1.71	1.83	-0.12
5	Maharashtra	1.72	1.88	-0.16
5	Sikkim	1.74	1.93	-0.19
5	Karnataka	1.79	1.98	-0.19
6	Jammu and Kashmir	1.8	1.99	-0.19
7	Tripura	2.01	2.25	-0.21
8	Haryana	2.15	2.34	-0.19
8	Uttarakhand	2.17	2.37	-0.2
9	Orisa	2.17	2.3	-0.13
10	Assam	2.24	2.46	-0.22
10	Gujarat	2.25	2.47	-0.22
	INDIA	**2.32**	**2.53**	**-0.23**
11	Manipur	2.42	2.67	-0.25
12	Chattisgarh	2.52	2.79	-0.27
12	Mizoram	2.54	2.82	-0.28
13	Arunachal Pradesh	2.62	2.88	-0.26
14	Jharkhand	2.76	3	-0.24
15	Rajasthan	2.83	3.09	-0.25
15	Nagaland	2.84	3.14	-0.3
16	Meghalaya	2.92	3.27	-0.25
16	Madhya Pradesh	2.95	3.18	-0.23
17	Uttar Pradesh	3.21	3.52	-0.31
18	Bihar	3.43	3.7	-0.3

Source: SRS Report (2013) Released by the Census Commission of India

- Very Low Cost of Procedure and Treatment. Almost 1/10th of the average cost in advanced countries.(First World Treatment at Third World Cost).
- High Quality Medical Facilities.
- Availability of Advanced (at par with international standard) Medical- Technology.
- Growing Compliance with International Standard.
- No Language Barrier (English Speaking Providers)
- Low Priced Drugs.
- No Waiting Time.
- High on POP(Pay Out of Pocket) so less bureaucratic and flexible.
- Most Preferred Tourist Destination.
- Absence of Binding Industry

Regulations.(Unregulated Market) 11. Ample of Incentives to Foreign Consumers of Fertility Services. 12. Easy Supply of Surrogates.(Ample Indian women are willing to be Surrogate).

4.1.Fertility Treatment Market Growth Restrainers (Global)

- Limited Insurance Cover
- Religious bans on Artificial Insemination procedures (Islamic Bans).
- Ban on Artificial Reproduction Procedures in Europe Region.(Opportunity for Indian Centers).
- Patent Expiry of Infertility Drugs. (Is an Opportunity for Indian Pharmaceuticals).

4.2 Top Ten Pharmaceutical Companies

Top Pharmaceuticals companies of the country are not necessarily dominating in AR treatment market.

Top 10 Players in Indian IVF Segment – (Pharma); 1) Sun Pharmaceutical industries Ltd, 2) Lupin Pharma, 3) Zudus Cadila Health Care Ltd, 4) Intus Pharmaceuticals Ltd, 5) Cipla, 6) Emcure House, 7) Bharat serums and Vaccines Ltd, 8) Uni-Sankyo Ltd, 9) Serum Institute of India, and 10) Alembic Ltd.

Five emerging Companies in IVF Market; Life Medicare, Svizera Laboratories Pvt Ltd, VHB Life Science, Plethico Pharmaceuticals Ltd, & Ferring BV

Top three International Players are;

Company	Revenue for Infertility Products in 2011
MERCK SERONO	US$995m
MERCK & CO.	US$625m
FERRING	US$550m

Cost of ART procedures & drugs used in India are 1/10th that of advanced countries.

6. SWOT Analysis on Fertility Tourism in India

6. Competitive Landscape:

Strengths	**Weakness**
• Legalized "Commercial Surrogacy" • Quality Service at Affordable Cost • Vast supply of qualified doctors and nurses • International Reputation of hospitals and Technology Enabled Equipments • QCI's NABH accredited Hospitals to care Patients Rights & Benefits etc • Diversity of tourism destinations and leisure experiences	• No strong government support / Initiative to promote fertility tourism. • Low Coordination between the various players in the industry– airline operators, hotels and hospitals • Customer Perception as an unhygienic , poor country • Lack of uniform pricing policies across hospitals • Very Few Accredited health care institutes compared to requirements.(only 63 NABH accredited hospitals in 2011) • No Policy to provide advanced health care service to country's underprivileged • Yet to have genetic mapping of countries surrogates or Donors. Genetic proximity or simile attracts service seekers. Africans prefer Barbados for Egg Donors. • Qualitative sperm grading and banking (even competitive assessment) facility too in their infancy. Normandy, Dutch and US frozen Sperm are already an commodity. • Language Barrier to serve non English speaking (eg Arabs) service seekers. • Lack of "One Stop Canters"(under one roof all required procedures ,test accommodation ,leisure provided) .
Opportunities	**Threats**
• Increased demand for Surrogacy from countries where Surrogacy is either prohibited (e.g. France, Japan, Canada, Hungery) or Restricted by the Law (e.g. Israel). • Shortage of supply in National Health Systems in countries like U.K, Canada • Demand from countries with underdeveloped countries like U.K, Canada healthcare facilities. • Less cultural diversity (e.g. Bangladesh, Pakisthan, Mynamer, Sri lanka) patients from such countries feel comfortable in India • No Racial Discrimination in India can attracts service seekers from African and Middle East countries • Medicines and laboratory Tests are very economical in India compared to Developed countries • 43million US citizens and many like from developed countries are not covered by health Insurance; thus opting economical & quality health care outside.	• Strong competition from countries like Thailand, Malaysia, Singapore • Lack of international accreditation • Overseas medical care not covered byinsurance providers • Under-investment in health infrastructure • Cost and Clauses of Medical Visa (M Visa) is inhibitive. • Exploitation prevention and Safety of foreigners are in compromised

Infertility Market in India still is in its Infancy, largely because of its Social, Ethical & Cultural Barrier. High cost of therapy of ART(in Domestic Context) also kept large number of suffering population at Bay. But things are changing. According to Mr. Pradip Kanakia, National Head of Markets, KPMG India, "There are, however, increasing signs, particularly in metros and amongst well-to-do masses, that reproductive technologies and products may be increasingly used by people in need, as there is growing awareness of the benefits and safety" . Though the ART market here is in a high growth trajectory but it is highly fragmented and unorganized. 90 %(2012) of the market is being served by "regional stand alone clinics" run by individual or group of doctors. There were no "organized IVF chains" to provide standardized seamless service pan India.

As per KuicK Research report "India IVF Treatment Market Outlook 2016" findings the total number of cycles being performed in India is much lesser than its potential due to lack of adequate facilities in the unorganized healthcare sector.

The Impact of this Enticing Market with optimistic growth & unexplored opportunity is visible in the horizon, as Venture Capital Firms, Investment Banks and even Parallel Healthcare Service Providers are taking interest to build

"Branded IVF Clinics"

ART regulation bill too made a perfect pitch for Branded IVF Clinics.

In Near Future IVF Treatment Market will be controlled by 4 major types of Players (Service Providers).

1. Stand Alone Clinics
2. Existing Corporate Hospitals integrate in to Infertility, High Risk Pregnancy & Neonatal Care through M&A.
3. International Giants specialized in ART with Brand Image Setting up their centers/franchise.
4. Hospitals with roped Drs, having established reputation in the field. Currently not many players are in 2, 3&4 segments.

Stand Alone Clinics

There are approximately 3000 such clinics both small and large (performing IVF cycle 30 to 1000 per year). In the absence of a National Registry, the exact numbers of infertility clinics offering ART is not known, and the quality of services and success rates at these clinics is dubious. Most of these clinics are owned and managed by individual Gynecologist or family. The Quality and services are governed by concerned physicians.

Such Clinics are flocked mainly in the bigger cities like Mumbai, Delhi, Bangalore, Chennai, Kolkata and other bigger cities where a) Aware & B)Affordable class dwells.

Awareness, Affordability and Accessibility are three factors, if addressed, can multiply the growth trajectory of domestic ART market from CAGR 24% to 30%. It's an opportunity for new Stand Alone Clinics to reach out semi Urban and Rural potential service seekers. With focused awareness enhancement drive and operate with a very competitive rate. Probably fixed asset cost advantages can be leveraged. Bigger city clinics will notwithstanding, funding will be a major challenges to match customers expectation, international accreditation, hire specially qualified staff and update with latest result oriented competitive technology to remain up float.

Challenge is to reach out 30million infertile couple and cater the service in domestic front.

Existing Corporate Hospitals integrate in to Infertility, High Risk Pregnancy & Neonatal Care through M&A

a) Advanced fertility centre at Fortis La Femme Hospital, New Delhi, has been initiated in association with BLOOM IVF Fertility Care Clinics.
b) Moolchand Fertility clinic, New Delhi
c) Appolo Hospital are the examples for the same. All big corporate hospitals are integrating to serve in this specialized category but very few are there till date and suboptimal to cater the domestic and international clients.
d) Vasan Healthcare Group under the leadership of Dr. A M Arun also eying in launching branded IVF clinics in India

International Giants specialized in ART with Brand Image Setting up their centers/franchise:

Looking in to the Indian fertility Industry growth and future potential many international ART Chains are setting up their centers/franchisee/JV in India.

a) Morpheus ART, a German-Indian medical company, set up its fertility centres in two Indian cities where they offered a second cycle at "no extra procedural cost" if the first cycle fails to lead conception.
b) The UK-based Bourn Hall Clinic—which is credited with creating the world's first test-tube baby Louis Brown, in 1978—is investing close to Rs 200 crore in India. In the next few years it will set up 16-18 centres across the country. It has already set up its first centre at Kochi. It's quite evident the target and objective of Bourn Hall Clinic,when Chief Executive Mike Macnamee said India is "the most under-served market in IVF" & the middle class here understands the need for assisted reproduction.
c) HealthCare Global Enterprises (HCG) announced that it has acquired a majority stake in Bangalore Assisted Conception Centre (BACC), a leading provider of fertility care owned by Dr Kamini A Rao(FOCGSI President). Known as" Milann – The Fertility Center". The venture aims to make the best practices in fertility care available and accessible across India.

d) Nova Medical Centres formed a joint venture with Spain-based reproductive medicine firm, IVI to expand their clinic network in Middle East and India. Goldman Sachs and New Enterprise Associates also invested $54 million in Nova Medical Centres in August 2012.

Hospitals roped in Doctors, having established reputation in the field.

It's also an adapted model to enter in this growing & lucrative segment. Many big hospitals never catered to this segment in the past and now not willing to build facility over time, adopted this route. Fearing they may lose the competitive edge to its competition if not present in ART segment.

a) Fortis, for instance, has tied up with Bloom IVF clinic, founded by infertility specialists Dr Hrishikesh Pai and Dr Nandita Palshetkar of mumbai to provide specialized service for their three hospitals.

b) Similarly, Mumbai's Hinduja Hospital brought on board Dr Indira Hinduja and Dr Kusum Zaveri to set up its IVF Centre.

Conclusion

The future of Infertility treatment industry in India is very promising and buoyant, though the growth trajectory will be decided by many factors within and outside the country domain. The various advantages the country inherently posses coupled with legal, political and technological support will definitely help evolve this budding industry to full blown globally leading fertility service providing hub. Solid fundamental backing giving rise to various business opportunities, say it entire fertility treatment service, medical tourism, egg & sperm donation/banking, training institute to provide skilled staffs, pharmaceutical focusing to this niche specialty segment with innovative product mix or high end R &D centre to target unresolved opportunity in the therapy. Strong intent, investment, careful policy intervention and action will predicate future growth and put Indian Infertility Treatment Industry in to the global top tier.

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Emerging Trends of Research on Microfinance in India

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Microfinance is one of the tools through which the financial inclusion of those sector of the society is done who are deprived of the basic financial facilities like loans, Insurance, saving, training etc. The objective of my present paper is to do the literature review of the various researches already done in this field This paper examines the different approaches of various researchers and also explains the different key areas of their research done in India or those researches whose scopes includes India. The analysis of this study is based on secondary sources and literature review.RBI initiatives taken for the financial inclusion has also been highlighted. The paper also establishes the pattern or the trend of researches carried out in recent years i.e. empirical or non empirical and their areas. To establish the pattern, a sample of 33 scholarly research articles have been taken and a tabular conclusion has been drawn which says that most of the researches in the field of microfinance recently has been non empirical in nature. The paper also discusses the gaps in the researches done and the further scope of the research in this field.

Keywords-Microfinance, Financial Inclusion, Empirical, Non Empirical, Trends, Microfinance Research, India

Introduction

Microfinance in simple terms means providing financial assistance, in the form of loan, insurance saving, fund transfer, training to the small entrepreneurs and small businesses lacking access to banking and related services. Such services are delivered to the clients mainly through two main mechanism.(1) relationship-based banking for individual entrepreneurs and small businesses; and (2) group-based models, where several entrepreneurs come together to apply for loans and other services as a group. Many of those who promote microfinance generally believe that such access will help poor people out of poverty. For others, microfinance is a way to promote economic development, employment and growth through the support of micro-entrepreneurs and small businesses. But many studies in the past have shown that the microfinance which is really a broad term, and microcredit a sub part of microfinance, is often confused by many and the terms are mostly used interchangeably. Microfinance does not necessarily lifts people out of poverty, there have been mixed results. But one thing can be said without doubt that microfinance plays a major role in financial inclusion irrespective of the geographical locations.

History of microfinance

If we delve a bit into the history of microfinance, we find that the Credit unions and lending cooperatives have been around globally since hundreds of years. Although, neither microfinance nor microcredit were used, as terms, in the academic literature or by development aid practitioners before the 1980s or 1990s, respectively. The concept of providing financial services to low income people is much older. However, the pioneering of modern microfinance is often credited to Dr. Mohammad Yunus, who began experimenting with lending to poor women in the village of Jobra, Bangladesh during his tenure as a professor of economics at Chittagong University in the 1970s. He went on to establish Grameen Bank in 1983 and won the Nobel Peace Prize in 2006. The microfinance revolution, particularly the success stories of institutions like Grameen Bank in Bangladesh, Banco Sol in Bolivia, and Bank Rakyat in Indonesia, attracted several economists to study microfinance in the latter half of the 1990s. Since then, innovation in microfinance has continued and providers of financial services to the poor continue to evolve.

Micro Finance Methodologies can be classified into five groups:

Grameen and Solidarity Model

People form groups of three to eight persons on the condition that each of them would be assuming, responsibility for the lending and other financial operations for the other members of the group. Grameen Banks in Bangladesh are based on it.

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The Group Approach

The group approach delegates the entire financial process to the group rather than the financial institutions. Savings, loans, loan repayments are taken care of at the group level. Self-help Groups-Bank linkage programme in India, the PHBX project in Indonesia and the Chikola groups of K-REP in Kenya, are based on it.

Individual Credit

Credit given directly to the individuals also forms a part of the microfinance technology. BRI Unit Deasa in Indonesia as well as priority sector lending by the regional rural banks and cooperative banks in India are some of the examples.

Community Banking

This model is to some extent an expansion of the group approach where the basic financial necessities of the poor especially the women are met through the community banking system. The community or village banks are organized with 30-50 members. A Prominent example of this type of microfinance institution is the Village Bank of FINCA in Latin America

Credit Unions and Cooperatives

Credit unions and cooperatives are member-owned organizations providing credit and other financial services to their members. (eg. SANASA of Sri Lanka).

Microfinance in India: Key Operational points

In India, microfinance is generally understood but not clearly defined. For instance, if an SHG gives a loan for an economic activity, it is seen as microfinance. But if a commercial bank gives a similar loan, it is unlikely that it would be treated as microfinance. In the Indian context, there are some value attributes of microfinance.

1. Microfinance is an activity undertaken by the alternate sector (NGOs). Therefore, a loan given by a market intermediary to a small borrower is not seen as microfinance. However, when an NGO gives a similar loan it is treated as microfinance, it is assumed that microfinance is given with a laudable intention and has institutional and no exploitative connotations. Therefore, we define microfinance not by form but by the intent of the lender.

2. Second, microfinance is something done predominantly with the poor. Banks usually do not qualify to be MFOs because they do not predominantly cater to the poor. However, there is ambivalence about the regional rural banks (RRBs) and the new local area banks (LABs). 3. Third, microfinance grows out of developmental roots. This can be termed the "alternative commercial sector." MFOs classified under this head are promoted by the alternative sector and target the poor. However these MFOs need not necessarily be developmental in incorporation. There are MFOs that are offshoots of NGOs and are run commercially. There are commercial MFOs promoted by people who have developmental credentials. We do not find commercial organizations having "microfinance business."

4. Last, the Reserve Bank of India (RBI) has defined microfinance by specifying criteria for exempting MFOs from its registration guidelines. This definition is limited to not-for-profit companies and only two MFOs in India qualify to be classified as microfinance companies.

Three broad models of SHG bank linkage have emerged over the past few years in India and are as follows:

Model-I: Bank – SHG-Member

In this type of model banks play an important role by forming and promoting SHGs.The account of the members of the SHGs are opened by the bank. After satisfying about the functions bank provides credit to SHGs.

Model-II: Bank (Facilitating Agency) – SHG – Members

This is the most common form of SHG bank linkage, almost 70 percent of the SHGs are linked under this model wherein the NGOs, Government Agencies or Community based organizations act as facilitating agencies to form SHGs. Bank observes the operations of the SHGs and after satisfying their functions helps them to open savings accounts and provides credit directly to the SHGs. The State Government agencies like DRDA and DWDA play active role in linkage of this model. Cooperatives have a greater role to play and should take laudable efforts in linkage exercises.

Model-III: Bank-NGO-MFI-SHG-Members

This model is totally different from other two models. Under this model SHGs are nurtured, promoted and even financed by NGOs. NGOs act as facilitator and micro finance intermediaries (MFIs). After some time, when the SHGs have fully developed and stabilized banks are being approached by the NGOs for loans for on lending to SHGs. Very important development in this model is that NGOs have also been found to federate the SHGs and gradually equip the SHG federations to take on this role. (Misra 2006)

Financial Inclusion- Potential for growth in India

Economy Growth rate in India since last 5 years has been primarily in industry & services sectors and not substantial in the agricultural sector .The growth potential in SME sector is enormous but they have limited access to savings, loans, remittance & insurance in rural/ unorganized sector which is a major hurdle to their growth .Above services enlarge livelihood opportunity & empowers poor and empowerment aids socio-political stability. Financial inclusion provides formal identity, access to payments system & deposit insurance.

Who are excluded :Marginal farmers , landless labor , oral lessees , self employed , unorganized sector , urban slum dwellers ,migrants , ethnic minorities , socially excluded groups , senior citizens , women , NER, Eastern & Central regions most excluded

- **Reasons for Exclusion :**
  - Remote, hilly & sparsely populated areas with poor infrastructure and difficult physical access
  - Lack of awareness, low income, social exclusion, illiteracy
  - Distance from bank branch, branch timings, cumbersome documentation/procedures, unsuitable products, language, staff attitude are common reasons – Higher transaction cost
  - Ease of availability of informal credit
  - KYC – documentary proof of identity/ address
- **Recent RBI Initiatives :**

Expansion of branch network, liberalization/opening of economy ,financial sector reforms, deregulation ,KYC principles simplified to open accounts for customers in rural & urban areas but balances not to exceed Rs. 50000 & credits Rs. 1 lakh in a year , Introduction by a customer (KYC),General purpose Credit Card (GCC) facility up to Rs. 25000 at rural & urban branches ,Revolving credit which included withdrawal up to limit sanctioned based on household cash flows , No security or collateral , Interest rate was deregulated

Credit counseling & financial education a pilots was set up, Multilingual website in 13 Indian languages launched by RBI providing information on banking services. At State/Regional Level : SLBC (group of banks & government officials) since nationalization .SLBC Convenor – Quarterly review of banking developments while at the district Level :DCC/DLRC meetings by District Commissioner

- **Result of RBI Initiatives**
  - "No frills" accounts: No Frills 'account is a basic banking account. Such account requires either nil minimum balance or very low minimum balance. Charges applicable to such accounts are low. though services available to such account is limited.
  - SHG-Bank linkage – Access to banking system provided thru SHGs (groups pooling savings & providing loans to members, a NGO nurturing) . NABARD supporting group formation, linking with banks, promoting best practices because of which recovery became excellent . SHGs are given loans by banks against group guarantees with reasonable rate of interest though loan size were small and mostly used for consumption purposes/ small business, and agricultural activities These SHGs were mostly linked to PSBs
  - Foreign & private banks : Access through non bank companies providing small value retail loans or by partnership with MFIs, now an excellent substitute of formal sector but the rate of interest charged are very high (24% - 30%) because of high transaction cost and small sized loans
  - PSBs advantaged with lower cost of funds, size, scale
  - Business Correspondents (BCs):Post offices, co-operative societies, NGOs (trusts/societies)were used as BCs for branchless banking .These reduced the agency risk through local organizations & IT solutions for tracking transactions. Moreover door step banking provided at lower cost
  - Role of Government : Proactive role by issuing identity cards for a/c opening, through awareness campaigns by district/ block level officials, meeting cost of cards, financial literacy drives , India Post being used as BCs

Setting up of financial literacy centers , Credit counseling centers , National financial literacy drive, Linkage with informal sources with safeguards , IT solutions , Low cost remittance products etc.are some of the recent initiatives taken by the RBI for the financial inclusion.

Objectives

The objective of this paper is to study the trend of researches done in the field of microfinance in India. The specific objectives include:

1. To study the existing literature on Microfinance in general and particularly in India
2. Analysis of current trends of microfinance research in India
3. To identify the gaps in research based on survey of literature and predict future scope of research.

Existing Literature in general

As mentioned earlier in the paper that neither of the terms microfinance or microcredit were used in the academic literature nor by development aid practitioners before the 1980s or 1990s, respectively, though the concept of providing financial services to low income people is much older .Most of the valuable researches in this area was done only in the late 90's. The key aspects of Microfinance research in India are as follows:

Initially, the theory of microfinance was weak, as this sector did not get much help from the research also as most insights came from reflective practitioners and close associates /consultants not from scholars. Grameen Bank, Bangladesh visits; BRI Indonesia's Unit Desa; BAAC, Thailand; Boulder Courses offered lessons to hundreds of early practitioners. Most early writing on microfinance was 'explanatory' i.e. how joint liability groups works for credit. Likewise, other financial services – savings & insurance also focussed on how Joint Liability Group (JLGs) worked.Mahajan and Ramola, (Journal of International Development, 1996) showed the trade-off between access and sustainability in a World Bank study.

If we take a brief look at the quality of researches produced over a period of time in the microfinance field, all throughout the world, then the trend suggests that, till 1999, the research were focussed mostly on credit and joint liability mechanism, however some valuable contribution was done by Hulme and Mosley (1996) who warned against the 'credit fix' in "Finance Against Poverty'. From 2000-2009 some works on saving and insurance were done but they were mostly explanatory in nature, practical insight in this sector by the way of researches were lacking. During this period the investments in took off only on the basis of knowledge which were accumulated from ratings and training and not from researches. 2010-onwards researches were mostly focussed on impact of microfinance by using RCTs(randomized controlled trial) Randomization is the process of assigning trial subjects to treatment or control groups using an element of chance to determine the assignments in order to reduce the bias. Many big questions were neither raised nor researched while many trivial questions were over -researched

Research in India

Research on Microfinance Institutions (MFIs) in India:In India, a large number of rural populations were 'excluded' from formal financial institutions because of the increasing gap between demand and supply of financial services. As a response to the failure of formal financial institutions in reaching the poor, the 'microcredit' or more broadly 'microfinance' approach was innovated and institutionalized in the Indian rural credit system. It was aimed at overcoming the twin problems of formal credit system—

- non-availability of credit and
- poor recovery performance of the existing rural credit institutions.

As a result, Microfinance Institutions (MFIs) have made inroads into the rural areas to improve and extend timely, easy and adequate access to financial services. The analysis conducted by Shetty and Veerashekharappa 2009 indicates that large number of non-profit institutions are still not competitive and aggressive in reaching the majority of poor people. These institutions are still not using trained manpower. These two factors highly influence the progress and performance of MFIs. Therefore, these institutions still require more time to build up their internal capacity and strengthen the delivery mechanism. MFIs in their locality/region.. However, the victory of 'microfinance revolution', to a great extent, depends on the reliable services with suitable pricing (rate of interest) of the financial products.

During this development phase of NGOs came a startling allegation wherein Andhra Pradesh state government accused the industry of strong-arm collection tactics that drove some farmers to suicide. It issued suffocating rules; almost all loans in the state were written off; business ground to a halt. But with regulators which was far more central the industry revived, but much of research in this aspect was not done .There after many studies showed that though the credit facilities have been provided to the financially 'excluded' people but sufficient training as to how to use the money effectively for profitable business was not given which lead to the misuse of money or loss in the business .the high rate of interest on the credit added further problems leading to the sucide cases.

Research on reducing the transaction costs of the microfinance loans in India: Studies carried out by Puhazhendi (1995) and Srinivasan and Satish (2000) concluded that the intermediation of non-governmental organizations (NGOs) and self-help groups (SHGs) in the credit delivery system reduced the transaction costs of both banks and borrowers.

Tankha (2002) concluded that group formation costs are impacted by the number of groups handled by one field worker, transport costs, training costs and regional differences in average staff salaries due to differentials in local wage structure.

Karduck and Siebel (2004) studied transaction costs of borrowers and concluded that weekly as against monthly meeting schedules increases transaction costs by 34 percent.

The Microcredit Ratings International Ltd (M-Cril) Microfinance Review 2003(revised February 2004) mentions that the cost per borrower for the Indian MFIs is on an average US$12.2 (M-Cril, 2003). All the group lending models incur more than half of total operating expenses on salaries.

Savita Shankar (2007) study on the transaction cost indicates that the key drivers of direct transaction costs are field worker compensation and number of groups handled per field worker. Collection activity is the single largest contributor. It is suggested that

- Reduce direct transaction costs, by increasing the number of groups per square kilometer.
- Reduce indirect costs, by minimizing the number of layers of fixed costs in their system and examine alternative revenue-generating activities that can be undertaken with minimal incremental costs

Many MFI's perform better than the other .On one cross country study of 426 institutions in 81 countries. Showed that MFIs can still attain sustainability without necessarily increasing average loan size or interest earning. Implementation of a better interest rate policy and solidarity-group-based loan method and scaling-up by increasing the breadth of outreach help make that possible. By doing so, focus on the poor can be kept and, simultaneously, concerns for mission drift can greatly be avoided.

Research on Group based microfinance in India: NGOs, banks or other financial institution give loans mostly in groups so as to reduces the risk of default because of the peer pressure .Group based lending has a positive impact on the other parameters also. Empirical study in this regard was conducted in one of the village of Orissa by concluded that the group-based microfinance impacted the client household positively in the increase of income, assets position, savings and literacy, and in the reduction of migration.

Some more studies by Indian researchers like Dadhich (2001) stated that effective implementation of micro-finance can be a means not only to alleviate poverty and empower woman but also be a viable economic and financial .Proportion.

Raghavendra (2003) reported that the average participation level of SHG members has been quite good. Officials of Commercial Banks and RRB's together account for 50 per cent of total participation followed by Co-operative banks at 45 per cent and the balance 5 per cent by NGO's. Southern region accounts for over 2/3 of total proportion.

Satya Sundaram (2005) stated that micro-finance in India is making steady and satisfactory progress.

Thorat (2005) stated that micro-financial services provided to the poor in sustainable manner is consistent with high repayment rates. Which meant that if the services to the poor were provided in a sustainable manner than the beneficiaries would go in for repayments that are quite high in consideration to a staggered manner of provision of services.

SavitaShankar (2006) conducted Studies on efficient credit models in microfinance in Tamil Nadu; the most popular model for the dispensation of micro credit in India is the group-lending model. Shylendra et. al.,(2007) report the overall performance of the self-help group (SHG) intervention of the Sadguru .Water and Development Foundation (SWDF) in India and identifies possible ways to take it forward for promoting savings and credit activities. The study was stated that Self-help groups have become an important instrument in the delivery of microfinance services like savings and credit for the poor.

Though SHG-bank linkage has contributed well towards achieving the objective of equitable financial inclusion yet in the light of discrepancies emerging in their success A study by Pokhriyal and Ghildiyal in 2011 suggested the : North Eastern, Eastern and Central regions are lacking adequate banking network so for financial inclusion, expansion of the branches of banks should be the prime focus in this respect..Banks should expand their services to suggest various income-generating activities to the NGOs and self-help group members and provide them training assistance in training..NABARD should provide special funds to the banks that should be used particularly in those areas where SHG bank linkage program is not performing well due to various reasons. These funds should act as incentives to the banks to intensify their efforts in those regions.

Researches on the alternative and informal source of lending to the poor: A study conducted on the poor showed that, no doubt these people have limited financial resources but they had been found to be the active managers of their resources. The majority of the resources used by them are informal in nature like interest free loans taken from friends/relatives

Sometimes they enjoy comfortable financial positions but the illiquid nature of their assets forces them to assess costly financial sources like moneylenders

In a study conducted by Ageba and Amha 2006, most of the medium and small enterprises were also found using friends and relatives as the major source of finance rather than going to bank for a loan because of insufficient loan amount, high cost of transaction, collateral requirement, cumbersome and lengthy procedure, lack of awareness and non-existence of MFI in nearby areas. The most common informal saving products found were gold, loose cash at home in hidden form, unregulated chit funds, saving with money lenders, jewelers shops, small saving schemes in schools and lending others to save . However, people value the functioning of micro financing through Self Help groups but still they prefer inform always of savings . One of the major reasons for this attitude is found to have been the lack of awareness with regards to the micro financing services.

In a study, examined the awareness level of micro financing that came out to be 52% whereas the satisfaction level was around 60%. The financial awareness among those who were using micro financing services was also found to be very low. The micro finance clients knew very little about the rate of interest and its calculation

Government of India together with Reserve Bank of India and other banking and non banking institutions have been taking various initiatives to achieve the target of 100% financial inclusion. Albino and Subramanian (2008) examined the implementation of such efforts in the state of Jharkhand. It was found that banks have focused only on opening more & more account without paying attention towards the awareness among the account holder regarding use of such accounts. They are just playing a number game.

Ramji (2009) also studied the implementation of financial inclusion drive and utilization of banking services by the households in Gulbarga district in Karnataka. It was found that there was more than double increase in the no. of household having bank accounts. However, 36% households were without access to any formal or semi-formal saving instrument. The awareness level was very low amongst the respondents as only 10% of them were aware of zero minimum balance bank account opening. Most of them opened the bank accounts only to have access to any kind of Government assistance. As far satisfaction level is concerned almost 60% respondents were satisfied with the behavior of bank officials.

Research on micro finance programs concerning the gender inequality and caste discrimination in India:

BL Centre for Development, Research and Action (2005) conducted a study to assess the impact of micro finance programs on the empowerment of scheduled caste women. The respondents reported a positive change in their mentality, confidence level and decision making power. Many other research in this field has been done. (for detail refer appendix 1)

SHGs members are involved in more diversified income generating activities rather than depending only on agriculture . The purpose of taking finance has been shifting from consumption to productive activities, gradually, which is good sign of the use of finance in a well directed manner. The most important effect of micro financing services has been its contribution in reducing dependence upon moneylenders and reducing poverty

Analysis of current trends of microfinance research in India:

Sample: Total paper chosen for the analysis of the trend in Microfinance research were 80 in number which was further filtered to 33 papers based on the criteria of:

a) Topic focusing on Micro finance in India
b) Papers where the data and observations were from Indian microfinance sector

For the complete list of original papers and analysis refer Appendix 1.The intention was not to do exhaustive study of the all the research papers but to get a representative view of the trends in Microfinance Researches in India.

Analysis and Inferences:

Total Number of papers selected: 33

Number of Non Empirical papers: 20 (60.61%

Number of Empirical papers: 13 (39.39%)

Papers with theory or model building approach: less than 10%

Papers linking Microfinance and Environmental Sustainability: less than 10% (6.06%)

The poverty alleviation aspect of Microfinance was considered in a majority of papers.

There are still many areas of microfinance which requires the attentions of the researchers and scholar, some of them are:

1. There is a need for studies on the approach of banks towards microfinance and customer satisfaction surveys
2. Study on the training needs of the microfinance customer.
3. New areas like Green (Environmental) microfinance concepts are yet to be explored much by the researchers.
4. The linkage of the existing theories of strategy, finance, economics, human behavior etc with microfinance is lacking.
5. There is lack of robust models explaining the phenomenon of microfinance in its entirety.
6. More of Empirical researches need to be done so as to get pragmatic idea of the growth of this sector.

Conclusion

Neither microfinance nor microcredit were used, as terms, in the academic literature or by development aid practitioners before the 1980s or 1990s, respectively .The pioneering of modern microfinance is often credited to Dr. Mohammad Yunus of Bangladesh. In India, microfinance is generally understood but not clearly defined. Initially, the theory of microfinance was weak, as this sector did not get much help from the researcher and most of the insights in this field came from reflective practitioners and close associates /consultants not from scholars. But recently there has been valuable contributions by many scholar in this field, though a lot more still needs to be done Micro-lending will serves as a more favorable alternative to government aid only when the microfinance initiative operates a sustainable business model.My topic Gaps in research based on survey of literature and future scope of research suggests the areas which needs to be studied further. This paper has done the literature review focusing on microfinance research in India, it was found that majority of research papers were non empirical in nature. More Empirical research is required to get a pragmatic understanding of the effect of the microfinance in India like reduction of poverty, environmental impact, empowerment of women etc.

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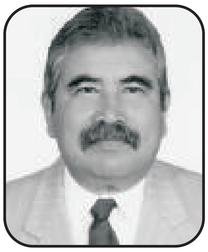
Reputation as a Competitive Advantage for Entry into International Pharmaceutical Markets: with Specific Reference to Mexico



José G. Vargas-hernández[1] Ángel Tomás Wong Dan[2]

The present research attempts to analyze from a theoretical and methodological view of the competitive advantage that companies have to use the reputation as a generating tool of market value and this is a difficult intangible factor to imitate that facilitates the company to entre international markets. The largest pharmaceutical companies in the world and Mexico will be studied, from its inception and its market value. Finally it is concluded that the pharmaceutical industry has been characterized as one the most difficult markets to enter for their high entry barriers and reputational capital.

Key Words: Reputation, Pharmaceutical Industry, Internationalization

Introduction

The pharmaceutical industry has been characterized as an industry with high barriers to entry, from the need to enter with heavy investments in capital to creating a high brand reputation, through the reputation of the country of origin or its organizational system. This paper aims to analyze two successful companies in the pharmaceutical field, Unipharma and Novartis, which will allow as empirical support for this research.

2. Theoretical framework: Corporate reputation and brand

According to Noor (2014) therapeutic specialization, differentiation on competition and the ability to generate value in the pharmaceutical industry can create new market niches and countless future possibilities for companies to enter later in international markets.

Pharmaceutical companies have enjoyed for years the good image and reputation they have to the citizens, because they have seen how companies are engaged in the search for the cure of the great evils of health faced by the vast majority of the population . This may be due to large investments made in the pharmaceutical services marketing, promoting his social and ethical responsibility. According to Gagnon and Lexchin (2008) big pharma in United States it has been more concerned to create a major brand to invest in research and development. It came to believe that several of these companies invested almost twice services in marketing, from sample drugs, trade television, royalties and doctors, among others, in research and development.

No doubt the brand that represents a company is paramount. Many large companies that have persisted for years have come to understand that the value of the company no longer depend exclusively on service or product offered, but it's up to intangibles that many competitors cannot imitate, or that this involves a very high cost of doing so (due to legal regulations). Because every day there is more competition, and a growing dynamic change in the economic environment, many companies have opted to develop and maintain intangible assets and capabilities difficult to imitate as a way to gain advantage in the market (Srivastava, Shervani, & Fahey 1997) this is as a tool for obtaining a better financial performance, mainly for businesses that require high levels of capitalization and investment to remain on the market and especially to enter new international markets.

Since the nineties, many companies took on greatly important to create large industrial brands, which could encourage high consumption and maintain an edge over its rivals in the industry. According to a study by Booz, Allen and Hamilton (2004), they showed that in the first five years, 2000 companies were listed on the stock exchange gave it a much greater importance to brand than five years ago. For example, it can be seen this evolution in the following table 1:

Figure 1: Importance of brands for business success

Source: Booz, Allen, Hamilton (2004)

The role of the brand has been important over time. Building the brand has been central to the good financial performance. In fact, since 2000, many companies have

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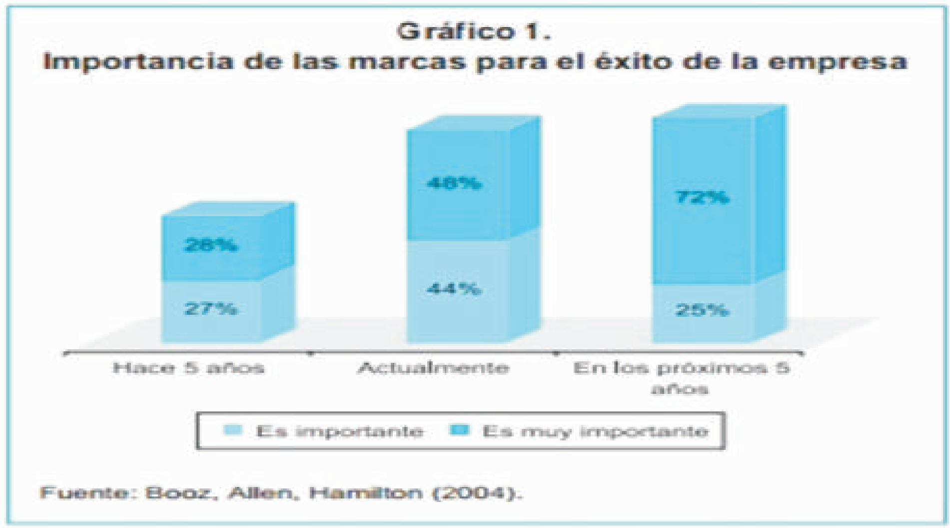

Gráfico 1.
Importancia de las marcas para el éxito de la empresa
Fuente: Booz, Allen, Hamilton (2004).

entered the stock market, which has been shown in many jobs that these companies have a higher value in stocks relative to their brand. In turn, each day more companies strive to improve their brand. Many of these companies succeed, and agree that the relationship brand-financial performance has a close connection (Delgado Ballester, 2011).

While the brand may be only a small representation of an entire company, the brand of a product can create value to other products of the same company. Value-generating capacity with successful brands have a great impact on consumers, since that it can translate reputation as quality and consumer safety, and ensure it continues to be true during the life of the company. The brand can mean success or failure of a company, as it can improve the corporate reputation of the company in society. As it has mentioned the academic Javier Fernandez Aguado, the corporate reputation is an ongoing process of consolidating the prestige of an entity that manages to all its stakeholders and that this ultimately achieves a competitive advantage.

Pharmaceutical companies that have dedicated themselves to improve their image and reputation with consumers have focused on finding that specific brand that has an emotional bond with the consumer. One of the marketing strategies most popular is to make people believe that it is synonym for welfare, health or control. The generating capacity to create links with its consumers create value in the medium and long term due to the ability to remember through association to positive attributes. According to Sinclair & Keller (2008) the brand creates value for retailers and for its rightful owner. The assessment established to medium and long term is due to the accumulation of consumers over time, ensuring a flow of capital insured for the company, so that achieving stability and capitalization needed in case it seeks to extend its market or enter new market niches.

The value of the brand can be seen from two approaches. The first from a marketing perspective as mentioned previously and second from a financial perspective. How could be observes a brand from a financial perspective? The brand value from a financial perspective, variations can affect the selling prices by product, revenue from the sales number, or by the flow of each of the company through stock value (Exprúa, 2009).

This research focuses more on the financial perspective of the brand, because empirically it is assumed that the pharmaceutical industries are looking through the brand or corporate reputation to generate capital flows to ensure stability and this in turn leads to the company expansion into new markets. While it is always important to consider this point from a marketing view, since they are two features that are not excluded, on the contrary, both are necessary.

3. Mechanism that companies use to focus their attention to corporate reputation

Pharmaceutical companies can focus their attention to marketing that allows improving the corporate image and their respective brands. This approach also can be called as intellectual capital, according to Edvinsson and Mallone (2000-2003). Companies need to change their approach to the renewal and development capacity in the areas where they can provide value. Those areas should be focused on intangibles, as they are assets that can last more time than other physical assets, such as a patent for a more lasting brand under the law, to a machine that has a time defined as useful and also depreciates in around the year. Unlike physical assets, intangible assets at least in the brand may be depreciated, but in turn it can be appreciated over time. So, it turns out to be profitable for companies, according to plan and life cycles, that they can guide their internal policies towards improving these types of goods.

The pharmaceutical industry is focused on innovation and investment in technology and development. possibly for patents of new drugs-. According to PharmaExec's Pharma 50 (2014), the top 10 brands or pharmaceutical companies in 2014, together invested more than $54909.4 million in research and development, as shown in the following table 1 below.

In the case of Novartis, a company of Swiss origin, with the highest pharmaceutical sales in 2013, investment in research and development was 20% of its sales. The interesting thing about this case, Novartis in 2008 had lost large amounts of sales due to one of its US subsidiaries that contributed almost 40% of its profits; it had some unfortunate events that reduced profits. Among other causes, because it had delayed approval of a drug by the FDA, and the removal of other medications with losses of 600-700 million dollars plus it had lost more than 1.6 million by the entry of generic drugs.

Table 1: Sales of the 10 largest pharmaceutical companies in 2013

Rank	Company headquarters [website]	2013 Rx Sales (USD in mln)	2013 R&D spend (USD in mln)	2013 Top-selling Drugs [USD in mln]
1	Novartis Basel, Switzerland [novartis.com]	$46,017	$9,360.3	Gleevec [4,693] Diovan [3,524] Lucentis [2,383]
2	Pfizer New York, New York [pfizer.com]	$45,011	$6,254.0	Lyrica [4,595] Prevnar 13 [3,974] Enbrel [3,774]
3	Roche Basel, Switzerland [roche.com]	$39,143	$8,293.5	Rituxan [7,503] Avastin [6,751] Herceptin [6,562]
4	Sanofi Paris, France [sanofi.com]	$37,701	$6,117.4	Lantus [7,592] Plavix [2,460] Lovenox [2,262]
5	Merck & Co Whitehouse Station, New Jersey [merck.com]	$37,519	$7,123.0	Januvia [4,004] Zetia [2,658] Remicade [2,271]
6	GlaxoSmithKline Brentford, England [gsk.com]	$33,055	$5,041.0	Seretide/Advair [8,251] Pediarix [1,349] Avodart [1,341]
7	Johnson & Johnson New Brunswick, New Jersey [jnj.com]	$26,475	$5,810.0	Remicade [5,334] Zytiga [1,698] Prezista [1,673]
8	AstraZeneca London, England [astrazeneca.com]	$24,523	$4,269.0	Crestor [5,622] Nexium [3,872] Symbicort [3,483]
9	Eli Lilly Indianapolis, Indiana [lilly.com]	$20,119	$5,316.2	Cymbalta [5,084] Alimta [2,703] Humalog [2,611]
10	AbbVie North Chicago, Illinois [abbvie.com]	$18,790	$2,831.0	Humira [10,659] AndroGel [1,035] Kaletra [962]

Fuente: pharmaexec

4. Actions taken by the corporate Novartis

Like most companies, many chose to reduce their costs to stay in business, and above all have the same rate of profit. Novartis if any was similar case, which was a restructuring of downsizing, dismissals of 2000 employees in the United States as well as rationalization of therapeutic franchises (Bastien & Serra, 2010). Given the obvious decline in profits, as it is estimated that were almost 2.1 billion dollars, for the events in 2008, Novartis had to decide to fight these events through certain strategies:

A. Launch of 7 brands in 18 months,

B. Release of these products with the new restructuring and cost.

Given the evidence that would be a case of great challenge, directors of Novartis, decided to hire a team of marketing analysts, experts in sales and planning, focused on markets that were not covered in Europe previously, which already knew their niche market-as were the markets of hypertension and diabetes. Novartis quickly took control of the market to a huge pharmaceutical marketing strategy, managing to convince the strict European consumers. Through these 7 brands, they managed to recoup losses they had in the United States, and consolidated in some European countries, expanded to other countries, like the case of Spain, which eventually managed to meet the legislative standards required by that country.

The marketing of a product before launch is vital to the survival of the company. In the pharmaceutical industry is no stranger to this issue, since clinical trials, identifying the types of patients, specific problems, and the differentiating ability of other brands and convincing the public, is vital applied marketing. This is the reason why Big Pharma spends a significant percentage of its income on marketing. Planning and investment required can lead investors or entrepreneurs interested in different market segments. This can be an important success factor of the pharmaceutical companies, and therefore responsible for promoting the corporate image of the product plays an important product to enter the market (Bastien & Serra, 2010) paper.

Consequently, after applying proper resource planning strategy is insurance company success to grasp those markets difficult to access, as it was mentioned, due to high restrictions in certain countries in pharmaceuticals, it is important that once broken that barrier to entry, can convince consumers of the efficiency and quality of the drug.

Table -2 : Comparative tangible and intangible brand

Source : Delgado Ballester (2011)

It can be seen from the above table that certain industries are highly relevant brand in the market. For pharmaceutical case, it only amounts to 10%, 50% in other intangibles and to 40% in tangibles. As is to avoid, it can be seen that industries that give more importance to the

	Marca (%)	Otros intangibles (%)	Tangibles (%)
Suministros	0	30	70
Industrial	5	25	70
Farmacéutico	10	50	40
Sector detallista	15	15	70
Info-tecnología	20	50	30
Automoción	30	20	50
Servicios financieros	30	50	20
Alimentación y bebidas	55	5	40
Productos de lujo	70	5	25

Fuente: Interbrand.

brand are luxury goods, financial services and food, although the latter, under personal opinion, it does not meet that much as some studies such as those conducted on Informality by the National Chamber of Commerce of Guadalajara. It was concluded that food and beverages the most important thing was the price, but may be deferred in the case of another country.

The question as was discussed above, the reason why many of the companies have been engaged in investing in marketing may be due to the value of other intangibles are transferred indirectly to the brand.

It is possible, of course, because achieving to have a patent on the pharmaceutical industry to ensure that consumers will buy the product from the legal owner of the patent, but as with any type of good, there is some time constraints and lifetime. So that course of time, it has sought to invest in the promotion of the brand to create the emotional attachment, which had been previously analyzed, with the patient so that when the patent period is over, consumers at least cast doubt on the other brands that want to exploit the drug. Even if the brand is not as important as seen on the table, at least this is the first stage of the product as medium and long term, as it had already been discussed above, generate brand value.

Depending on the company and its products, as not all drugs are equal, is necessary to study which strategy is best for the company to use in the business's reputation approach, for example:

A. Identify the company's reputation for product branding

B. Identify the reputation of the brand through the corporation

C. Identify quality reputation by country of origin

There may be other more relationships, but take these three basic for the industry that is being analyzed. In the internationalization process it can be inferred that must meet these three characteristics. Once consolidated the reputation of the brand and the corporation, companies must regularly tend to expand into new markets, which should cross borders through the export of goods or the mobility of the financial resources of the company to settle in another country to start a new production plant.

The settlement process in a market already known, and stay for a period of time, allows the company to begin an accumulation process of financial capital, which allows also distributing profits among its shareholders, also begins to develop more research to future products in the case for pharmaceutical drugs. What reasons would have a company already established in the market to decide internationalize? According to executives Unipharma, Spanish company considered successful in the internationalization of its brand and image, the internalization process also allows new market access, improving the brand, company growth, higher profits and earnings.

The internationalization process has been of great interest to scholars, ¿from what time a company should internationalize? In the case of pharmaceuticals, due to its characteristics as a market of few competitors, entry barriers are very difficult to break, high capital investments, prestigious brand, among others, surpassing those characteristics; pharmaceutical companies can enter markets outside its country border.

In the case of Unipharma, it went through this process to internationalize. His first steps before going abroad were to ask for help external consultants who were skilled in the process. The first development plan was based on identifying characteristics in emerging markets that have great potential, out of which will be made a priority selection according to geographical features. Unipharma by being of Spanish origin began analyzing near its border countries, such as France and Portugal that somehow some consumers had heard of the company (Unipharma, SA, 2014).

Company strategies were adjusted according to the necessary diversification for the initial stage. Started using communication, advertising, location of suppliers and negotiation, and above all, to give confidence to consumers as well as corporate and product quality were indisputable.

One of the advantages of Unipharma was that in Europe knew that Spain had a strong pharmaceutical industry. After Unipharma begin promoted in other European countries, customers could identify the brand as good, by virtue of being Spanish. It was a process of successful and beneficial, in addition to assistance from public institutions to the rapidly expansion (Arian International, n.d.). The process of consolidation in the international market should get to look like in the local market, only that this time its competitors are multinationals. Also, it should be considered rigidities in regulations on patents and medicines, adapting different markets in different countries, the cumulative process capital to meet future challenges and other factors. Currently Unipharm is still in the process of adaptation and expansion.

In Mexican case, Genomma laboratories has been synonymous with success as a national brand and consolidation abroad, with about 60 brands that have been in high demand in Mexico.

It has presence in approximately in 15 countries around the world also created a division called Genomma Lab International, which is dedicated to the pharmaceutical marketing services, which has managed to keep promoting its brands on television, radio, internet, etc. Unlike other international companies put its own brands to enter foreign markets, Genomma Lab with financial consolidation managed to acquire several brands in the United States and Brazil to have an international presence. After, it acquired brands in Argentina and among other countries. This type of strategy has been repeated to achieve presence in the 15 countries mentioned above (Villafañe, 2001).

One of its most explosive was promoting strategies normal medicine called "first level" which caught the most commercial Mexican television and radio. Large inversions in marketing and brand building managed to get Genomma outside the top Mexican laboratories to venture into the international market

5. Conclusions

Certainly, the process of internationalization is not an easy process for businesses, especially for the pharmaceutical industry, as noted above; these types of industries require high investments to enter the market to compete with the few players. In this market we have observed that corporate reputation is important for consumers, as customers will not consume something that is in question the quality, integrity, reputation or other factors influencing consumption

As discussed in the same way, there are two ways of seeing the brand, including the generating capacity of financing. It is undoubtedly one of the features to consider a company to remain on the market. Giving an important role to brand can mean an improvement in the quality of the finances of the company, either because most trusted brand to supply and demand for financial assets as well as higher incentive product demand.

With financial consolidation, it is then possible to analyze and study new niches wishing to enter international market in order to assess potential benefits that could have the company over its competitors.

Consider the laws of each country, as it may be a factor preventing the company to develop in the best way. According to directives from Unipharma, pharmaceutical companies should focus more those emerging economies of the Third World, since the coverage of other companies have failed to do so. This has been due to a great large number of consumers, but difficulty in getting legislation, or cultural ignorance of those countries, and among others. But it will be very satisfied if a company can enter these types of market.

To stay within an international market, it must have the same local process, the accumulation of capital for investment in research and development, which will create new products and patents that give competitive advantage. Achieving this, will have a more stable market guaranteeing the company growth and raising the brand value and company nationally and internationally.

It is important to note that companies that do not always commit all of their resources to building the brand, should always coordinate them with other assets of the company, because due to overinvestment in some of the tangible or intangible assets , put at risk the availability of resources to create value through another important element of the company.

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Branding Business Schools : a Literature Review and Research Agenda

Arijit Santikary[1]

Brand reputation is the most valuable resource for a business. Developing brand equity is one of the most crucial tasks a business has to concentrate. Abundant number of research has done on tangible goods branding compare to service branding and a very limited research has been contributed to the education services branding especially so far in the business education context. The significance of this investigation is noteworthy while marketing of education services is becoming a challenge in today's competitive global scenario. This paper provides a conceptual view on branding of business school through review of literature and develops a research agenda for their successful branding strategies.

Key Words: Branding, B-Schools,

Introduction

Management education in India is more than a half century old. The first institution at Kolkata namely IISWBM, pioneer in starting a business program in India way back in 1954, established by then Calcutta (Kolkata) University under Government of West Bengal. Though management education for the internal practicing manager already started by Tata Institute of Social Sciences (1936) and Xavier Labour Research Institute (1949). During last few years there has been a remarkable growth in the number of institutions offering business or management education. There is reasonable growth in business education either offered by autonomous B-school or university affiliated colleges. Now in India there are more than 2,400 institutions offering business graduate programs. The increasing demand of business education is due to the corporate requirement and employability of the business students. The business education market has become matured due to exponential growth of new players entering the market. Business degree for sometimes branded as value to the public but now people started differentiating the brand like IIM and Non-IIM brands. Differentiating becomes necessity for a management institutes to sustain in the market. A study by ASSOCHAM in 2012 revealed that 180 management institutions had shut down in 2012 and another 160 schools offering MBAs were expected to be closed. Now, it's high time to examine the major issues that need to be addressed for the sustainability of the management educational institutes in India. The purpose of this study is to identify the strategies to be adopted by the business management institutions in promoting their brands successfully, based on the detailed review of related literature available in this context.

Review of Literature

In the following sections, the review of research studies explaining the importance of brand building, successful branding strategies to be adopted by service firms and the need for branding in case of educational institutions in general and business schools in particular, are given.

Branding: In today's competitive world, branding has become an indispensable activity of all organization which would focus on creating a differential image on their customers' mind. A brand is considered to be a lens through which the customers see the image of the product and the firm (Blythe 2007). Brand is basically a product with added dimensions that make it different in one way or another from other products that satisfy similar needs (Keller 2004). Brands speak the language of marketers by conveying the meaning, identity and uniqueness of their product to the customers. Thus, branding has become the key for successful corporate and marketing strategies. For the consumers a brand is a product, and the brand identifies the maker or the seller and the promise of consistently delivering the features/benefits that the consumers desire from the brand (Kotler & Keller 2005). A strong brand is an asset for any organization. It provides innumerable benefits such as identity, legal protection, differential advantage, price premium, higher market share, customer loyalty etc. (Moore and Reid 2008, Jones

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1998, Rio et al. 2001, Taylor et al. 2004). Branding can help organizations to yield maximum return on their investment and established reputation in the market. A successful brand can often offer opportunities to the organizations in terms of extension and stretching strategies, and hence branding decisions is important for the successful management of different brands.

Brand Equity: The need to build a brand arises as the product or service provider needs to differentiate its offering from those of the competitors. This differentiation provides the competitive advantage to firms and helps in building strong brands. A strong and powerful brand would definitely have higher brand equity. As the brand name adds value to a product beyond the brand elements (name, logo, symbol, slogan, packaging etc.) and the value added depend on customer perception and hence different customers associate different meanings with the various brands. This value added to the product is known as the brand equity and how this equity is built by customer is important, since it is the customers' evaluation of the brand that influences by this understanding. Brand equity has been defined by many eminent researchers as found in the branding literatures. According to Aaker (1991), brand equity is "a set of brand assets and liabilities linked to a brand, its name, and symbol that add value to or subtract from the value provided by a product or service to a firm and/or to that firm's customers". The above definition stresses the importance of brand-added value; however, a clear distinction between added value for the customer or consumer and added value for the brand owner or company was not made. As given in figure 1 there are 5 elements, such as 'brand loyalty', 'brand awareness', 'perceived quality', 'brand associations' and 'other proprietary assets'.

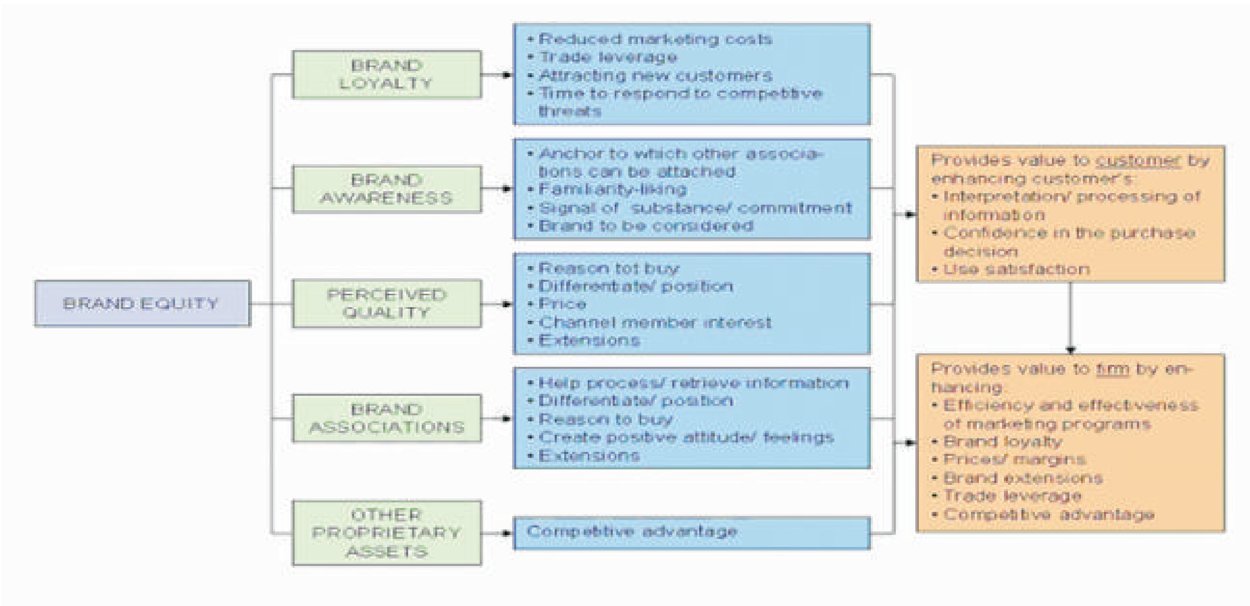

Figure 1: Aaker's Brand Equity Model

Apart from the five components, above model also stresses the consequences of the pursued branding policy. It also talks about as brand loyalty, brand name awareness, perceived quality, positive brand association increase and other brand propitiatory assets become stronger, and brand equity will also rise. This branding model if pursued by the company also reflects to what degree of actual value created by the consumer and the organization.

Biel (1992) as defined brand equity as "the additional cash flow achieved by associating a brand with the underlying product or service". Keller (2004) has given a definition of brand equity from the customer perspective as "the differential effect the brand knowledge has on consumer response to the marketing of their brand". He has introduced a customer-based brand equity model which provides a unique point of view as to what brand equity is and how it should best be built, measured and managed. It was further stated that if a consumer shows a less favorable reaction towards a brand compared to an unbranded product, it leads to negative consumer-based brand equity. On the other hand, if a customer shows a more favorable reaction towards a brand as compared to an unnamed product, it leads to positive customer-based brand equity. Thus, from the above discussions it can be summarized that brand equity is the added value (positive or negative) endowed on a product or service by the customers' perception of a brand. As given in figure 2 there are four stages of brand development, such as 'Brand Identity', 'Brand Meaning', 'Brand Response' and 'Brand Relationships'.

Figure 2: Keller's Customer-based Brand Equity Model

These four steps further sub-divided in to six brand-building blocks, which lead to a strong brand were identified. According to Keller, these building blocks which he represented with the help of a pyramid, wherein instituting a proper brand identity forms the first step and the base of the pyramid. This step followed by crafting a suitable brand meaning, bringing forth the right brand response from the customers, which leads to creating the right brand relationships at the top of the pyramid. He concluded that the, 'strongest brands excel in all the brand-building blocks.'

Services Branding: The marketing strategies adopted by service firms would be different from goods manufacturers, as services have certain unique characteristics such as intangibility, heterogeneity, perishability and simultaneity etc. Hence, the literature also suggests that building a successful service brand might require an alternative approach. Berry (2000) developed a service branding model which presents the relationship among the critical elements involved in building a strong service organization brand. As given in figure 3, there are three elements such as 'presented brand', 'external brand communications' and 'customer experience with the organization'.

The presented brand is all about the desired brand image

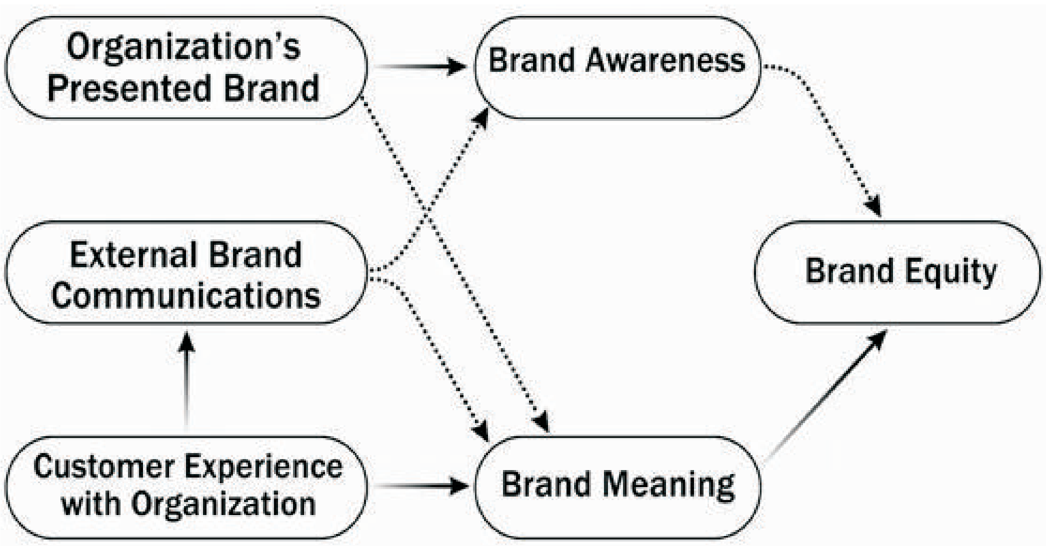

Figure 3: Berry's Service Branding Model

to be created through various personal and impersonal communication channels. The brand presentations, through organization controlled communication, would have significant influence on brand awareness. Another crucial element that helps service firms to build their brand is the actual interaction between the customer and the firm i.e. customer experience with the company. This would also have a positive impact on brand meaning (collection of customer's associations with the brand). As branding can also be done through word-of-mouth communication and publicity (external brand communications), could have impact on brand awareness and brand meaning but in which the service firm have little or no control. Y.L.R Moorthi (2002), also developed a service branding model where he integrated Aaker's brand identity framework with the 7p's of services marketing (product, price, place, promotion, physical evidence, process, people) and the economic classification of goods such as; search, experience and credence goods. As given in figure 4, there are five elements such as 'brand as product', 'brand as process, 'brand as organization', 'brand as person' and 'brand as symbol'.

In his approach as shown in above model, the first five P's

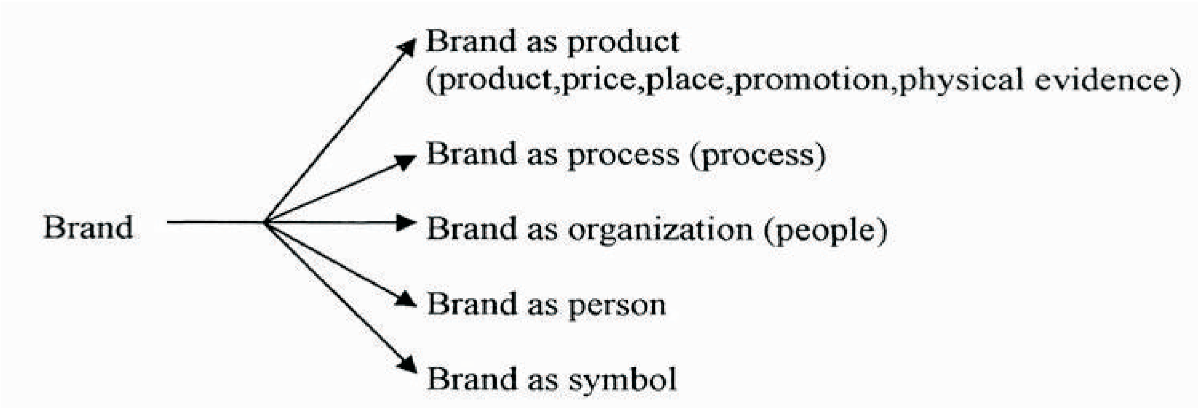

Figure 4: Moorthi's Service Branding Model

have been mapped to brand as product. Importance of people along with human resource development, organization culture, values etc. are reflects as brand as organization. Brand as process shown as separate which highlights process dimension such as delivery process, blue printing, operational issues etc. Brand as symbol and brand as person keep the natural meaning in the above model. The above two models would give some knowledge on services branding.

B-School Branding Conceptual Review:

Meyar and Rowan (1977) opined that the branding is just a symbol used to express presence to their surroundings and it is not considered to be a rational tool. Like any other services marketers, the universities and business school also promote their brand through various marketing strategies in order to build their image among the students and other stakeholders. Image of a university was considered to be an important factor in persuading prospective students' choice to select a particular educational institution (Sevier, 1994). Similarly, the two key criteria in choosing a particular university by a student were found to be “reputation” and “academics” (Berger and Wallingford, 1996).

According to a qualitative study conducted by Gatfield et al. (1999), the most significant promotional features of study guides of Australian universities for attracting International students were recognition or reputation, quality of teachers and resources, campus life, and guidance on service access.

Another study done by Gray et al. (2003) also found that “Image – reputation for quality and market profile or reputation” was found to be a prominent factor in promoting the higher education in Asian markets. Further, the study suggested that branding strategy should be adapted based on the target market. Chapleo (2004) stated that universities across the world started differentiating themselves and creating a unique brand identity due to increased competition. Although, brand management is taught as a course, b-school administrators did not perceive their organizations being effective in managing their brands (Pitt et al. 2004)

Similarly, Antorini and Schultz (2005) found that branding to differentiate is a myth that restricts organizations from expressing their unique characteristics, as it was stated earlier by Balangar et al. (2002). In an opposite view presented by Melewar and Akel (2005), a student is a customer and it is very important to enhance the competitiveness based on the unique features. This study also stresses on the importance of communication to articulate the unique characteristics in a consistent manner to all stakeholders.

Opoku et al. (2006) studied the brand personalities of select b-schools in South Africa through analysis of contents of their websites. This study, by using Aakers' brand personality dimensional scale, measured brand personality of MBA programs and found that b-school brands can be best promoted their websites. Stuart Roper and Gary Davies (2007), investigated the emotional responses of different stakeholders towards the B-school brand and found that each stakeholder group should be communicated in different ways and personalize clear message should reach to all stakeholder group for instance University website must ensure the needs of the different stakeholder group.

Gopalan et al. (2008) studied the branding of MBA programs and suggested that the branding strategies to be adopted by the B-schools should be in connection with their organizational strategies. Further they proposed a brand management process which includes stakeholder analysis, brand audit, identifying primary markets, and assessing the appropriate composition of brand attributes.

Bennett and Ali-Choudhury (2009), stressed on the attributes of a University brand consist of promise made by the university, Inherent nature or reality of the University and brand identity created through external communication. Arild Waeraas and Mariannen. Solbakk (2009) investigated the process of defining the universities' identity and interpreted current tendencies of branding in relation with universities' essential characteristics. They found that university members identified with their academic disciplines and units than the university as a whole, which actually goes against the standard concept of branding.

Shahaida et.al (2009) articulated a conceptual model for B-school brand-building based on Keller (2000) brand report card. In her model some attributes are as follows:

- B-school must consider all major stakeholders' needs. Major stakeholders are students, faculty and corporate. Brand portfolio and hierarchy should also be developed based on the changing needs of the target groups i.e. students. She opined that placement record is the most important attributes for the prospective students. For faculties alignment and attainment of personal and organizational goal is considered to be very important and students' skillsets is the major concern for the corporate.
- The pricing strategy of B-school must be based on student's perception of value and should satisfy the students' expectation of value for money.
- The B-school brand should be properly positioned in the minds of the stakeholders and should stays relevant over the period of time. She also mentioned that to ensure relevance brand should be periodically evaluated.
- Conceptual model also pointed the importance of consistency for a B-school brand and suggested that continuous feedback should be collected from the stakeholders and evaluated periodically to ensure consistency.
- This study basically focuses on two major dimensions in her conceptual model that are brand creation and perceived brand. Brand creation is having two attributes-top management philosophies and brand management includes both strategic and tactical level brand building. Perceived brand also have two constructs major and minor stakeholders. B-school management should try to maximize the stakeholders' satisfaction.
- The conceptual model also shown the importance of external variables –technological upheaval, competition, demographic shifts affect the B-schools' environment in the context of India.

Chris Chapleo (2010), tries to explore the objectives of branding and the rationale behind branding in the context of UK University through an exploratory research. In their study they found that UK Universities vary greatly in their branding objectives and degree of measurability for the set branding objectives. In their study they concluded that it is becoming necessary for a University to set branding objectives under the two important contexts such as strategic and task-oriented context to measure and control the University spending towards branding.

Constantinos et.al (2011), in their exploratory research they try to explore brand reputation as a criterion of choice by the Greek students towards the Post-Graduation studies in UK business schools. They found that the name of the B-school is a major brand component followed by international recognition of the B-school, survey ranking, accreditation, job opportunities and career prospects.

Pinar et al (2011), suggested a conceptual brand eco system framework for developing branding strategies of colleges and Universities that includes student experiences, academic services, co-creation and other supporting activities.

Summary and Conclusion

Due to enormous increase in the number of management institutions, the issue of branding has become a challenge. As branding has become an indispensable activity for all organisations including business schools, it is important to differentiate and have a unique image among the target market. There is compelling for b-schools today, to differentiate their offerings (management programs) as this could provide the competitive advantage and help them in building their brands stronger. This study aimed at reviewing the critical elements for building, measuring and managing the b-school brand equity. The importance of branding higher education services such as universities, b-schools etc. has been studied thoroughly in the previous literature available in this context. The various research work reviewed in this paper suggested that universities and b-schools must consider many factors responsible for building their brands such as recognition or reputation, quality for teachers, consideration of all stakeholders' needs, stronger positioning statement, students experiences etc. This research scope will be further extended through proposing a framework for branding of b-schools, including the critical elements identified in the study. Thus, it will provide a great opportunity for administrators of b-schools in building and managing their brands successfully, and also making a significant contribution in the literature on branding higher education.

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Entrepreneurial Failures Lessons to be Learnt to Boost Entrepreneurship



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Being the prime mover of a nation's economic prosperity, entrepreneurs play a vital role in generating and mobilizing resources, which in turn facilitate capital formation and economic growth. In fact, an entrepreneur, not only, works for self, it also contributes a lot in strengthening macro-economic parameters of a country. Like a normal human being, an entrepreneur also has its own strength and weakness which usually get reflected in the performance of the enterprise. While the strength, if capitalized properly, facilitates providing huge return, the weakness, if not handled carefully, very often puts toll on the performance of the enterprise. It is evident that the weaknesses the entrepreneurs possess drive many entrepreneurs to fail miserably after reaching the pinnacle of success. In order to alert the would-be entrepreneurs on how the personal (negative) traits distort the potential strength of the enterprise, this paper has tried to uncover the reasons of failure of five famous entrepreneurs. In fact, in the process of revealing the reasons of failure, this paper also focuses on common pattern in these entrepreneurial failures, if any, based on entrepreneurs' behavioral traits, educational backgrounds and birth place/place of grooming factors so as to provide learning lessons to existing and wannabe entrepreneurs and help them avoid the mistakes committed by these five entrepreneurs.

Keywords: Economic growth, entrepreneurial failures, behavioural traits, educational backgrounds, place of grooming factors.

1. Introduction

While Risk and uncertainty are indispensible from entrepreneurship, innovation is a prerequisite for success of entrepreneurship. According to F.H. Knight, "entrepreneurs are a specialized group of persons who bear risks and deal with uncertainty" (Mohanty, 2005). In the process of developing business plan and acquiring resources, including human resource, entrepreneurs do mistakes unknown to them, which demand high cost and often ends up with distortion followed by closure of business.

An entrepreneur plays a pioneering role in introducing and implementing new business concepts and ideas. In order to be successful, an entrepreneur needs to take risks, have a clear vision and foresight, and self-confidence. But success can turn into failure if risks taken are not calculated ones, vision and foresight go haywire and self-confidence develops into over-confidence.

It has been observed that in spite of having all other requisites for a successful entrepreneur, entrepreneurs fail due to lack of management skill and strong team building abilities. In fact, behavioral traits and background, which caters to sound management skill and strong team building abilities, plays a vital role to in the success or failure of any enterprise. On the backdrop of this fact, this paper, by highlighting five famous entrepreneurs who reached the pinnacle of success but then failed miserably, tries to make the practicing/budding entrepreneurs be aware of failures and strategize accordingly to by-pass the unwanted consequences. In fact, the purpose of this paper is to offer valuable learning lessons so that the same mistakes of these entrepreneurs are not repeated by practicing / budding entrepreneurs.

2. Entrepreneurial Failures

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While success or failure of any venture is not under control of the entrepreneur, proper planning with effective execution of the same will definitely reduce the chance of failure hiking the likelihood of success. There is no second opinion that Cases of successful entrepreneurs provide strength and motivation for emerging entrepreneurs and entrepreneurs in pipeline. Like-wise, cases of unsuccessful entrepreneurs caution the emerging entrepreneurs and entrepreneurs in pipeline not to follow the foot-print of the formers. In stead, it will provide them inputs to strategize aptly for developing a by-pass route. In order to devise a by-pass route, a brief account of five famous entrepreneurs and the reasons of their failure (after reaching the height of success) including behavioral traits, educational backgrounds and birthplace/place of grooming factors is mentioned below.

I. Jon Asgeir Johannesson

- Company – Baugur Group of Companies.
- Location – Reykjavik, Iceland (Headquarters).
- Year of Founding – 1993.
- Area of Business – Retail.
- Reasons of Failure:
- Jon Asgeir Johannesson went for a reckless acquisition splurge starting with acquisition of 50% of the six-strong SMS supermarket chain on the Faroe Islands, south-east of Iceland. In 1999, Jon's Baugur Group signed franchise agreements with Sir Philip Green's Arcadia Group, and in the next few years started picking up stakes in various British retailers like House of Fraser, Hamleys, Oasis, Karen Millen, Whistles, Coast and the frozen-food chain Iceland. In May 2004, Baugur acquired a majority stake in the British jewellery chain Goldsmiths. Jon even showed his interest in acquiring the Saks department store chain (Oliver and Goodwin, 2010).
- Jon had made his company too big (than what he could handle), employing around 65,000 people across 3,800 stores, with an annual turnover of £10 billion.
- In 2002, police raided Baugur's headquarters and in July 2005, Jon and others were indicted in 40 cases, including tax and accounting irregularities, fraud and embezzlement. In 2007, Jon was found guilty on a single charge of violation of book-keeping rules.
- Jon resorted to too much of debt for business growth (through extensive acquisitions).
- He spent extravagantly in private parties and in buying apartment and duplex penthouse in New York, USA (to the tune of US $ 24 million).
- He had a poorly designed Business Plan.
- Iceland's faulty banking system was also to blame. The three major banks of the country lent to one another and almost 50% of all the loans given by these banks were to holding companies, many of which were connected to these same banks.
- The global recession of 2008 ultimately led to the collapse of Baugur Group.
- Lastly, it is said that his over-confidence may have been a major reason for his failure (on 4th February, 2009, his company was 'put into administration').
- Behavioural Traits:
- Jon Asgeir Johannesson was full of bravado, over-confidence and showmanship.
- He enjoyed leading a lavish life - going around in private jets, having rave parties with famous friends on his private yacht and investing huge money in buying his homes.
- He seemed to have a lack of foresight.
- Educational Background:
- Jon attended Commercial College of Iceland but he left in 1989 before completing his graduation, to join his father's supermarket business Bonus (Wikipedia, 2014).
- Birthplace/Place of Grooming Factor(s):
- Jon was born in 1968 in Iceland, having a Viking past. Vikings were known for their reckless adventures (NAT, 2014).

II. Mark Goldberg

- Company – MSB International.
- Location – London.
- Year of Founding – 1996.
- Area of Business – IT (Information Technology) Recruitment.
- Reasons of Failure:
- Mark Goldberg's passion for football (soccer) became a harmful obsession for him ultimately leading to his downfall.
- He tried to apply his business wisdom in the field of sports, which was a completely different area.
- Mark Goldberg decided to buy Crystal Palace Football Club, which was on the verge of downgrading to the second tier of British football, for an exorbitant amount of £ 22.8 million, and which he raised by selling a majority of his stake in MSB (Oliver and Goodwin, 2010).
- Goldberg could not get to buy Selhurst Park Stadium along with the Club, as he was unable to raise the necessary amount of money, and this left him with negligible assets.
- Lack of experience in young age may have been a major reason in his going for such a poor deal in buying the Football Club.
- Negotiations with players and their agents were done in a very unprofessional manner, as evident from the

huge amounts of money spent on them (for example, the players' salaries were £ 500,000 each month).

- Goldberg recruited a very popular former England football manager, Terry Venables for running the Club, who came with a very high price tag. He had to shell out almost £ 1 million each month behind Venables.
- Goldberg also spent huge amounts of money in buying furniture, computers and training equipment, bottled water, and also in maintaining support staff.
- Goldberg took a huge loan of £ 5 million from former owner of Crystal Palace Football Club, Ron Noades, the EMI of which was £ 67,000 and which he defaulted and for which he was sued by Noades.
- He had relied on a number of investors for buying the Football Club, but who later backed out.
- He did not have the foresight of the players' salaries to go out of control.
- He had the over-confidence of handling the huge debt he had incurred, but which ultimately he could not (his Football Club was 'put into administration' in 1999 with debts of £ 30 million and he himself was declared bankrupt soon after).
- He listened to his heart more than his head.
- Behavioural Traits:
- Mark Goldberg exhibited an entrepreneurial spirit from a young age as evident from the fact that he used to buy fruits from wholesalers and sell them in markets.
- He did not seem to learn from his mistakes.
- He had a passion for football.
- He was a quick learner.
- He was always optimistic, in spite of all difficulties.
- He was a great risk-taker.
- He was a very creative person as can be seen from the fact that he built a business from practically nothing to make it a £ 200 million company.
- Goldberg was a very resilient person. He started new business ventures even after going bankrupt.
- Educational Background:
- Goldberg at the age of 18 got admission on a soccer scholarship to the College of William and Mary in Williamsburg, Virginia, USA, but had to discontinue due to a recurring hamstring injury.
- Birthplace/Place of Grooming Factor(s):
- Goldberg learnt all about the recruitment business by working in a recruitment firm in London (his birthplace), after returning from USA.

III. Kevin Leech

- Company – Various property and leisure holding companies.
- Location – United Kingdom.
- Year of Founding – 1990's.
- Area of Business – Venture Capital Funding.
- Reasons of Failure:
- Kevin Leech went for one of the most random acquisition sprees in United Kingdom. He acquired diverse businesses like Needles Pleasure Park on the Isle of Wight, the Cheddar Gorge Cheese Company, adventure park Lightwater Valley, the Land's End Hotel, the John O'Groats Hotel, the Snowdon Light Railway, various caravan parks and the Robin Reliant car company, which made three-wheel fiberglass vans (Oliver and Goodwin, 2010).
- Leech tried to apply his business wisdom in different and varied areas of business.
- However, Leech did not develop any particular brand of his own.
- Leech did not have the expertise in all the areas of business he invested.
- Leech acquired many dotcom companies in 1999 and 2000, which proved to be a disaster after the dotcom bust.
- He had taken a huge debt of £ 90 million and was declared bankrupt in 2002.
- His major reason of failure was his huge and diversified portfolio of businesses.
- He "fell into the entrepreneur's trap of doing too many things".
- Behavioural Traits:
- Kevin Leech was talented for recognizing and negotiating good deals.
- He was good in spotting opportunities.
- He had tremendous energy as evident from the fact that he was never very tired in acquiring companies.
- Educational Background:
- Leech dropped out of school at the age of 15 with eight O levels.
- Birthplace/Place of Grooming Factor(s):
- Leech grew up in Manchester, England in a family where his father ran a garage and a small undertaking (funeral) business.

IV. Guy Naggar and Peter Klimt (Friends)

- Company – Dawnay Day.
- Location – London (Headquarters).
- Year of Founding – 1928.
- Areas of Business – Corporate Finance, Property Investment and Venture Capital

Funding.

- Reasons of Failure :
- The duo went for a very rapid expansion. e.g., in 2007, Dawnay Day and Swordfish Investments acquired Asquith Day Nurseries from Lyceum Capital for £ 95 million. Dawnay Day also invested in Austin Reed, a UK fashion chain. It also started entering India where it was "considering investing between $ 100 million and $ 200 million". Moreover, it invested £ 130 million on 47 apartment blocks in Harlem, New York (Oliver and Goodwin, 2010).
- The duo did not adopt any well-devised strategies to carry out the business.
- Their main idea was to strike business deals and make maximum amount of money in the quickest possible time.
- Guy Naggar and Peter Klimt mostly used debt finance to do business (like they had taken a loan of £ 650 million from Norwich Union, presently, Aviva).
- There was a lack of coordination among the various business units.
- Guy Naggar was too much future-oriented.
- The two friends were too much growth-oriented, which was to result in their downfall.
- Guy Naggar's passion for art was another reason behind the downfall of the company, as he used to spend extravagantly in collecting art items and it was also a distracting factor.
- Guy Naggar was once left alone to look after the company, when Klimt had to suddenly go to France because of his son's car accident in March, 2008. But Naggar was not in the habit of working alone and so the business suffered.
- The company drifted from its core business into trading of publicly listed stocks, which proved to be a failure.
- Guy Naggar and Peter Klimt put all their money in F&C Asset Management, which backfired.
- The cross-share holdings proved to be another reason for the downfall of their businesses.
- Debt was not used wisely and judiciously by the duo in financing their businesses and their company collapsed in 2008.
- Behavioural Traits:
- Guy Naggar and Peter Klimt were big risk-takers.
- Peter Klimt was frank and more direct while Guy Naggar was a jovial guy and sort of informal in nature.
- Peter Klimt was a little brash in nature.
- Guy Naggar had a very future outlook.
- The duo was too much growth-oriented.
- Guy Naggar was passionate about art, which proved to be a significant reason for the company's downfall.
- Educational Backgrounds:
- Guy Naggar did his engineering at the Ecole Centrale in Paris, France.
- Peter Klimt did his graduation in Law and specialized in Taxes.
- Birthplace/Place of Grooming Factor(s):
- Guy Naggar was born in Cannes and grew up in Paris, France. Before starting his own venture, he trained as a Merchant Banker with Samuel Montagu & Co. and then shifted to London in his 20's to become deputy chairman of Charterhouse Bank.
- Peter Klimt was born in Mumbai, India. Prior to beginning his own venture, he trained as a Solicitor and became a partner at DJ Freeman, a London law firm.

3. Findings

The foregoing section has revealed the reasons of failure of five famous entrepreneurs, their behavioural traits, educational backgrounds and birthplace/place of grooming factors to provide valuable learning lessons to existing and wannabe entrepreneurs.

An analysis of the reasons of failure of these entrepreneurs suggests that all of them had gone for huge amounts of debt to finance their businesses. Many of them went for random acquisitions, without having definite strategies or well thought-out plans. Also most of them suffered from over-confidence and majority were not frugal in matters of money.

A close examination of the behavioural traits of these entrepreneurs reveals that all of them were great risk-takers and were passionate about entrepreneurship or sometimes some other areas (which ultimately led to their downfall).

Moreover, an assessment of the educational backgrounds of these entrepreneurs implies that formal education did not play a big role in their turning to entrepreneurship, since most of them were college/school dropouts, except Guy Naggar and Peter Klimt, who were well qualified professionals.

Lastly, a study of the entrepreneurs' birthplace/place of grooming factors tells us that all of them had worked in other organizations (including their fathers' businesses) to gain certain expertise before starting out on their own.

4. Conclusion

On the basis of the fact presented in the previous sections, it is evident that maintaining success is much more imperative than achieving it. Of course, success in entrepreneurship is not everybody's cup of tea. To have it, one must have that instinct followed by will power to put that impulse into practice by dedication, hard work and, above all, selection of apt strategy. But for sustainability of success, that impulse needs to be upgraded and put into force. The most important learning point for the budding entrepreneurs from the findings of this study is not to go for huge amount of debt to finance the business without a comprehensive financial plan containing a complete assessment of current and future financial situation by using currently known variables to foresee future cash flows, asset values and withdrawal plans. In fact, before going for huge debt for financing business the entrepreneur must analyze financial feasibility, method of financing, return vis-à-vis risk, resource allocation and financial control.

There is no doubt that acquisitions are strategic decisions taken for maximization of an organization's growth by enhancing its production and marketing operations. However, in the absence of an effective framework for acquisitions, if someone goes for random acquisitions, the consequence will obviously counter-productive. The take away for the would-be entrepreneurs from this point is to look for synergy. Since synergies are almost always much more difficult to realize than they appear and the more significant the synergy potential, the more momentous the challenge, one must be very critical for achieving the positive side of it.

Personality traits like confidence level and risk taking ability are two important pre-requisites for an entrepreneur to become successful and maintain the same persistently. However, these two traits are like double-edged sword. Although the apt level of confidence and taking risk provides the best result, level lesser than that, fetches below optimal output with huge excess capacity, but on the contrary, the level greater than the apt one becomes fatal and devastating. Therefore there must be rationality in choosing the apt level on the basis of introspection.

It is inferred that on the basis of findings of this study and tips thereupon, the modern age entrepreneurs/would-be entrepreneurs can strategize appropriately to make the success happen.

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Analysis of CSR activities Undertaken by Major Public Sector Organisations of Jharkhand

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The main objective of the research study is to highlight the importance of CSR activities and programs conducted by various public as well as private sector organizations in Jharkhand in promoting the socio-economic development of the state. Within the world of business, the main responsibility for corporation has historically been to make money and increase shareholder value. In other words, corporate financial responsibility has been the sole bottom line driving force. However, in the last decade, a movement defining broader corporate responsibilities- for the environment, for local communities, for working conditions and for ethical practices, has gathered momentum and taken hold. This new driving force is known as Corporate Social Responsibility (CSR). Today, companies are realizing that in order to stay productive, competitive, and relevant in a rapidly changing business world, they have to become socially responsible. Ttherefore, public as well as private sector organizations in Jharkhand are coming forward to actively implement CSR practices for the welfare of the society and also to retain goodwill, status and earn a reputation in this competitive world. The study carried out highlights the different CSR activities of Mecon Limited, Central Coalfields Limited and Hindustan Copper Limited in development of the society and promoting economy of Jharkhand.

Keywords: Corporate Social Responsibility, Economy, Development, Jharkhand

Introduction

Corporate social responsibility (CSR), also known as corporate responsibility, corporate citizenship, responsible business, sustainable responsible business (SRB), or corporate social performance, is a form of corporate self-regulation integrated into a business model. Corporate social responsibility described the body of management systems and tools that help companies minimize their environmental impact, adhere to international labor standards, contribute to their communities and manage toward a more economically sustainable world. CSR is a set of actions of a company that changes business operations to improve, maintain, or mitigate a company's impact on society and the environment. The main purpose of CSR is to identify and improve a company's impact on society and the environment, while driving stronger business results such as brand enhancement, market differentiation, and employee satisfaction. Major attributes of CSR are;

(1) CSR is a behavioral and programmatic approach to shaping company actions and strategy.

(2) CSR is more to do with the management of issues than the life cycle of the company or product or the setup of the company environment as a whole

(3) CSR addresses shareholders management more than stakeholder management.

(4) As aforementioned, CSR tends to emphasize the actions of the company e.g. CSR reports deal much more with the celebration of the past (as opposed to sustainability practices, which look towards the future).

Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm.

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The term "corporate social responsibility" is often used interchangeably with corporate responsibility, corporate citizenship, social enterprise, sustainability, sustainable

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development, triple-bottom line, corporate ethics, and in some cases corporate governance. Though these terms are different, they all point in the same direction: throughout the industrialized world and in many developing countries there has been a sharp escalation in the social roles corporations are expected to play. Companies are facing new demands to engage in public-private partnerships and are under growing pressure to be accountable not only to shareholders, but also to stakeholders such as employees, consumers, suppliers, local communities, policymakers, and society-at-large.

Laggard firms and governments can sometimes use the existence of corporate social responsibility programs to shirk their roles. Government ultimately bears the responsibility for leveling the playing field and ensuring public welfare. In order for corporate social responsibility programs to work, government and the private sector must construct a new understanding of the balance of public and private responsibility and develop new governance and business models for creating social value.

Objectives of the study

1. To study the importance of Corporate Social Responsibility
2. To assess the significance of CSR activities in Social development of Jharkhand
3. To study the economic aids of CSR programs in Jharkhand.

Literature Review

In India, CSR is known from ancient time as social duty or charity, which through different ages is changing its nature in broader aspect, now generally known as CSR. India has a long tradition of corporate philanthropy and industrial welfare has been put to practice since late 1800s. Business practices in 1900s that could be termed as socially responsible took different forms: philanthropic donations to charity, service to community, enhancing employee welfare and promoting religious conduct.

After independence, JRD Tata who always laid a great of emphasis to go beyond conducting themselves as honest citizens pointed out that there are different ways with which industries can contribute to public welfare beyond the scope of their normal objectives. He advised that a part of the obvious one of donating funds to good causes which had been normal practice for years ;) they could use their own financial, managerial and human resource to provide task forces for undertaking direct relief and reconstruction measures.

The important change at that time was that industry accepted social responsibility as part of their management of the enterprise itself. The community development and social welfare program of premier Tata company, Tata Iron and Steel company was started the concept of concept of “Social Responsibility”. (Gupta, 2007)

The term corporate social performance was first coined by Sethi (1975), expanded by Carol (1979) and then refined by Watrick and Cochran (1985). In Sethi's 1973 three tier model, the concept of corporate social performance was discussed, and distinctions made between various corporate behaviors. Sethi's three tier obligations (a response to legal and market constraints); social responsibility (congruent with societal norms); and social responsiveness (adaptive, anticipatory and preventive) (Cochran, 2007).

The last decade of the twentieth century witnessed a swing away from charity and traditional philanthropy towards mare direct engagement of business in mainstream development and concern for various groups in the society. This has been driven both by corporate will and externally by increased governmental and public expectations (Mohan, 2001.

The above was evident from a sample survey conducted in 1984 reporting that of the amount companies spent on social development, the largest sum 47 percent was spent through company programs, 39 percent was given to outside organizations as aid and rest 14 percent was spent through company trusts (Working document of EU India CSR, 2001).

In India, as in the rest of the world, there is a growing realization that business cannot succeed in a society which fails. An ideal CSR has both ethical and philosophical dimensions, particularly in India where there is a wide gap between sections of people in terms of income and standards as well as socio-economic status (Bajpai, 2001).

According to Infosys founder, Naryan Murthy, “ social responsibility is to create maximum shareholders value working under circumstances, where it is fair to all its stakeholders, workers, consumers, the community, government and the environment.” Commission of the European Communities, 2001 stated that being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing more into human capital, the environment and the relation with stakeholders (Bajpai, 2001). Over the time, four different development models have emerged, all which can be found in India regarding corporate responsibility (Kumar et al., 2001).

Research Methodology

The study is exploratory in nature and is aimed to study importance of CSR activities undertaken by various organisations in Jharkhand. It consists of questionnaire, observation and personal interview/interaction with officers and staffs at headquarters and divisional offices of organisations. It also comprises of consultation with local people, NGOs, Tribal Representatives, etc. For this study, a great deal of data (articles, news and market reports, etc. is collected through newspapers, reports and journals published by various websites.

Discussion and Findings

CSR Activities undertaken by Mecon Limited

The major projects/activities/work being undertaken by MECON is as follows:

- Education (Free literacy programme at various centres in slum/backward areas)
- Women empowerment/Livelihood generation centre (Stitching & Embroidery training centres for women)
- Skill development/vocational training (For Men & Women)
- Aiding Institutions of Differently Abled/Disabled/Handicapped persons
- Infrastructure development (for schools/colleges/training centres/community centres/orphanages/ hospitals) in adopted villages/rural areas/backward areas and for institutions of physically challenged boys/girls/persons.
- General/Specialised Health camps, Specialised Medical treatment (Indoor treatment), Health awareness programs (HIV/AIDS, General Health) etc.
- Sanitation and public health/toilets in adopted villages/rural areas/backward areas
- Drinking water/Irrigation facilities (wells, tube wells with hand pump/solar pump) in adopted villages/rural areas/backward areas
- Rain water harvesting system
- Solar lighting system/LED based lighting system/Renewable energy system
- Afforestation/Social Forestry, Other welfare activities etc.

CSR works conducted by Central Coalfields Limited (CCL Ltd)

Business and industry have come into existence to promote social growth and social good. They draw resources from the society and add values to generate wealth. Hence, society and business are interdependent and business must take full account of societal expectations. A stable social environment is a pre-requisite for business investment and industrial operations. So industry needs to facilitate such environment by taking care of the concerns of the society. This is what Central Coalfields Ltd (CCL) strongly believes in. The Company is a MiniRatna Category I Central PSU in the family of Coal India Ltd. Once written off as a loss making CPSU, the Company has made a spectacular turnaround a couple of years ago and has grown strength to strength by registering record production, productivity, profit and people care.

CCL becoming a MiniRatna Company is 'the dream comes true' of its employees, their family members and the people of Jharkhand – CCL being the largest mining industry in the State. The community in and around the command areas of the company are having sentimental attachment with CCL and it enjoys full support of the society, unique amongst mining industry in India. Sentiment have come to embedded with aspirations and CCL, spreading as it does in seven districts of the State of Jharkhand, symbolizes not only the industrial might of the State (Jewel of Jharkhand) but the hopes and aspiration of the people of the State as well. In this backdrop, the responsibility of CCL as a corporate entity addressing socio economic and environmental concerns of the community becomes quite focused. Such focus on community can albeit CCL C.S.R. is within the Company philosophy reflecting in its VMO.

Since the day of its formation in 1975 till date social initiative undertaken by CCL have 3 phases overlapping each other viz.

i. Rehabilitation and Resettlement of Project Affected People

ii. Welfare and Community Development.

iii. Comprehensive Community initiative under CSR (2007 onwards.)

Rehabilitation and Resettlement of Project Affected Families:

i) Compensation of 9332 Ha. Of erstwhile Railways/land vested with NCDC/ CCL was fully paid in the past.

ii) Compensation of 2202 Ha. Of land acquired under LA Act has been fully paid amounting to Rs.37.16 crores.

iii) Compensation for 6406 Ha. Of land acquired under CBA Act assessed at Rs.39.89 crores.

iv) Compensation paid so far: Rs.32 crores

v) Amount pending due to lack of land related Documents and title dispute amongst the Shareholders: Rs.13.91 crores

During the last couple of years, the Company has not only brought laurels in the field of production, productivity and profitability, but also taken significant steps in the areas of Corporate Social Responsibility (CSR). CCL has developed its strategic CSR policy with the main objectives to improve the quality of life of the people living in and around the command areas. It is also a matter of applaud that CCL is now a member of UN Global Compact. CSR policy has given special emphasis on triple bottom line – social, economic and environmental initiatives to make it sustainable.

Education

- Support to Technical/Vocational Institutions like ITI, Polytechnic etc.
- Support to rural educational institutions by providing study materials, sports material and bench and desk to the students & Academic education by way of

financial assistance to Primary, Middle and High Schools.

- Promotion of Professional Education by setting up educational institutions offering courses in Engg, Nursing, Management, Medicine and in Technical subjects etc. CCL will ask for reservation of seats for CCL's nominated students and children of BPL families.
- Provide free education up to +2 level and free coaching for getting admission in reputed technical institution of the country like IITs, NITs & others to meritorious students belonging to weaker sections of the society, PAPs/land ousters and children of the employees residing in and around the command areas. Also to provide free boarding lodging facilities to such students.

  For uninterrupted education, provision of fees and scholarship for poor, needy, children of BPL families & land ousters/ displaced persons, meritorious students studying in the schools in the command areas of the company, especially for girl students. Awareness programs on girl education &adult literacy amongst the belonging to BPL.
- Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
- Provide cycle to needy girl students who are attending

Drinking Water Facilities

- Installation/Repair of Hand Pumps/Tube Wells/ Deep bore wells with submersible pumps with storage arrangements.
- Digging/Renovation of Wells.
- Supply of water through pipelines and water tankers.
- Gainful utilization of waste water from Under-ground.
- Mines for cultivation or any other purpose.
- Development/construction of Water Tank/Ponds.
- Rain water-harvesting scheme.
- Empowerment to the villagers for maintenance of the above facilities for availability of water.

Health Care

- Treatment through CSR clinics and ambulance of critical diseases for poor and BPL families residing in & around the command areas through Jan Arogya Kendra.
- Operation Jyoti – for eradication of reversible blindness for the people of the peripheral areas.
- Organizing health/ health awareness Camps on AIDS,TB and Leprosy, Child and Mother care , Pre and Post natal care, family welfare, Diabetics detection & Hypertension Camps, diet and nutrition camps and blood donation camps.
- Healthcare for senior citizens.
- To supplement the different programs local/ state authorities.

Environment

- Maintaining ecological balance & pollution control.
- Afforestation, Social Forestry development, Green belt Development
- Reclamation of mined out lands.
- Plantation of herbal and fruit bearable plants Silk rearing & lac production

Self-Employment Programs

- Self /Gainful Employment Opportunities may be offered by organizing different training programs on farming & other agricultural practices, animal husbandry , fishery. of
- Organizing training programs on enhancing technical skills, imparting motor driving skills to the rural youth.
- Organizing training programs for women on tailoring, embroidery designs, home foods/fast foods, pickles, painting and interior decoration and other Vocational Courses.
- Development of Cooperative societies for generating self-employment.

Village Electricity/Solar Light

To develop infrastructural facilities for providing electricity through Solar Lights or alternative renewal energy to the nearby villages. Recurring expenditure should be borne by the beneficiaries.

Sports and Culture

- Development of sports & cultural activities in the nearby villages off the command area by providing sports material to the children & youth & also by conducting tournaments of games & sports events.
- Identification of rural talents for participating in sports & cultural activities of state & national level.
- Promotion & development of sports for physically handicapped persons.
- Sponsorship of national sports field events in the coal field areas.
- Financial assistance/ donations/ sponsorship may be given to clubs / institutions recommended by National/ State/ District forums/ authorities for development of sports. Proper check measures to be kept for ensuring the utilization of the fund & publicity is also to be ensured for corporate image building

Infrastructure Support

- Construction, repair, extension etc. of Auditorium, Educational Institutions, bridges, culverts, roads, drains check dam, shopping complex to facilitate business/self-employment for local people, Community Centre, Sulabh Souchalaya/ Community toilets, Yatri Shed in Bus Stand, Burning Ghat/Crematorium, Development of Park, Playground/Sports complex/Good Coaches, Old Age Home for senior citizens, adoption/ construction of hostels especially those for SC/ ST and girls.

- Protection of Heritage sites in the CSR purview.
- Relief of victims and Natural Calamities like Earth Quake, Cyclone, Draught and Flood situation in any part of the country.
- Disaster Management Activities including those related to amelioration/mitigation.
- Collection of old cloths from the employees and distribution in the nearby village by utilizing the platform of Mahila Sabha of the Company, Club (Executives & Non-executives) and Women in Public Sector.
- Distribution of blanket to needy and poor section of the society and destitute.
- Development of smokeless fuel out of coal and also arrangement for distribution of efficient Chulha/solar chulha to the villagers.
- Adoption of village for carrying out the activities like infrastructural development e.g. Road, water supply, electricity and community center and other sustainable developmental works.

CSR initiatives undertaken by Hindustan Copper Limited (HCL)

The objectives of HCL's CSR activities are as follows.

a. In conformity to the provisions of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the CSR Guidelines issued by Department of Public Enterprises [DPE] from time-to-time, to indicate the CSR projects that HCL plans to undertake.

b. To create value for the stakeholders and society that is fundamentally linked to HCL's core business and operations through its initiatives for their sustainable development.

c. To enhance value creation for the community around HCL's areas of operation by fostering goodwill among the stakeholders towards the Company by enhancing their quality of life.

d To carry out developmental initiatives in order to meet the calls of the present without compromising the ability of future to meet its needs.

The scope of HCL's CSR programmes shall be governed by the provisions of Schedule VII of the Companies Act, 2013 and shall include the following broad heads.

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens; and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
6. Measures for the benefit of armed forces veterans, war widows and their dependants.
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
8. Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government.
9. Rural Development Projects.

Conclusion

The three major public sector industries namely Mecon Limited, Central Coalfields Limited and Hindustan Copper Limited have done extraordinary works under Corporate Social Responsibility activities and programs. The community in and around the command areas of these Public Sector Companies are having sentimental attachment. These organisations have retained a collective focus on the various areas of corporate sustainability that impact people, environment and the society at large. Founded on the philosophy that society is not just another stakeholder in its business, but the prime purpose of it, these organisations across its various operations are committed to making a positive contribution in a number of ways. They promote and encourage economic, social and educational development within its communities while also giving active support to local initiatives. Their mammoth social outreach programme covers the much part of Jharkhand through initiatives in the areas of income generation, health and medical care, education, sports, and relief.

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Motivation for the Rural People to Join SHGs: A Study in Shivamogga District

Laxmisha A. S.[1]

Self-help Groups (SHGs) are small voluntary association of people from the same socio-economic background formed with the purpose of solving their common problems through self and mutual help. The SHGs are playing major role in alleviating poverty, empowerment of women and rural poor. Several studies have identified the reasons for preferring SHGs especially by women and rural people. It is in this line, the present paper makes an attempt to analyze the reasons for joining SHGs by the rural women and other people, the source of awareness, the relationship between reasons for joining SHGs and the education background and the community. The paper is based on the research study conducted in Shivamogga district of Karnataka state. The primary data was collected from 700 SHG members by conducting a field survey. Due representation was given to men and women SHGs and also urban and rural SHGs. The collected data was analysed by using weight points, ranking and chi-square calculations. There were 3 Hypotheses which were tested by using the above tools and inferences were drawn.

Key Words: Awareness, Community, NGOs, SHGs

Introduction

Self-help groups (SHGs) are small voluntary association of people from the same socio-economic background with a purpose of solving their common problems through self help and mutual help. SHGs are playing major role in alleviating the poverty, empowerment of women and rural poor. The studies identified several reasons for joining SHGs by the rural poor. Thomas A(1), in his study on micro credit and empowerment of marginal farmers found that 33.4 per cent of the respondents joined SHGs for economic reason and it was also revealed that SHGs helped them to come out of the clutches of money lenders. Suresh Kumar D.(2), in his paper on Participation in Self-help Group Activities and its Impact : Evidence from South India has focused on the determination of participation in SHGs and its impact on household welfare and public policies. It was found that increasing women participation in SHGs generate substantial income and have significance in household welfare. In the light of these studies the present paper makes an attempt to analyse the reasons for joining SHGs by the rural people in Shivamogga District of Karnataka State.

Objectives

The paper focuses on the following issues.

1. Source of inspiration to join SHGs in the study area.
2. How they came to know about SHGs?
3. Association between education level and source of awareness.
4. Reasons for joining SHGs.
5. Association between community background and reasons for joining SHGs.

The hypotheses of the paper are as below.

1. H0: There is no association between education and source of awareness.

   H1: There is association between education and source of awareness.
2. Economic reasons rather than the other factors promoted the rural people to join the SHGs.
3. H0: There is no positive association between community and reason for

Joining the SHGs.

H1: There is a positive association between community and reason for joining the SHGs.

Scope and Methodology

To achieve the above objectives, Shivamogga district in Karnataka state has chosen. The district is endowed with rich natural and human resources and is called the LAND OF INTELLECTUALS. Three JNANA PEETH awardees

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and a MAGSAYSY Awardee are hailing from this district. The district has rich history of freedom struggle and land reform movements. There are 7 Taluks in the district with a total population of 17,55,512 as per 2011 census. There are 19,123 SHGs as on 31.3 2013 (out of which 4,329 Stree Shakti SHGs with 63,208 women members) in the district and district stood in 13th place in terms of number of SHGs in the state. The paper is based on primary data collected by surveying 700 SHG members in all the 7 Taluks of the district. Stratified random sampling technique was used giving due representation to cross section of the society. The data collected is analysed by using statistical tools such as percentage, weight points, ranking and Chi-square tests.

Survey Findings

The major findings of the study are as below.

1. Source of Inspiration

The study revealed that out of 700 SHG members, 255 had joined SHGs on their own and a large majority, to be precise, 445 members have inspired by others.

2. Source of Awareness

As the focus of SHG is rural people, illiterates and women, naturally they lack information and understood the importance of SHGs. Gurulingaih M (3) has made a study on role of NGOs in the empowerment of tribal women in Gubbi Taluk of Tumakuru district in Karnataka state. The findings indicate that though various measures have been taken by the financial institutions and NGOs for the empowerment of women, a number of them are still lagging behind and suggested guidance and moral support by NGOs for the overall progress of women. Stephen K., and Aseilan.(4), in their study on "Role of NGO's in Micro Financing through Self-help Groups - A Study in Kanyakumari District" emphasized that NGOs can play a decisive role as an effective delivery mechanism in rural development as they have innate advantage to involve people and ensure their participation in the development process.

It is in this background, the respondent SHG members were asked to indicate the source of awareness. It was revealed that out of 445 members' who were inspired by others, 170 were motivated by NGOs, 119 by other SHG members, 32 persons came to know about SHGs through media/ newspaper, 22 were inspired by Banks and the remaining members were motivated by other sources.

3. Education and Source of Awareness

The above analysis reveals that SHG members were informed by different sources. A person with better education naturally had more access to the source of information. Keeping this in mind, the association between education and source of awareness is tested by using Chi-Square Test. Table 1 shows the calculations.

TABLE - 1

Education and Source of Awareness

Education	Awareness		Total
	Own	Inspired by others	
Illiterate	43 (41.53)	71 (72.47)	114
Primary	91 (91.07)	159 (158.93)	250
SSLC/PUC	105 (87.43)	135 (152.57)	240
Degree/ Diploma & P.G	16 (34.97)	80 (61.03)	96
Total	255	445	700

Source: Field Survey

Parenthesis shows expected frequencies

Expected frequencies= RT * CT / N

Observed	Expected	(O-E)	$(O-E)^2$	$(O-E)^2/E$
43	41.53	1.47	2.1609	0.05200
71	72.47	-1.47	2.1609	0.02980
91	91.07	-0.07	0.0049	0.00005
159	158.93	0.07	0.0049	0.00003
105	87.43	17.57	308.7049	3.53088
135	152.57	-17.57	308.7049	2.02336
16	34.97	-18.97	359.8609	10.29056
80	61.03	18.97	359.8609	5.89646
			$X^2 = \Sigma(O-E)^2/E$	**21.82314**

Degrees of Freedom = (C - 1)*(R - 1)
= (2-1) * (4-1)
=1 * 3 =3
Table value for 3 @ 5% level = 7.81

Since calculated value X2 (21.82) is more than table value @ 5 % level (7.815) of significance, there is no relationship between education and source of awareness, hence alternative (First) hypothesis is accepted.

1. Reasons for Joining SHGs

The SHG members were informed and motivated by several sources. The major aim of the SHGs is to promote savings and to avail credit for the productive and consumption purposes. This is true because many people in the study area joins the SHGs for getting loan and promote their personal savings, in addition to get labour sharing benefit and improving social status.

To make an in depth analysis of reasons for joining the SHGs, the members were asked to rank the reasons listed in the Table. The reason quoted by the respondents in the order of preference is assigned with weight points. The reason which is ranked first is multiplied by 7 followed by 6, 5, 4, 3, 2 and 1. The resultant weight points are totaled and the factor which secured highest total is assigned with first rank and so on. Table 2 shows the reasons and their ranking.

TABLE-2
Reasons for Joining SHGs

Sl No.	Reasons	Rank	Frequency	W. P	Rank
1	To Save the Money	Rank 1	249	1743	**Rank I**
		Rank 2	161	966	
		Rank 3	135	675	
		Rank 4	51	204	
		Rank 5	22	66	
		Rank 6	41	82	
		Rank 7	41	41	
	Total		**700**	**3777**	
2	For Getting Social Status / Identification	Rank 1	26	182	**Rank II**
		Rank 2	53	318	
		Rank 3	199	995	
		Rank 4	283	1132	
		Rank 5	99	297	
		Rank 6	37	74	
		Rank 7	3	3	
	Total		**700**	**3001**	
3	For Improving the Economic Status	Rank 1	81	567	**Rank III**
		Rank 2	93	558	
		Rank 3	95	475	
		Rank 4	56	224	
		Rank 5	226	675	
		Rank 6	118	236	
		Rank 7	29	29	
	Total		**700**	**2773**	
4	Understanding the Importance of Co-operation (Unity is strength)	Rank 1	25	175	**Rank IV**
		Rank 2	35	210	
		Rank 3	90	450	
		Rank 4	244	976	
		Rank 5	261	783	
		Rank 6	39	78	
		Rank 7	6	6	
	Total		**700**	**2678**	
5	To Avail the Loan	Rank 1	66	462	**Rank V**
		Rank 2	313	678	
		Rank 3	147	735	
		Rank 4	57	228	
		Rank 5	73	219	
		Rank 6	40	80	
		Rank 7	4	4	
	Total		**700**	**2406**	
6	For Labour Sharing	Rank 1	226	1582	**Rank VI**
		Rank 2	4	24	
		Rank 3	4	20	
		Rank 4	1	4	
		Rank 5	0	0	
		Rank 6	18	36	
		Rank 7	4	4	
	Total		**257**	**1670**	
7	Any Other	Rank 1	30	210	**Rank VII**
		Rank 2	19	114	
		Rank 3	12	60	
		Rank 4	28	112	
		Rank 5	21	63	
		Rank 6	395	790	
		Rank 7	195	195	
	Total		**700**	**1544**	

Source: Field Survey

It can be seen from the Table 2 that, a large majority SHG members preferred to join SHGs to save money (since it secured 1st rank with 3,777 weight points) followed by to gain social status (2nd rank with 3,001 weight points), for improving the economic status (3rd rank with 2,773 weight points), to have unity since it is strength (4th rank with 2,678 weight points), to avail loan (5th rank with 2,406 weight points), to share the labour (6th rank with 1,670 weight points) and other reasons secured 7th rank with 1544 weight points. Thus, the second hypothesis that economic benefits rather than other factors promoted the rural people in the study area to join the SHGs.

1. Community and Reasons for Joining SHGs

In order to see the relationship between the community background and the reasons for joining SHGs, the Chi-Square calculations is made. For the purpose of analysis, the respondents' communities are divided into two groups as SC/ST and Minorities as one group and OBC and General as another group. Based on that expected frequencies are calculated and finally inference is drawn by using Chi – square values.

TABLE -3
Community and Reasons for Joining SHG

Community	Reason for Joining							Total
	I	II	III	IV	V	VI	VII	
SC / ST & Minority	97 (103.51)	68 (66.93)	71 (56.12)	25 (21.20)	5 (9.15)	17 (17.04)	8 (17.05)	291
OBC & General	152 (145.49)	93 (94.07)	64 (78.88)	26 (29.80)	17 (12.85)	24 (23.96)	33 (23.95)	409
Total	**249**	**161**	**135**	**51**	**22**	**41**	**41**	**700**

Source: Field Survey
Parenthesis shows expected frequencies
Expected frequencies= RT X CT / N

Observed	Expected	(O-E)	$(O-E)^2$	$(O-E)^2/E$
97	103.51	-6.51	42.38	0.409430
68	66.93	1.07	1.14	0.017105
71	56.12	14.88	221.41	3.945374
25	21.20	3.80	14.44	0.681132
5	9.15	-4.15	17.22	1.882240
17	17.04	-0.04	0.002	0.000094
8	17.05	-9.05	81.90	4.803665
152	145.49	6.51	42.38	0.291292
93	94.07	-1.07	1.1449	0.012171
64	78.88	-14.88	221.41	2.806978
26	29.80	-3.8	14.44	0.484563
17	12.85	4.15	17.22	1.340272
24	23.96	0.04	0.0016	0.000067
33	23.95	-20.95	438.90	18.325782
			$X^2 = \Sigma (O-E)^2/E$	**35.000165**

Degrees of Freedom = (C - 1) * (R - 1)
= (7-1) * (2-1)
=6 * 1
=6
Table value for 6 @ 5% level = 12.

Since calculated value X2 (35.000165) is more than the table value @ 5 % level (12.592) of significance, there is no positive association between community and reasons for joining the SHGs, and hence the (Third) alternative hypothesis is accepted.

Conclusion

The study has made an attempt to analyse the source of awareness, reasons for joining SHGs and its relationship with education and community background. The Bangladesh experiment has sown the seeds of SHGs in our country and Southern states' are the front-runners in this movement. The NGOs had played a significant role in this journey starting from inception to mobilization of deposits, lending, guidance as to management and accounting etc.. To give further fillip to SHGs in the study area, better education as to the management of SHGs, more efforts of NGOs, bankers and active involvement of members themselves, imbibing the gospel of co-operation, more and more inclusive growth efforts etc., are the prime requirements.

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A Study on Financial Inclusion with Specific Emphasis to Electronic Banking

Sujoy Kumar Dhar[1]

Financial inclusion focuses on the poor who do not enjoy the formal financial institutional support. The branchless banking is an innovative concept where account can be opened and operated without going to bank branch. The profiles of Business Facilitator and Business Correspondent have been created so that they can work as the agent of the banks who are directly dealing with poor villagers. Electronic banking has made a major breakthrough in the sphere of banking and finance. After 67 years of independence, telecommunication sector is the one which has successfully penetrated to Indian household. Therefore Mobile banking has added a new dimension in electronic banking. The Objective of the proposed research paper is to explain the scope and challenges of Electronic banking, to analyze the mechanism through which online banking can facilitate the financial inclusion in India and to identify the strategies how the Electronic banking system can be used more customized and user friendly way to ensure maximum justice to all stakeholders of the nation. The methodology of the proposed work consists survey of existing literatures from different scholarly research articles available in several reputed national and international journals and analysis of secondary data collected from the RBI database and the different published reports. The proposed intellectual output will give a direction how maximum benefit can be provided to the maximum number of financially excluded persons so that fruits of growth can be distributed in an equitable way.

Keywords: Bank, Internet, Mobile, Electronic, Service, Inclusion

Introduction

The theme of the financial inclusion has been preached, professed and propagated by the different apex financial regulatory bodies as well as by the Ministry of Finance, Government of India for a long period of time. According to Deputy Governor of Reserve Bank of India, Dr. K.C. Chakrabarty "Financial Inclusion is the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players" (2011) .The scope of the terminology of 'Financial Inclusion' is not confined into merely opening a no frill account.

Virtual banking has become call of the day. In the era of privatization, liberalization and globalization, change has become only the constant. Technology has in fact given new dimensions to banks' service delivery mechanism and the banks are enthusiastically absorbing the latest technological innovations for devising new products and services. The conventional brick -mortar banks are giving way to virtual banks in last one decade. The advancement in software tools, computer hardware and telecommunications has shifted the focus of the banks towards computerization from data processing to information services. The breathtaking advances in computers and telecommunications have enabled banks to adopt these technologies for banking applications to drive competitive advantages. There is marked shift in the technology which has transformed the concept of branch banking to anytime anywhere banking (Nath, 2005:368).

2. Survey of Existing Literature

'Internet is changing the global marketplace, including the banking industry. The use of the Internet is lowering entry costs and removing barriers to entry for many businesses. The lowering of barriers has led to a flood of banks entering the industry, ultimately increasing competition and providing increased value to potential customers. However, most of the traditional banking industry has been slow to join the Internet bandwagon' (Smith, 2006:82).

The wide penetration and personal nature of mobile phones, the overall stability of mobile communication technologies, and the positive experiences with m-commerce payments have made mobile solutions

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applicable for a variety of financial services. Current mobile financial applications include mobile banking and a variety of different micropayment solutions. Today, mobile payments are mainly used to pay for popular mobile content and services since there are few alternative payment solutions available (Mallat, 2004:42). According to Maurer, Mobile network operators and device manufacturers, looking to increase revenue, turn towards a relatively untapped market among the worlds poorest and, in the process, provide services that enhance financial access. Profitability and financial inclusion go hand in hand. Central to the BoP('bottom of the pyramid') framework is the idea of 'the poor' as consumers, a framing that depends on a prior formatting of large segments of the world's population as an undifferentiated 'poor' capable of being turned into consumers. In this framing, the poor are rendered relatively passive, aside from their consumer choices (2012: 590).

Social exclusion in the financial realm—that is, 'financial exclusion'—refers to the failure of the formal banking system to offer a full range of depository and credit services, at competitive prices, to all households and/or businesses. The systematic exclusion of households and/or businesses from 'financial citizenship'—on the basis of race or ethnicity, geographic area, gender and so on—compromises their ability to participate fully in the economy and to accumulate wealth. The world over, most lower-income households and areas have been served largely by informal financial institutions, at higher transaction costs and more onerous loan terms than others pay (Dymski, 2005:440).

3. Objectives

- To explain the scope and directions of Electronic banking
- To analyze the mechanisms, tools and techniques through which online banking can facilitate the financial inclusion in India
- To identify the strategies how the Electronic banking system can be used more customized and user friendly way to ensure maximum justice to all stakeholders of the nation.

4. Methodology

The proposed dissertation has taken into consideration the secondary data available in several research articles prevalent in the different reputed national and international journals downloaded from EBSCO host and Emerald. It also incorporates the necessary information inputs from the statutory and non statutory disclosure provided by the banks in the public domain in the form of their quarterly, half early and annual reports. Apart from that, data base from official website of Reserve Bank of India is also used.

5. Analysis

5.1 Electronic Banking: an Overview

The content and the website feature of the banks play a crucial role in E- banking.

The Web features were classified into five areas: informational, administrative, transactional portal, and others. The informational area consists of general bank information usually obtainable in print form at the bank, the “electronic brochure,” containing both background information and a description of available services. The administrative area consists of features that allow bank customers to perform routine relational activities such as obtaining account balance information and ordering checks. The transactional area consists of features that allow customers to actually conduct business through the Web site. The portal area includes features that link the customer, through the bank, to other Web sites of interest. The “others” area contains features that do not easily fit into the first four categories (Southard, 2004:100). The generic lists of website features are provided in Annexure-1.

5.2 ATM and Application of Plastic Money

The Automated Tailor Machine (ATM) plays a major role to eradicate the curse of financial exclusion as it offers 24x7 banking services. ATM Benchmarking Study 2014 has provided participants with an insight into key performance metrics of their respective ATM estates. Economies of scale are (still) not a source of competitive advantage for ATM. Fraud is a growing challenge to the industry and ATM Operators are increasing their efforts to prevent and combat it. Cardholder satisfaction is not a typical driver to ATM management. Selective multi functionality is the ATM business model of the future. The development of other channels such as internet and mobile banking is currently proving complementary to ATM industry and it is far from being a threat to ATMs (Burelli, 2014:34). The number of ATM can be considered one of the key success variables in the field of financial inclusion. Bank wise ATM statistics in India in November, 2014 is provided in Annexure-2.

To supplement the efforts of banks in providing banking services to people in unbanked/ Under-banked areas, non-bank establishments were permitted to install and operate ATMs with greater focus on Tier III to Tier VI centers. Out of the 18 applicants, 12 entities were given in principle approval, of which 6 entities have been granted final authorization to install ATMs. A total of 1,960(White Label ATMs) WLAs had been deployed as on April 30, 2014 according to the annual report of RBI.

5.3 Different Modes of Electronic Banking

Core Banking Solution (CBS) has brought to revolution in banking services. Customers can transact business any banking branch in the globe which is under the system. CBS is a process that is conducted at a centralized environment which means that all the information is stored at the central server of the bank which is connected to the branches through networking system.

Payment and Settlement Systems in India –major developments in last decades

Electronic Clearing Service (ECS) helped large corporate bodies to pay their salary, dividend, interest and refund electronically on the due date. Not only the receiver could get the payment on the due date, but also the corporate could save substantially by not having a print paper instrument.

Extension of Electronic Fund Transfer (EFT) facility by the banks has altered the money transfer scenario. Using the EFT infrastructure laid by the RBI, commercial banks have started offering same-day funds transfer facility to their customers. Earlier special EFT was designed especially for the networked branches which facilitated the funds transfer on the same day within the closed group of computerized and networked branches located in the country. After the successful implementation of net banking, banks with internet banking infrastructure are receiving requests from their customers for EFT and executing the requests in a straight through manner.

Real Time Gross Settlement (RTGS) system by RBI has added a new dimension to EFT scenario. Corporate bodies and other bank customers have now the option to transfer funds to designated branches instantaneously. According to RTGS operating rules, if the credit cannot be applied, it should be returned within two hours – meaning thereby that the maximum delay can be two hours (Iyengar, 2007:246). During 2013-14, the RTGS processed around 81 million transactions valued at `734trillion. As on April 30, 2014 the number of RTGS enabled bank branches stood at 109,506 according to the annual report of RBI for the year 2013-14. The NEFT details for January 2015 are provided in annexure -3.

5.4. Mobile Banking

The mobile banking transactions have increased at a rapid pace in India which can be viewed as another critical success factor for the financial inclusion. RBI issued Master Circular on operating guidelines for Mobile Banking transactions in India on 1st July, 2014. The purpose of the circular was to provide a consolidated document containing all rules / regulations / procedures prescribed to be followed by banks for offering Mobile Banking services. Mobile phones, as a medium for extending banking services, have of-late attained greater significance because of their ubiquitous nature. The rapid growth of mobile users in India, through wider coverage of mobile phone networks, have made this medium an important platform for extending banking services to every segment of banking clientele in general and the unbanked segment in particular. For the purpose of the instructions contained in this Master Circular, 'Mobile Banking transaction' means undertaking banking transactions using mobile phones by bank customers that involve accessing / credit / debit to their accounts. Banks are permitted to offer mobile banking services after obtaining necessary permission from the Department of Payment & Settlement Systems, Reserve Bank of India. Mobile Banking services are available to bank customers irrespective of the mobile network. Customers need to first register for Mobile Banking with their bankers and download the Mobile Banking application on their mobile handsets..

5.5 Supervisory Requirement for E Banking

Financial examination is the most important link of financial supervision. In response to increased daily financial transactions, it has become an inexorable trend to apply processing, storage, statistical, and analytical functions of computer information systems and auditing software to assist financial examiners . The contents of concern in e-auditing have extended from electronic data exchange and processing to understanding and assessment of a computer system's reliability and safety. Financial examination, including Financial Statement Audits, Compliance Audits, and Operational Audits can be regarded as types of external audits for the financial institutions. In recent years, financial regulations authorities of major countries and regions in the world, including the U.S., Japan, Hong Kong, and Singapore, in response to the changes of the international financial markets, have gradually adopted “risk-oriented” financial supervisory and inspection mechanisms. Such mechanisms stress that financial institutions should construct well-structure in-house risk management systems and internal control mechanisms, which would enable them to effectively control potential risks, thus, enhancing overall financial supervision and inspection quality (Shih, 2010:98).

6. Conclusion

The Reserve Bank of India is required to keep the long term vision in order to build the nation with sound economic growth and sustainable development. The dream of real financial inclusion will be materialized only when the entire population of the nation will be able to become beneficiary from the different financial reforms made by the several regulatory bodies of the country. Electronic banking no doubt can be a major game changer in this juncture. Despite all the odds, obstacles and resistances, it can be concluded unambiguously that the goal of the effective financial inclusion of the Government of India will be achieved to a significant extent if all these dimensions, suggestions and recommendations are taken into consideration.

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Annexure-1
Generic List of Website Features

Informational	**Administrative**	**Transactional**
I1 General Bank Information and History	A1 Account Information Access	T1 Account Transfer Capabilities
I2 Financial Education Information	A2 Applications for Services	T2 Bill-pay Services
I3 Employment Information	A3 Personal Finance Software Applications	T3 Corporate Services (e.g., Cash Management, Treasury)
I4 Interest Rate Quotes		T4 Online Insurance Services
I5 Financial Calculators		T5 Online Brokerage Services
I6 Current Bank and Local News		T6 Online Trust Services
Portal	**Others**	
P1 Links to Financial Information	O1 Wireless Capabilities	
P2 Links to Community Information	O2 Search Function	
P3 Links to Local Businesses		
P4 Links to Non -local Businesses (and/or Advertisers)		

Source : (Southard, 2004:100)

Annexure -2
ATM statistics in India for November 2014

Sr. No.	Bank Name	ATMs		POS	
		On-site	Off-site	On-line	Off-line
1	Allahabad Bank	703	446	316	0
2	Andhra Bank	1398	705	3025	0
3	Bank Of Baroda	4435	2713	12368	0
4	Bank Of India	3026	3019	3491	348
5	Bank Of Maharashtra	1417	424	23	0
6	Canara Bank	4886	2548	2118	0
7	Central Bank Of India	2690	1701	1625	0
8	Corporation Bank	1755	1032	20486	0
9	Dena Bank	1309	123	0	0
10	Indian Bank	1652	561	0	0
11	Indian Overseas Bank	2359	1002	620	0
12	Oriental Bank Of Commerce	2078	383	1814	0
13	Punjab And Sind Bank	986	224	0	0
14	Punjab National Bank	4460	3611	11723	0
15	Syndicate Bank	2854	225	1895	0
16	Uco Bank	1490	666	0	0
17	Union Bank Of India	3594	3101	8156	0
18	United Bank Of India	818	990	0	0
19	Vijaya Bank	1306	258	1091	0
20	State Bank Of Bikaner And Jaipur	1127	602	1234	0
21	State Bank Of Hyderabad	1852	539	1663	0
22	State Bank Of India	23629	21819	169033	0
23	State Bank Of Mysore	945	286	3469	0
24	State Bank Of Patiala	1078	283	2777	0
25	State Bank Of Travancore	1045	447	2614	0
26	Idbi Ltd	1394	1416	13916	0
27	Axis Bank Ltd	2599	10359	241453	0
28	Catholic Syrian Bank Ltd	174	59	0	0
29	City Union Bank	408	601	3160	0
30	Development Credit Bank	130	138	615	0
31	Dhanalakshmi Bank Ltd	183	214	504	0
32	Federal Bank Ltd	972	493	8667	0
33	Hdfc Bank Ltd	4848	6743	215942	0
34	Icici Bank Ltd	4140	7821	303450	0
35	Indusind Bank Ltd	563	749	382	0
36	Ing Vysya Bank Ltd	290	356	0	0
37	Jammu And Kashmir Bank	521	346	4458	0
38	Karnataka Bank Ltd	391	404	2468	0
39	Karur Vysya Bank Ltd	672	969	9045	0
40	Kotak Mahindra Bank Ltd	486	691	0	0
41	Ratnakar Bank Limited	129	215	331	0
42	South Indian Bank	733	351	1728	0
43	Tamilnad Mercantile Bank Ltd	322	458	1542	0
44	The Laxmi Vilas Bank Ltd	227	411	3281	0
45	Yes Bank Ltd	444	703	8730	0
46	American Express	0	0	23551	0
47	Bank Of America	0	0	0	0
48	Barclays Bank Plc	0	0	0	0
49	Citi Bank	58	519	19388	0
50	Dbs Bank	5	26	0	0
51	Deutsche Bank Ltd	12	29	0	0
52	Firstrand Bank	1	13	0	0
53	Hongkong And Shanghai Bkg Corpn	68	65	11656	0
54	Royal Bank Of Scotland N V	12	49	0	0
55	Standard Chartered Bank Ltd	104	175	0	0
	Grand Total	**92778**	**82081**	**1123808**	**348**

Source: RBI

Annexure -3
NEFT Details for January 2015

National Electronic Fund Transfer (NEFT) - January 2015					
		Total Outward Debits		Received Inward Credits	
Sr. No.	Bank	No. Of Transactions	Amount (Rs. Million)	No. Of Transaction s	Amount (Rs. Million)
1	Abhyudaya Co-Op Bank Ltd	25460	1607.47	64911	2610.18
2	Abu Dhabi Commercial Bank	1954	474.46	616	357.29
3	Ahmedabad Mercantile Coop Bank	3743	279.37	8991	631.18
4	Akola District Central Co-Op Bank	3323	369.55	9620	85.95
5	Allahabad Bank	1333379	46411.09	2157906	64452.51
6	Almora Urban Co-Operative Bank Ltd	3640	159.24	7201	371.41
7	Andhra Bank	442554	45541.43	1467340	63621.71
8	Andhra Pragathi Grameena Bank	15509	1329.99	47683	669.91
9	Anz Banking Group Limited	36165	9067.13	1471	1971.96
10	Apna Sahakari Bankltd	5541	297.88	8876	474.88
11	Axis Bank	6153907	323912.73	3615576	298410.43
12	Akola Janata Commercial Co-Op Bank	2182	172.16	1257	146.53
13	B N Paribas	207856	54776.46	88291	49692.66
14	Bank Internasional Indonesia	634	389.78	25	23.25
15	Bank Of America	420814	42153.36	49657	23505.10
16	Bank Of Baharien And Kuwait	37609	1606.71	1007	583.14
17	Bank Of Baroda	1073126	77291.92	3311988	140248.89
18	Bank Of Ceylon	669	43.33	283	69.34
19	Bank Of India	1083446	51878.49	3851926	132259.39
20	Bank Of Maharashtra	382963	28339.20	1225750	48640.96
21	Bank Of Nova Scotia	3420	1241.47	920	2024.05
22	Bank Of Tokyo And Mitsubishi	23373	3659.29	3618	4510.51
23	Barclays Bank	25675	7668.43	1203	2173.92
24	Bassein Catholic Co-Op Bank Ltd	5205	384.68	13998	791.20
25	Bharat Co-Op Bank Ltd	24381	1578.98	38873	2441.70
26	Bharatiya Mahila Bank Ltd	1507	60.33	1449	80.67
27	Canara Bank	1135348	77122.58	2578503	130988.35
28	Capital Local Area Bank Ltd	4633	310.06	5075	322.81
29	Catholic Syrian Bank Ltd.	56648	3861.89	72758	4311.08
30	Central Bank Of India	1957495	57097.67	2431248	88595.18
31	Citi Bank	3764469	387699.56	1327265	241206.36
32	Citizen Credit Cooperative Bank Ltd	2989	181.18	7700	628.57
33	City Union Bank Ltd	310736	12948.00	250933	13050.04
34	Commonwealth Bank Of Australia	587	44.85	78	14.38
35	Corporation Bank	713767	40780.33	1098280	75016.17
36	Cosmos Cooperative Bank	38780	4606.63	86078	5453.50
37	Credit Agricole Corp N Invsmnt Bank	1455	1560.79	240	293.99
38	Credit Suisse Ag	61	8.01	7	8.20
39	Ctbc Bank Co Ltd	159	52.73	113	314.77
40	Dcb Bank Limited	144690	4114.05	65332	5531.79
41	Delhi State Co Op Bank Ltd	633	32.53	916	55.15
42	Dena Bank	196014	15075.83	551289	27630.58
43	Deustche Bank	1485765	161102.73	422229	89484.27
44	Development Bank Of Singapore	157704	40716.32	12463	10876.05

45	Dhanlaxmi Bank Ltd	118644	4360.18	88586	4066.07
46	Dicgc	88	6.28	30	2.76
47	Dombivli Nagrik Sahakari Bank	5473	727.33	14819	895.61
48	Federal Bank	732702	38611.17	523252	28325.92
49	Firstrand Bank	43646	766.86	2244	229.76
50	Gopinath Patil Parsik Jan Saha Bank	3852	700.67	14495	652.51
51	Greater Bombay Co-Op Bank	4416	259.13	11703	471.96
52	Hdfc Bank	9731688	596009.16	6649810	678124.89
53	Hsbc Bank	1362765	171519.01	323501	92984.40
54	Hsbc Bank Oman Saog	164	10.79	100	27.27
55	Icici Bank Ltd	6896557	384405.13	5854632	387959.77
56	Idbi Bank	2245310	103860.33	1522952	146389.46
57	Indian Bank	601856	36263.57	1700915	60579.33
58	Indian Overseas Bank	1444630	62185.92	1643435	70227.02
59	Indusind Bank	901284	59553.92	297231	43381.21
60	Industrial And Com Bank Of China Lt	271	247.81	55	162.75
61	Ing Vysya Bank	637806	45501.46	418679	45404.72
62	Jalgaon Janata Sahkari Bank Ltd	3626	231.48	3508	264.81
63	Jalgaon Peoples Coop Bank Ltd	2164	151.37	2623	297.09
64	Jammu And Kashmir Bank Ltd	108670	5972.95	155253	12075.70
65	Janakalyan Sahakari Bank Ltd	4102	326.40	12719	862.35
66	Janata Sahakari Bank Ltd	9097	790.81	24686	1555.65
67	Janseva Sahakari Bank Borivili Ltd	853	137.69	1096	96.94
68	Janseva Sahakari Bank Pune	2561	129.47	6338	379.23
69	Jp Morgan Bank	280914	27128.32	3906	12166.09
70	Kallappanna Awade Ijsb Ltd	3975	237.50	4083	335.06
71	Kalupur Comm Cooperative Bank	6687	500.17	18967	1494.88
72	Kalyan Janata Sahakari Bank	4081	270.76	9898	426.99
73	Kapole Bank	1072	80.48	4686	250.31
74	Karad Urban Co-Op Bank Ltd	3961	353.01	6794	1592.05
75	Karnataka Bank Ltd	177930	9571.51	381364	16574.14
76	Karnataka State Coop Apex Bank	3149	138.82	5395	289.47
77	Karnataka Vikas Grameen Bank	24880	872.37	72681	2356.45
78	Karur Vysya Bank	547923	20832.37	499719	27250.12
79	Kotak Mahindra Bank Ltd	1448789	98182.97	845190	101683.23
80	Kurmanchal Nagar Sahakari Bank	2533	197.40	2868	228.77
81	Kerala Gramin Bank	29820	1654.66	24181	566.90
82	Lakshmi Vilas Bank Ltd	113639	7434.75	129790	8202.55
83	Mahanagar Coop Bank Ltd	4327	359.54	11083	580.67
84	Maharashtra State Co-Op Bank Ltd	1843	75.43	3946	1512.65
85	Mashreq Bank	416	85.97	23	1.07
86	Mehsana Urban Cooperative Bank Ltd	5814	1215.22	7120	688.04
87	Mizuho Corporate Bank Ltd	5904	2416.52	1506	2142.60
88	Mumbai District Central Co-Op. Bank	1465	59.04	6565	732.68
89	Municipal Coop Bank Ltd	191	39.08	1917	447.93
90	Nagar Urban Coop Bank Ltd	3041	232.17	876	110.99
91	Nagpur Nagrik Sahakari Bank Ltd	4511	324.00	4502	272.97
92	Nainital Bank Ltd	11614	819.10	19849	1520.83

93	National Australia Bank	2	0.16	0	0.00
94	New India Co-Op Bank	5411	309.08	11904	523.25
95	Nkgsb Bank	11606	986.89	24738	1405.37
96	Nutan Nagarik Sahakari Bank Ltd	2534	180.48	7855	495.55
97	Oriental Bank Of Commerce	460407	31613.66	1070646	63667.24
98	Prathama Bank	8574	1910.65	92832	1062.95
99	Prime Co-Op Bank Ltd. Surat	3539	316.44	2673	144.39
100	Punjab And Maharashtra Co Bank	16541	737.94	42984	2262.10
101	Punjab And Sind Bank	72592	5143.08	226746	11557.22
102	Punjab National Bank	2326526	97047.68	4557124	212830.13
103	Pragathi Krishna Gramin Bank	34199	1908.14	23582	2025.27
104	Rabobank International	374	654.63	101	1172.71
105	Rajgurunagar Sahakari Bank Ltd	2090	127.82	1200	64.62
106	Rajkot Nagarik Sahakari Bank Ltd	2694	197.75	4549	304.86
107	Ratnakar Bank Ltd	134530	7710.02	52091	12255.17
108	Rbi,Pad	108194	130224.54	2922	28537.40
109	Saraswat Co-Op Bank Ltd.	79404	4855.10	155002	9967.74
110	Sber Bank	72	23.17	15	109.38
111	Seva Vikas Cooperative Bank Ltd	2384	133.52	3266	459.07
112	Shamrao Vithal Co-Op Bank Ltd	46920	3495.83	74812	5764.85
113	Shinhan Bank	7771	1045.24	2022	2383.32
114	Shri Chhatrapati Shahu Urban Coop B	2122	121.34	713	108.68
115	Societe Generale	1364	937.44	168	1649.61
116	Solapur Janata Sahakari Bank Ltd	1173	1040.53	1241	289.74
117	South Indian Bank	250675	15801.13	371820	18196.08
118	Standard Chartered Bank	1712410	192030.37	623274	143552.67
119	State Bank Of Bikaner And Jaipur	656413	30275.27	501163	24606.14
120	State Bank Of Hyderabad	831696	42516.41	1062572	60864.71
121	State Bank Of India	16342282	878572.38	14613937	680233.55
122	State Bank Of Mauritius	600	260.78	366	141.34
123	State Bank Of Mysore	415970	18299.88	506760	29414.30
124	State Bank Of Patiala	1157395	47335.18	454104	29195.62
125	State Bank Of Travancore	632496	31362.11	720887	28975.19
126	Sumitomo Mitsui Banking Corporation	1396	262.61	79	170.88
127	Surat District Cooperative Bank Ltd	2648	210.76	4714	191.58
128	Surat Peoples Cooperative Bank	3430	271.02	8992	461.58
129	Sutex Coop Bank	1294	96.47	3710	226.15
130	Syndicate Bank	553531	48995.92	1394504	60876.05
131	Tamil Nadu State Apex Coop Bank	8339	510.32	10228	2091.26
132	Tamilnadu Mercantile Bank	175308	12281.09	249188	11700.74
133	Thane Bharat Sahakari Bank Ltd	1591	402.04	4800	266.08
134	Thane District Central Coop Bank Lt	3607	1262.00	13169	733.44
135	Thane Janata Sahakari Bank Ltd	18934	1321.46	48578	3002.27
136	The A. P. Mahesh Urban Co -Op Bank L	4125	1136.94	7043	466.81
137	The Ap State Coop Bank Ltd	10094	423.53	12349	732.05
138	The Gujarat State Co-Op Bank Ltd	7255	558.20	11953	1263.84
139	The Kangra Central Coop Bank Ltd	10035	473.33	26036	405.11
140	The Kangra Co Operative Bank Ltd	1268	165.86	2410	86.32

141	The Nasik Merchants Co-Op Bank Ltd.	8701	695.85	6202	446.46
142	The Rajasthan St. Coop. Bank Ltd	719	201.20	13989	703.06
143	The Royal Bank Of Scotland N.V	260212	33337.39	98149	23887.52
144	The Sahebrao Deshmukh Coop Bank Ltd	1603	145.19	2355	158.94
145	The Varachha Co -Op. Bank Ltd	1779	135.77	3145	183.36
146	The Vishweshwar Sahakari Bank Ltd	3070	635.23	4844	335.53
147	Tumkur Grain Merchants Coop Bank	1400	69.94	1029	71.02
148	The Gadchiroli Dist Co-Op Bank	1407	747.51	27735	46.60
149	Uco Bank	350073	36897.37	1133213	37151.80
150	Union Bank Of India	1523262	69761.71	2563135	137731.81
151	United Bank Of India	884101	24405.09	1945697	28300.04
152	United Overseas Bank Ltd	39	4.06	16	73.91
153	Vasai Vikas Sahakari Bank Ltd	1481	89.27	2680	176.36
154	Vijaya Bank	247792	24645.01	612714	30940.97
155	West Bengal State Cooperative Bank	7192	303.27	25082	582.52
156	Westpac Banking Corporation	246	26.65	17	41.60
157	Woori Bank	377	30.24	180	274.34
158	Yes Bank	1956718	83223.42	540518	75147.68
159	Zila Sahkari Bank Ltd Ghaziabad	340	13.11	1963	111.71
	Total	80224999	5084734.15	80224999	5084734.15
	Total (No. of transactions in mn and Amount in bn)	80.22	5084.73	80.22	5084.73

Source –RBI

Attitude towards Risk in Investment vis-à-vis State of Wealth of an Individual: a Study on Behavioral Bias in Investment

Samuel E Chakkaravarthy[1]

Personal Financial Planning covers the entire spectrum of planning in the areas of Emergency, Insurance, Investment, Retirement, Succession etc. This article provides an insight into the biases that affect investment decision. Though there are many biases, the article highlights the bias of Risk aversion and Risk seeking when making decisions pertaining to investments. A hypothetical case study is presented where-in, the person goes through different stages of wealth creation and his attitude towards investment in these stages. For the purpose of this article, two famous theories are presented to evaluate the case study; The Utility theory based on the classic economic model which was challenged later by The Prospect theory. Finally, a possible idea which can be practiced by Investment advisors in dealing with Investment Biasness is presented. The article aims at only highlighting a possible bias that arises in the case study and no attempts has been made to endorse a solution to the biases mentioned as further research in the field of Behavioral finance is needed.

Keywords: Personal Financial Planning, Investment avenues, Behavioral biases, Utility theory, Prospect theory, Wealth creation, Loss aversion, Stock market risks and returns

Introduction

Human's perception of risk is something very complex and has gone through extensive research by both economists and psychologists. The behavior of being averse to any negative incidence is in born in us right from the time we came into the world. Humans, as it is with animals, have been trained in our senses to intuitively look for any danger that can affect our well being.

However, the aspect of Risk is very subjective and varies from person to person and from time to time. Many a times we tend to look at the past, search for some confirmation and accordingly adjust for the future. Time and again we come across many uncertain events which end in an unfavorable experience even though the probability of its occurrence is very small.

The outlook towards risk is more of an intuition where the mind subconsciously develops certain patterns and attitude towards certain objects, outcomes or for that matter certain words and colours.

For the purpose of this Article let us look at Risk biasness in the context of an Investment decision pertaining to wealth.

2. Investments

Any savings with a defined goal and plan is an Investment. An investment is foregoing current consumption for future consumption. The main point to be understood is that returns from investments should exceed the inflation rate so that postponing the current consumption can be justified.

2.1 Risk and Returns

Any investment made is measured by the risk associated with it and the returns generated from that asset on account of taking that risk. Risk and Returns are positively correlated i.e., as the risk of an asset goes up, so too is the expected return from that asset.

Government bonds are considered

risk-free and in India the rates from

Investment Avenues			
Asset Class	**Capital Appreciation**	**Periodic Income**	**Risk**
Bank FDs	☐	☐	Risk free
Equity (Mutual Funds)	☐	☐	Risky
Gold	☐	☐	Relatively safe
Real Estate	☐	☐	safe

Table 1: Classification of asset class

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returns though technically even the sovereign bonds issued by the government also have an element of risk as was seen in the crises in the European region. While

all other assets are considered safe, the equity asset class is considered risky and is avoided by many. However, a detailed interpretation of the stock market's historical returns will help them to alter their views (Appendix: Decoding stock market risks and returns)

3. Biases

Judgments are made by investors on the probability of an outcome, theses outcomes are assigned values and are denoted as Utilities. Beliefs and values are attached to these thus forming preferences. The judgments can be systematically wrong in many ways and these are called BIASES.

Behavioral Biases is of two types, Cognitive and Emotional Bias

	Cognitive Bias	Emotional Bias
Causes	faulty reasoning	impulsive feelings or intuition
Remedial Action	Better	difficult to
	information and advice	correct
Biases	anchoring and adjustment, availability, selective memory and overconfidence	regret, self-control, loss aversion, hindsight, and denial

Table 2: Types of biases, causes, remedial action

4. Case study depicting different stages of wealth

For the purpose of this article the following case study of Mr. Vijay as he ages is taken to highlight the risk biasness involved as one goes up the wealth chain.

Stage 1:

Age: 32, Marital Status: Married, Child: 1 son aged 4

Annual Income: 6,00,000

Annual expenses: 3,50,000

Other expenses: 1,50,000

Disposable Income: 50,000

Investments: Bank FDs and RDs, Gold, PPF.

Investment attitude: Vijay prefers investing in risk free assets and shuns the idea of investing in equity as he feels it is risky

Stage 2:

Age: 45, Marital Status: Married, Children: son aged 17 and daughter aged 12

Annual Income: 20,00,000

Annual expenses: 8,00,000

Housing EMI: 4,00,000 per annum

Other expenses: 2,50,000

Surplus: 8,00,000

Investments: PPF, ULIPs, Equity through mutual fund and direct

Investment attitude: Vijay continues his investments in some debt instruments and has purchased 3 ULIP policies to participate in equity. He has also entered equity market through IPOs Indulging in speculative trading in both equity and commodities along with his peers.

Stage 3:

Age: 60, Retired, Marital Status: Married, Children: Married

Retirement Corpus: 1,50,00,000

Annual Int. Income: 12,00,000

Rental Income: 2,00,000

Annual expenses: 12,00,000

Surplus: 2,00,000

Investments: Bank FDs and other Govt. issued fixed income securities, few MF investments

Investment attitude: little exposure to equity, all his corpus in Debt instruments giving fixed returns regularly.

This is a hypothetical example of how one person's attitude towards wealth changes as he grows financially.

5. Classification of wealth in accordance to Bias

Let us classify the three stages in the context of wealth

a. Wealth accumulation

b. Wealth multiplication

c. Wealth preservation

In the first stage, Vijay lives an almost hand to mouth existence with a very limited amount of surplus to invest, hence his tendency to avoid risky assets. His bias against Equity is that it is very risky and he doesn't want to risk losing his hard earned money.

In the second stage, Vijay has his life easy; his family is provided for with the basics and also the weekend outings. He has cut down on his exposure to safe haven investments and in addition to that he is also investing in the share market and also into speculation. Now from a risk-averse attitude he has become more of a risk seeker by playing with volatility in the share market.

In the third stage, Vijay is in the wealth preservation stage. Having fulfilled his duty of giving his children good education and getting them married, he wants to enjoy his sunset years with a possible holiday to Europe on his wish list. He also wants to leave a corpus if possible for his grand children. Now the attitude of Vijay has changed from that of a risk seeker to risk-averse. He was earlier in his forties dabbling in speculative activities but he now wants his corpus to be safe, so that his expenses till his lifetime can be taken care of as well as a corpus can be left over for his kin.

We have now the following classification

Change of bias with wealth	
Wealth accumulator	Risk Averse
Wealth Maximizer	Risk seeker
Wealth Preserver	Risk averse

6. What makes the attitude of the same person change over a period of time?

Is it age that changes the risk perception of an Individual? But then, the younger you are the more you are prone to take risks. A day to day example of risk taking is the event of booking tickets either for a cinema show or a train ticket. When you are in your twenties one tends to take the risk of not booking in advance, one takes the chances of ticket availability at entry but as you get older you tend not to take the risk of non-availability and ensure that the tickets are booked well in advance. Same is the case of younger people not wearing helmets and the slightly older ones trying their best to stick to the rules.

Or is it availability of Information on investments? Information would not have been available in the first stage, but then in the second stage when the risk attitude changes, is Information the cause? If so the same information is also available in the latter stage when the risk attitude changes.

7. Risk bias in the context of the two theories

Let us understand Risk aversion in the context of two theories propounded by the two leading personalities, one in the 18th century and the other challenging the theory in the 20th century which stood the test of time for 250 years.

7.1 The Theory of Utility by Daniel Bernoulli

The St.Petersburg Paradoxy is a gamble game coined by Nicholas Bernoulli, which made his cousin Daniel Bernoulli to come with the Utility theory as a function of wealth. In his words "….the value of an item must not be based upon its price, but rather on the utility it yields". Extending the classical theory of Diminishing marginal utility to wealth, he pointed out that a person's marginal utility decreases as wealth increases i.e. Utility for wealth increases as wealth increases but on a decreasing rate.

Wealth(Crs)	1	2	3	4	5	6	7	8	9	10
Utility units	10	30	48	60	70	78	84	90	96	100

Table 3: Diminishing marginal utility of wealth

From the above table we see that from 1 crore to 2 crores the utility derived is 20 units but for the same amount of change in wealth from 5 crores to 6 crores it is 8 units and from 9 to 10 crores it is only 4 units.

For a person who is in the 2 crore slab, he will be risk averse as the loss on utility would be 20 units but whereas when he becomes wealthy and if he is in the 10 crore slab he will be indifferent to a loss or gain of 4 units even though in both cases the loss is 1 crore.

This theory was widely accepted as it concurred with the fundamental economic principle and stood the test of time until two psychologists challenged the theory and new ideas on Behavioral aspects with regards to wealth was presented.

7.2 The Prospect Theory

Daniel Kahneman & Amos Tversky agreed that even though wealth utility is in the classical economic model and widely accepted it had a core aspect missing in it. They felt that the utility theory compared the utilities of two states of wealth. They argued that a reference point from which the options are evaluated is missing in the theory of Utility.

For example: Ram and Shyam each have 5 crores each, by the utility theory both of them are in the same level of utility.

Now consider this, yesterday Ram had 2 crores and Shyam had 10 crores, Will they be in the same level? Ram has gained 3 crore and Shyam has lost 5 crore, Ram will be happy that he has gained and Shyam will be sad that he has lost 5 crore even though both of them have 5 crores.

This led to adding an aspect of value leading to the Prospect theory. The theory deviated from the classical theory giving importance to the following attributes

a. Risk aversion & Risk seeking

b. Loss aversion

c. Framing

d. Non-linear preference

e. Source

The principle of loss aversion according to them is that when you directly compare losses and gains against each other, losses loom larger than gains.

From the below which one will you chose

Case1: Get 900` or 90% to get 1000`

Case 2: Lose 900` for sure or 90% chance to lose 1000`

In all probability you will choose the sure thing in case1 and choose the gamble in case2. This is because in case1 you would rather get a sure gain rather than gamble it and in case 2 you do not want a sure loss and will be willing to gamble for it. That is, when you are faced with a loss you are more as a risk seeker and if it is a gain more of a risk-averse person. This explains the behavior of a typical investor buying a certain equity stock. If the price of the stock rises well above the cost they become risk averse and tend to sell it and if the price goes down they tend to hold on to their losses with the hope of a reversal to the cost price exhibiting risk seeking attitude.

Four fold pattern of preferences

The four fold pattern is considered as one of the core achievements of prospect theory

	Gains	Losses
	A	B
	1.95% chance to win 1000`	1.95% chance to lose 10000`
High probability	2.Fear of Disappointment	2.Hope to avoid loss
Certainty effect	3.Risk Averse	3.Risk seeking
	e.g. Investing in Debt inst	e.g. Holding onto losses
	C	D
	1.5% chance to win 10000`	1.5% chance to lose 10000`
Low Probability	2.Hope of large gain	2.fear of large loss
Possibility effect	3.Risk Seeking	3.Risk Averse
	e.g. Lottery & Gambling	e.g. Buying Insurance

1. Top row is an illustrative prospect
2. The second row is the emotion the prospect evokes
3. The third row is the Bias of an individual when offered the gamble
4. The last row is a possible example

As discussed earlier, we live in a world where right from birth we are conditioned on going against something which would be detrimental to our lives. So as such humans are averse to risk but they are also attracted towards risk voluntarily and involuntarily. A person may be adverse to risk when it comes to investing in risky instruments but the same person may be attracted to risk oriented games like Bungee jumping, Paragliding etc.

8. Analyzing the case study in the context of the two theories

In the light of the above theories, let us analyze the case of Mr. Vijay.

According to the theory of Diminishing utility, in the first stage he is adverse to risk and wants to invest in safe investments. His prime interest is to accumulate wealth and safeguard the current wealth. His utility to go the next level is more.

In the second stage we can assume he is in the mid stage where wealth has already been accumulated and it is a question of wealth multiplication now. He can become a risk seeker and chose to take the gamble wherein falling to the next level will not affect him that much.

But what is unexplainable according to the Utility theory is that at the 3rd stage, he has already accumulated wealth and he has to be indifferent to both losses and gains. What is the trigger that has made him risk averse instead of being neutral?

9. Conclusion

Going by the Prospect theory, it is not the state of wealth but the reference point to attach value. Here the reference point could be the income earning capacity of Mr. Vijay.

In the first stage he had limited income and very small surplus; hence he was risk averse as with the limited surplus he wanted to build his wealth. In the 2nd stage, he was more of a risk taker owing to his big surplus of income and also overconfidence in his earning capacity till his retirement. But after retirement, his regular income has stopped and his source of inflows is the interest income and rentals which can vary with falling interest rates and periods of vacancy respectively.

Being risk averse has its own disguised peril when it comes to investments. One of the prime reasons of investing is for future consumption. Being risk averse and investing in safe investments has the certain risk of running into Inflation risk i.e. the investments grow at a rate lesser than the inflation as a result an individual will not be to consume something that he had postponed earlier. Stock market has proved that when it comes to beating inflation, it is the best investment. The myth that stock market is risky needs to broken with reasoning. Also, if one starts investing early and regularly then with the magic of compounding he can build a sizable corpus for retirement.

Again, when it comes to retirement, apart from planning regular stream of inflows to take care of expenses, reasoning should be done with the client on improvement in life sciences resulting in increasing life span. Here in spite of a person being risk averse, he has the top risk of outliving his assets. For this, apart from regular inflows, there needs to be an element of capital appreciation also which can be done through equity or other less rated corporate bonds with higher interest rates.

As an Investment planner, one needs to understand the behavioral attitude and accordingly reason out with the clients.

Michael M. Pompian and John M. Longo in their article "The Future of Wealth Management: Incorporating Behavioral Finance into Your Practice" advocate a two step process when dealing with Investor Biases.

a. Adapt

b. Moderate

In one of the propositions in dealing with investor biases, they feel that if the investor has a cognitive bias then they can be moderated and brought to reason but if they fall in the emotional bias category then they need to be adapted. That is to say, the advisor need to accept the bias unconditionally rather than jeopardizing the client emotionally.

To conclude, Daniel Kahneman in his book "Thinking, fast and slow" explains the two systems 1 &2. System 1 is the intuitive one where we are all conditioned by our past belief, ideologies etc to behave in a particular manner. This is where all behavioral biases like loss aversion, risk attitudes are formed. System 2 is the rational one where all the shortcomings of the System 1 can be overcome by reasoning. The Investment planner should always act in the best interest of the client, a) identify the biases involved, b) understand the biases involved, c) take appropriate action, either adapt or moderate.

"Financial advising is a prescriptive activity whose main objective should be to guide investors to make decisions that best serve their interests." Daniel Kahneman

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Internal Audit: A Tool for Effective Corporate Governance

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The present body of work presents an alternative view of corporate governance and the role of internal audit within the corporate governance framework. Internal audit plays pivotal role in strengthening corporate governance in response to increased government regulation and management directives to strengthen control mechanisms and improve risk management. This paper theoretically examines the contribution of internal audit towards effective corporate governance. The study employs an extended review of literature followed by an integrated conceptual framework based on internal audit and corporate governance. The results indicate that internal audit plays a vital role in effective corporate governance.

Keywords: Corporate Governance, Internal Audit, Internal Control, Stakeholder, Stockholder

Introduction

In the present business domain, corporate governance typically practiced in mainstream research centers around heightening the gains to shareholders. The construction and the operation of various boards of directors and their audit committees are substantive interests within this line of research and the present body of work introduces a supplemental perspective of corporate governance and the role of Internal audit within the corporate governance framework. Auditing and governing are seen as two segregated and unconnected functions. These are not mutually exclusive. The occurrence one is not influenced or caused by the other. Neither are they two independent functions, nor interdependent on each other. Instead, one complements and reinforces the other. The role of auditing, more particularly internal audit should be enhanced in order to enhance the control of corporations for the benefit of all stakeholders and society by and large.

Corporate governance is the set of methods, usances, precepts, rationales, philosophies, laws and establishments impacting the way a corporation is headed, dispensed or moderated and also involves the relationships among the umpteen stakeholders concerned and the goals for which the corporation is regulated.

Corporate governance is a multi-faceted discipline. It is one of the most crucial issues in the corporate scheme of affairs today. There are myriads of matters coming about in the corporate world that necessitate a reception from government. The 28 year old Bhopal episode finds a lack of resolution today. It has been unresolved because of the time it takes to explicate a concluding judgment. What happened at Satyam is another illustration. But such things cannot materialize over and over again. We are a developing economy and we require improved governance policies to portray ourselves in the eyes of the international community in a way that is lucid and transparent. Today business organizations are inter-connected on a worldwide scale. In the Indian setting, where the provision of debt capital is almost from the public sector banks and substantial share capital is owned by domestic financial institutions which play a passive role, promoters consequently are left with a minority interest and are yet positioned to actively influence the governance framework. Due to divergences in size and levels of companies, India has had to have a elongated schedule from 2011 to 2014 so that companies could conciliate with the shift and accommodate themselves and move forward.

Theoretical Background of Corporate Governance

While corporate governance has been reverberated upon since the outsets of the modern corporation (Kim & Nofsinger, 2007), it surely has picked up increased attention and examination over the last two decades. In the current setting, corporate governance emergences have become crucial not only in the scholarly literature, but also in public policy contend. Corporate governance matters are in general inviting serious attention as a

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consequence of the increasing acknowledgement of the fact that a firm's corporate governance impacts both its economic performance and its ability to raise long-term, low investment capital (Mordelet, 2009).

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Corporate governance spans throughout nations and business firms. A higher quality of corporate governance allows firms to gain admission to capital markets with more ease, which is highly important for firms, which intend to increase their pecuniary resources. From this perspective, Corporate Governance is delineated as the total of procedures and controls of an organization (Fama & Jensen, 1983) or as an overall structured arrangement of precepts (Dey Committee, 1994) according to which an enterprise functions and is engineered, supervised and moderated. John & Senbet (1998) suggest a more extensive definition that corporate governance deals with mechanisms by which stakeholders of a corporation exert control over corporate insiders and management such that their concerns are shielded. They include all the stakeholders and not only stockholders, but also debt holders and even non-financial stakeholders such as employees, suppliers, customers and other concerned parties.

Hart (1995) intimately shares this perspective as he evokes that corporate governance emergences spring up in an organization whenever two considerations are present. Firstly, there is a principal-agent problem or conflict of interest involving the members of the establishment – these might be promoters, managers, workers or consumers of the establishment. Secondly, transaction costs are such that this principal-agent problem cannot be relinquished through a contract.

Corporate governance is also outlined as the framework involving the board of directors, stockholders, top level management and other stakeholders and admits the function of stewardship and strategic leadership with an aim to ensure answerability and ameliorating execution and performance (Dunlop, 1998; Sternberg, 1998). At the same time, Cohen & Hanno (2000) employing the Public Oversight Board's view, delineated corporate governance as those supervising actions contracted by the board of directors and audit committee to secure the wholeness and integrity of the financial reporting process. This perspective of governance revolves around the control surroundings and control activities.

Nevertheless, the best means to define the concept is to assume the definition put forward by the Organisation for Economic Cooperation and Development (OECD, 2004) countries: “Corporate governance is the system by which a business corporation (or a non-profit organisation) is directed and controlled, at its senior level, in order to achieve its objectives, performance and financial management, but also accountability, integrity and openness”.

Roe (2004) defines corporate governance as the relationships at the top of the firm which includes the board of directors, the top level managers and the owners or stockholders. From this point of view, institutions of corporate governance are those recurring mechanisms that distribute authority among these three verticals at the top and that affect, regulate and command the decisions made at the top of the firm. As per Staciokas & Rupsys (2005) this definition of corporate governance suggests the theme of objectives correspondence, incentives, supervision and control. It is, therefore, categorical that the regulation of corporate governance is the attempt of the government to ascertain that the firm quests for its pre-defined objectives and protects the concerns of its owners (Chang et. al., 2006).

Review of Literature

As defined by the Institute of Internal Auditors (IIA), internal audit is an independent, objective assurance and consulting activity fashioned to add value and amend the functioning of an establishment (Nagy & Cenker, 2002, p.1). As per tradition, the internal auditors were performing as policemen that supervise and monitor the organization's policies and the level of abidance with the regulations in place (Skinner & Spira, 2003). Presently internal auditors can be presented as advisors and the internal audit function of companies can be reckoned as facilitating them to accomplish their organizational aims and add value. As mentioned by Sarens & De Beelde (2006), internal auditors are presently anticipated to make things materialize instead of waiting to react to them.

In developed nations, the function of the internal auditor has been impacted by the formidable shifts in regulations of late, primarily from corporate governance measures and the emphasis of fortifying the internal control mechanisms of organizations of these measures (Holm & Laursen, 2007). Corporate governance involves the responsibilities of the board of directors in overseeing their firm's objectives and those towards the stockholders and stakeholders (Pass, 2004 & 2006). Corporate governance is required to heighten the function of the internal auditor, and at the same time the internal auditor also offers benefits to the external auditor (Holm & Laursen, 2007).

As internal auditors belong to the internal control system of a firm, one of their fundamental functions is to provide assurance on the risk management arrangements objectively to the management of the firm (Dittenhofer, 2001; Spira & Page, 2003). The IIA accentuates that the internal auditor should render assurance services to firms (Spira & Page, 2003). This assurance consists of examining, verifying and rendering advice proposals and recommendations on the internal control mechanisms established to handle the risks. Despite the dynamic role of the internal auditor over time (Spira & Page, 2003), Allegrini et al. (2006) ascertain that the internal auditor is still reckoned as an admonisher that supervises the party internally.

It is debated that the internal audit function facilitates improvement of the corporate governance procedures by improving internal control arrangements and risk management processes established to accomplish those objectives, and an efficient internal audit function has the capacity to add value (Goodwin, 2006; Spira & Page, 2003). Crawford & Stein (2002) mention that as corporate governance goes on to get improved, this has committed larger importance on the role of the internal audit function. From a risk management point of view, internal auditors can assume the role of risk managers to supervise risk management processes effectuated for the business. Indeed, both the management and the identification of risk have lately turned a serious concern for many businesses (Holm & Laursen, 2007; Laursen, 2007). From a traditional point, the audit committee would only be anticipated, with assistance from the auditors, to appraise the internal control arrangement of an organization. Presently, the audit committee's evaluation of the internal control arrangement has been broadened to admit the risk appraisal of organizations (Holm & Laursen, 2007). Nevertheless, Crawford & Stein (2002) find some organizations still bank on the external auditor for the yearly evaluation of their internal control mechanisms.

Fraser & Henry (2007) find out how companies control risk and establish internal control and risk management functions. Although companies require internal auditors to supervise the effectiveness of internal control arrangements, they interrogate the level of expertise of internal auditors and the extent of independence. Fraser & Henry (2007) advocate that the risk management function and the internal audit role need to be distinguished in order to preserve the objectivity and independence of internal audit functions. As the audit committee is more engaged in the assessment of risk management processes, they advocate that companies should effectuate segregated risk committees which exclusively handle risk management issues. This will provide audit committees to focus to a greater extent on the work done by the internal audit function and supervising the efficiency of the scheme of internal controls (Fraser & Henry, 2007).

Mihret & Yismaw (2007) put forward that internal audit can effectively exist with the aid of four interconnected elements - quality of internal audit, support from top management, organizational framework and various dimensions of the auditees (firms being audited). They debate that internal audit as a function calls for the ability to explicate quality audits. If the audit outcomes are functional to the management then they have to endorse the internal audit function, for instance, by allowing more resources to increase the efficiency of the audit. The (positive) connection between the resources supplied to the internal audit department by an establishment and the comprehended function of internal audit, of course, calls for empirical evidence. Vinten (1999) conceives that internal audit efficiency is accomplished when there is independence, adequate resources and endorsement from management. The authors here contend that the objectives of internal auditors should be endorsed when they carry out and execute their duties in a diligent manner. He emphasizes the importance of being independent from management and the aversion of any conflict of interest that may originate. Al-Twaijry et al. (2004) have viewed that the gross quality of internal audit and its efficiency is impacted by the objectivity and competence of the internal auditor.

Past research has also dissertated about the requirement of observing a healthy relationship between the audit committee and internal auditors for the effectiveness of a healthy internal framework of control (KPMG, 2002; Nagy & Cenker, 2002). The audit committee supervises the obligations of internal auditors and assures that auditors discharge their responsibilities. Internal audit is one of the crucial sources of the audit committee for satisfying its obligations (Rezaee & Farmer, 1994; Montondon, 1995). Zain & Subramaniam (2007) indicate that the audit committee of an establishment can be efficient and competent if and only if its internal audit is robust and well-equipped. Apostolou & Strawser (1990) key out that in accomplishing the broadened supervisory provinces, the audit committee must bank on internal auditors for a good deal of its information and coverage pertaining corporate actions. Then again, the audit committee can also meliorate the efficiency and strength of the internal audit function by reviewing its activities (Zain et al., 2006; Sarens & De Beelde, 2006).

The more the audit committee inspects the ambit of the internal audit process the more likely would be the probabilities of witnessing deficiencies and improving upon them (Zain et al., 2006). It is essential for the audit committee to be effective and independent so that it can improve the strength and potency of the internal audit function. Zain et al. (2006) propose that if the audit committee utilizes its authority and takes the crucial decisions, it brings down the charm of the decisions taken by the management. By this means the audit committee improves the independence of internal audit. However, the independence of the internal auditor is another debatable issue that remains very much unsettled.

In India, where the economic development is surely amongst the fastest in the world, adequate research has not been carried out on managers' perceptions on the role played by the internal auditors and the relationship that exists between the audit committee and the internal audit function. India has rejuvenated its corporate establishments in the 1990s and brought in the concept of corporate governance. Gaining an insight about the perspectives of the managers of Indian corporates on the relationship between corporate governance concept and internal audit function will certainly facilitate enhancement of our knowledge in relation to this crucial emergence.

Conceptual Framework of Internal Audit

Internal audit is an intrinsic function of the corporate governance system in both the public as well as the private sectors (Cohen et. al., 2002). Historically, internal audit has been reckoned as a supervising procedure performed by the organizational policeman and watchdog (Morgan, 1979). The author supported internal audit as an indispensable constituent of organizational command. Institute of Internal Auditors, (IIA, 1991; Taylor & Glezen, 1991; Konrath, 1996) delimit internal audit as an autonomous appraisal procedure installed within an establishment to analyze and appraise its actions as a service to the establishment. By assessing and appraising the efficiency of organizational restraints, internal audit itself becomes a pivotal managerial control instrument (Carmichael et al., 1996), which has a direct linkage to the organizational framework and the common conventions of the line of work (Cai, 1997). Around this time period, internal audit was also outlined by COSO (Committee of Sponsoring Organizations of the Treadway Commission, 1992) in its report as a routine which provides for basic protection to the business as regards the credibility of financial matters. The report delineates internal control and keys out a model for internal control. Even so, the fundamental dispute about this report is that it also furnishes measures for the management to employ so as to appraise the various checking mechanisms (Aldridge & Colbert, 1994). A vital step was the new definition of Internal audit put forth by the IIA in June 1999, which distinctly expresses that the internal audit activity should appraise and contribute to the advancement of risk management, control and governance (IIA, 1999). The new definition changes over the concentration of the internal audit function from one of assurance to that of value added and strives to shift the profession towards an approach that is driven by standards and has an enhanced identity (Bou-Raad, 2000; Krogstad et al., 1999). Acknowledging the assurance and consulting function of internal audit in corporate governance, the Institute of Internal Auditors (2004) submitted that the internal audit function should appraise and contribute to the advancement of risk management, control and governance. From the above assertions, it is distinct that internal ontrol is not just a one-sided instrument for watching over the arrangement and appropriateness of distinct situations, but also it is a means of determining the value added to an organization and attaining the index of efficiency and profitability of the organization (Nagy & Cenker, 2002; Goodwin, 2004 Karagiorgos et. al, 2007).

Internal Audit and Corporate Governance

Internal audit and corporate governance have nowadays turned a subject of precedential public interest. Internal audit procedures are principally appraised on the basis of quality of advice and information furnished to the Audit Committee and top level management. A fundamental area of concentration of the internal audit function as it is concerned with corporate governance is assisting the Audit Committee of the Board of Directors discharge its obligations efficaciously. It may contain reporting crucial internal control issues, informing the committee in private on the potentialities of key managers, indicating questions or subjects for the Audit Committee's meeting agendas and coordinating cautiously with the external auditor and management to make sure that the committee obtains correct information. The current business domain recognized that the correlation that exixts between internal audit and corporate governance impacts all varieties of economic activities and that the perceived entailments and outcomes of this interaction have transformed substantially in the past years. In this construct, the international guidelines accept that good cooperation of corporate governance and internal audit amends performance and helps develop a competitive advantage. The contribution of internal audit to corporate governance is represented via delimiting the relationship between internal audit and the essential components of corporate governance. As pointed out by Cook & Wincle (1976), the Internal Control scheme is like the nervous system of the human body which is extended throughout the line of work bearing orders and responses to and from the management. In this concept, by appraising and measuring the strength and efficiency of organizational controls, internal auditing, itself, is an essential managerial control device (Carmichael et al., 1996), which is directly connected to the organizational framework and the basic principles of the business (Cai, 1997). In the present day corporate setting, internal auditors are nowadays rendering the management with a far wider range of information as regards the financial, operational and compliance functions of the organization in order to enhance the effectiveness, efficiency and economy of the activities and functions of the management (Rezaee, 1996).

In the context of Audit Committee, on one hand, the internal audit function contributes to corporate governance in the following significant ways:

a) Bringing best practice ideas about internal controls and risk management procedures to the audit committee.

b) Supplying information about any deceptive activities or abnormalities within the firm (Rezaee & Lander, 1993).

c) Conducting regular internal audits within the firm and reporting the outcomes to the audit committee.

d) Supporting the audit committee to conduct regular inspections of its activities and practices equated with contemporary best practices to ascertain that its activities are in line with leading practices (Sawyer, 2003).

On the other hand, a competent audit committee fortifies the state of affairs of the internal audit procedure by offering an autonomous and corroborative environment and reviewing the efficiency of the internal audit function.

External audit is also deemed as a vital cornerstone of corporate governance, especially with respect to the prevention and detection of irregularities and abnormalities in financial statements (Adamec et al., 2005; Davidson et al., 2005). The relationship between internal and external auditors should essentially be one of reciprocal support and cooperation in order to strengthen overall audit quality and methods of corporate governance (Gramling & Myers, 2003).

Ultimately, internal audit assists corporate governance by examining the organization's code of conduct and moral policies to make sure that they are contemporary and are communicated to employees. From this discussion it is categorical, that internal audit germinates innovative approaches to corporate governance, formulates new auditing methods and functions and helps fulfill the increasingly complex demands that corporate managements across the world nowadays face. Related to this, it can be anticipated that internal audit will be more and more progressively directed towards contributing to the management on efficient corporate governance.

Concluding Remarks

The internal audit system is believably one of the most dynamic and even so crucial issues in the domain of corporate governance. Internal audit is presently at an important juncture in its evolution as there is a rising need for audit services. The present body of work does not have the intention of concluding the discourse over this matter; nonetheless, it gestates to be another constituent to facilitate the formation of thoughts and dispense further discourse on the subject. This study has made a humble effort to establish the positive relationship between the broad dimensions of corporate governance and internal audit. The main limitation of this study is that it is not centered on any specific industry sector or organizational size. Research might usefully elaborate the actual and potential impact of internal audit on corporate governance, by examining cases of internal audit work in practice. Finally, internal audit will see its great improvement in many management fields (Karagiorgos et. al, 2008). Needless to say that good corporate governance starts from the top to percolate to the bottom. The best example in the Indian context is Mr. N. R. Narayana Murthy, the former Chairman and Chief Mentor of Infosys. In a nutshell, the Auditors should act as monitors to the whole system to ensure adherence to ethical values, which forms the backbone of corporate governance.

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Understanding how People Choose to Pursue Taught Postgraduate Study: A case of UK

Sandip Sanyal[1]

The review is on the study report based on the title "Understanding how People Choose to Pursue Taught Postgraduate Study". The review has critically assessed the structure of the overall study. The review has especially tried to analyse the title, objectives, aims and research questions. The literature review has come up with the main arguments of the study. The literary concepts have essentially focused on the gap that has actually enabled learners to make their decisions of studying further even after years of being absent in the academic field. The review has also been done on the methods of data collection and analysis. Based on data collection and analysis the study has come up with recommendations. One of the most significant recommendations for the institutions offering higher studies is with respect to the fact that these institutions must jointly a website where all the relevant information is present. It is basically based on the finding that learners who turn up returning back to their academic research are usually in the need of right information that will help them to attain their objective to study further.

Keywords: Social MediaSsites; Higher Education ; Decision Making; Post Graduate Studies

Introduction

This document contains review of a journal which is on the topic 'understanding to pursue taught postgraduate studies'. The reviewer has gone through the entire journal and has come up with critical analysis of wide range of aspects of the study. The study indeed is structured into different chapters and subsections in order to ensure criticality of the study. The reviewer has therefore involved time to understand every facet of the topic and how the topic has been explored and analysed with the progression of the research study. The reviewer has therefore considered every minute details of the research study including the title to its final outcomes and recommendations. The review of the journal will therefore provide you with an authentic idea about the extent to which the research has been successful in meeting its objectives and have the capability to contribute to future research studies.

2. Review paper Title

The title of the journal is on "Understanding how People Choose to Pursue Taught Postgraduate Study". The research study has been conducted and prepared by Robin Mellors-Bourne, John Marriott and Tristram Hooley under the Careers Research and Advisory Centre (CRAC) Ltd in the year April 2014. The title therefore almost provides a clear idea about the field of study. In fact, as stated by, the title is one of the determinants of the direction of a study. The title clearly enables the readers to develop an idea that the research study is based on higher education post graduation courses and the factors that basically prompt learners to take part in them.

The aim of the research is to identify the factors or the needs that are to be considered while returning to PGT or post graduate taught study. These learners who decide to return to the PGT basically are ones who have been away from higher education for years. These groups of people who take up PGT are identified to have distinct needs, especially with respect to accessibility to information located within the higher education setting. So, based on the research title and the aim, the study is designed and also undertaken to investigate about the group that makes decisions regarding the PGT study. The research has indeed examined the existing knowledge by conducting new research with this identified group of HE learners. The study has also come up with recommendations that have helped to identify good practice by various higher education institutions under the provision of PGT study. On identifying aims of the research study, the review can therefore be conducted on how well the study has progressed and has been able to ultimately meet the objectives of the study.

Although the research study has no separate section that includes specific objectives of the study, there is ample information to enable readers to get clear idea about the overall objectives of the study. For instance, the

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introductory section has in depth information on the background of the research. The researcher has then come up with well sorted aims and research questions. On critically studying the questions, it can be determined that the researcher has considered conducting a detailed understanding of the subject matter. The researcher has especially focused on identifying the factors or the very needs that basically prompt learners to take part in the post graduation courses. On doing so, the researcher has also aimed to identify the very nature or characteristic features of the group of people who are considered to be the main focus of the study. These people have been found to have certain typical traits and on understanding these traits, the researcher has come up with certain factors that make these people to come to academic field and resume their higher studies.

According to , research aims, objectives and questions are essential for a research study. This is mainly because of the fact that on identifying aims and objectives the researcher will be able to conduct a well structured literature review. The literature review is an important segment of the research as it enables researchers to develop a clear idea of the theoretical concepts associated to the research study. The literature review is usually developed from secondary sources for instance, from books, journals and even website contents.

3. Literature Review

The literature review of this particular study seems to be quite exhaustive. The literature review has involved range of empirical studies. As a result of which, the ideas received are highly dynamic as the subject matter has been considered from various perspectives of the study. The literature review does not really provide a clear outline of the factors that direct individuals to take part in PGT comprehensively. Rather the literature review focuses on how different individuals despite the fact they are no longer students of higher education systems are found to make decisions about the PG study. Again literature has been reviewed not with the objective to demonstrate the theories conclusively however, the literature review has been able to hypothesized that the graduates or the students who are found to directly follow PG studies have an approach of pursuing academics quite different from individuals who seek to re-enter the higher education system after spending a certain period of time in the labour market. The literature review comes up with certain concepts like students who directly pursue PG after their graduation and higher education degrees are more likely to get opportunities to study PG courses compared to other individuals who have not been in touch with academic for several years.

The literature review enables researchers to have an idea about how they would structure their primary research studies. This is mainly because of the fact; the results of primary studies are helpful in filling up gaps identified during literature review . The gap identified in the literature review for this particular study is associated to the fact that there is no doubt that for learners who are directly pursuing PG courses after completing their academic studies get more opportunities to take up their studies than their counterparts who make decisions of pursuing PG after long gap since their academic studies. So, essentially the direction towards which the primary research will be heading is to identify the factors that actually prompt individuals of the latter category to take up PGT after long time leap. Thus the literature review of the study has been able to come up with theories and concepts that have ultimately been able to direct the researcher to design their primary research study.

The literature has indeed been able to come up with one of the key arguments that will be taken up throughout the research study. The literature review basically comes up with the idea that what actually an 18 year old decides to study further after completing their undergraduate study. One argument that has been considered all throughout the study is about the process of making decisions for working professionals that might help to undertake while thinking about resuming PG study after a gap of considerable period of time.

One of the major differences identified between the two types of learners is with respect to the fact that majority of the fresh students who would like to pursue PG straight from their academic degrees are identified to be more flexible than those learners who have decided to pursue PGT after probably spending a considerable period of time in the job market. The mobility of first category of students is much higher than the latter category of students. This is mainly due to the fact, the latter category of students have several obligations like family or job establishments. However, the latter category of individuals when they actually decide to take up post graduate studies, it becomes evident that they have taken the decision based on certain factors. But again, these factors have been found to be not quite flexible and rather have constraints. The decisions of resuming PG studies are mainly associated to career progression. But, there are individuals who have also been found to have taken up further higher studies for personal reasons like knowledge persuasion.

The literature review of the study therefore comes up with the idea that all the factors that have been identified to have prompted professionals to resume their higher studies are to be utilized for the purpose of theorization of the process of PGT educational decision making. The findings of the literature review and the analysis of the survey can be used on the basis of theorization with the model of outlined PGT decision making procedure.

So, all the theoretical concepts of the subject matter have been well researched and theories have been developed as per the aims and objectives of the study. The section of literature review has also been able to come up with tables and graphs in order to support the theories that have been considered for the study. All the central concepts and arguments have been identified and been handled well. The literature review of the study makes a clear room for conducting further research in this particular area including development of models of decision making for postgraduate courses comprehensively, The current review has basically come up with a summary with a platform that would help to hypothesise a broad structured model that follows a review of empirical data collected during the course of the project.

4. Methodology

The study has been developed to investigate into the factors that are responsible for prompting individuals to purpose PGT. As a result of which the methods identified are for the purpose of seeking information and investigating into decision making behaviours for potential PGT students. The report has been developed as per the guidelines of International Centre for Guidance Studies. The method therefore involves the process of reviewing research based articles, policy documents and reports.

There were several objectives based on which the methodology has been prepared. The methods have focused on meeting objectives related to journey of information seeking that has led users to apply for an education choice. The prospects associated to the PGT courses, the different approaches to present and communicate information that lead to education based decision making. The methods have been developed based on contextual factors, social background, capital of potential students and career based trajectories.

About 120 items of literatures have been considered, analysed and then reviewed. Also, for primary data collection and establishing findings, there was an online survey that was conducted for investigating the information required for prospective returners to higher education for further PGT studies. This group was targeted as it is expected that they might have different requirements from the higher studies than those who would be pursuing PGT by already being in the course of undertaking higher studies. There is substantial reason behind targeting such groups of learners they determine to pursue PGT under different circumstances. Also, it was recognized while analyzing data collection methodology that it is this very group that has more difficulty to reach to higher PGT than the other group as they had basically "left" the higher education system and are located anywhere within the labour market.

5. Data Collection and Analysis

The survey questions were framed in order to basically target three segments of the group that is considered for the study. Technology was put to use while collecting primary data. The survey was done through email. There were direct email invitations with links to the survey that included both PGT and current students. Over all there were 1900 responses out of which only 1817 belonged to the eligible sub-groups that were considered for analysis. The respondents were further sub-grouped into two major categories based on individuals with less than three years of gap and individuals with more than three years of gap.

Further for qualitative data collection 8 major universities were targeted. Out of eight seven of them were found to have been studied in detail by considering them as case studies. Targeted individuals were taken face to face interviews. The approach was simply to come up with broader information and hence understanding for illustrating definite themes of the study. It is basically found that based on these information the recommendation have the study have been developed. The recommendations are basically related to higher education institutions on provision of PGT study or information.

The study has therefore followed a mixed methodology involving secondary and primary research . For the primary research, the study has followed both qualitative and quantitative data collection and analysis. The target audience has also been divided into different subjections thus giving way to a more in depth data analysis. Further in order to ensure more exhaustive data collection and analysis, the study involves qualitative data analysis as well. In order to ensure easy understanding of the results of data analysis the study has exhibited the results with the aid of graphs and charts.

There is a separate section where each of the concepts of the subject matters has been considered to be a theme and exhaustive discussion has taken place. Themes have especially been chosen that would mainly explain the advantages of pursuing PGT programs and the benefits that come along with the competition of the courses. The factors that have actually led to professionals to opt for PHD amidst their professionals and family life are also been discussed exhaustively. Finance, is another major issue that has largely been discussed. Although these professionals once they have decided to resume higher studies, they have probably made adequate financial arrangements to support their education. However, as they may not be able to carry on with full time job and are often entrusted with family responsibilities, it becomes indeed a challenging issue for the learners. So, these individuals are the one would prefer to have exhaustive information on payment terms and plans including facilities like instalment payments.

6. Discussion

As per the decision making model it has been noticed that the process of decision making gas certain characteristics. These characteristics involve the process of need recognition, process of evaluation of alternatives, information search, purchase and ultimately post purchase evaluation. Under the theme discussing on adult learning, there were mainly three major categories of adult learner namely goal oriented, learning oriented and activity oriented. The career decision making styles commonly exhibited are found to be strategic, exploratory opportunistic, impulsive and passive. Towards the end of the study, a model on post graduate choices has been discussed. The model involves "career journey to date", aspirations related to career and learning development, hygiene factors, motivators, engagement and exploration and application for decision making.

7. Findings and Recommendations

The last segment of the study is about important findings and recommendations. The recommendations are especially based on how PGT institutions can design their course contents as per the convenience of mid-career learners. The highlights of the key findings say that the post graduate population is highly diverse hence, the approach followed for decision making is quite complex. The process of decision making is identified to be more complex for mid-career learners than fresh graduates. The model that has been developed based on postgraduate decision making basically provides an underpinning of the overall findings of the study.

The study has come up with range recommendations. Separate recommendations have been provided for higher education institutes, for the education sector as a whole and for policy makers. The institutions must inform about broad subject group into a simple title. The institutions should also inform in detail about funding and finance facilities available at the very stage when the prospective learners are basically searching for the right institution and right content course. Universities are also recommended to basically form two different segments "returners" and "continuers" and accordingly develop studies.

For the education sector as whole, the study recommends that universities should jointly come up with one single website where information of all the courses available and the institutions where they are available are mentioned. Gradation of the universities as per the subjects offered is also to be mentioned in the websites. As per the policymakers, the approach to collection and distribution of PGT courses as per underpinning of the PGT market.

The overall study has been developed based on the subject matter. The study has effectively dealt with literature review, primary data analysis followed by discussions. Based on the trends of the factors that are identified to be playing strong, the study has come up with a model. The model has been so developed that on studying carefully one can get an overall idea of the findings of the study. On identifying the recommendations section of the study, they were prepared as per the model developed on the factors that are responsible for prompting mid-career level learners to decide on taking up PGT courses.

There are certain limitations of the study as well. For instance, the researcher did not come up with theories on psychological aspects of the individuals who come up with decisions to return to their academic life after spending a considerable period of time in family life or job market or both. Also, the study could have also been given a greater focus on the cultural and sociological factors that might have prompted people to consider resuming for higher educational studies. The evaluation segments of the study have also been critically done. The evaluation process has actually been quite elaborate and they were often substantiated by screenshot evidences. The study has therefore been quite exhaustive however; there is room for further improvements.

8. Conclusion

From the overall review it can be considered that the study has effectively been able to meet its main objectives. One of the major objectives of the study was to find out the factors that actually lead individuals to take up higher studies amidst family and job obligations. These socio-economic and environmental factors are identified to be different from normal students who move to higher studies after fresh graduation. Based on the factors identified, the study has also come with effective recommendations separately for institutions for higher study, educational sector and the stakeholders.

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The ICFAI University, Jharkhand (IUJ) was established under the provisions of the Institute of Chartered Financial Analysts of India University Act, 2006 (Jharkhand Act No. 08 of 2007), vide Notification dated June 17, 2008 of the Government of Jharkhand. The University is sponsored by the Institute of Chartered Financial Analysts of India (Icfai), a not-for-profit educational society established in 1984 under the Andhra Pradesh (Telangana Area) Public Societies Registration Act, 1350 F (Act No.1 of 1350F) with the objective of imparting training in finance and management to students, working executives and professionals in India

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