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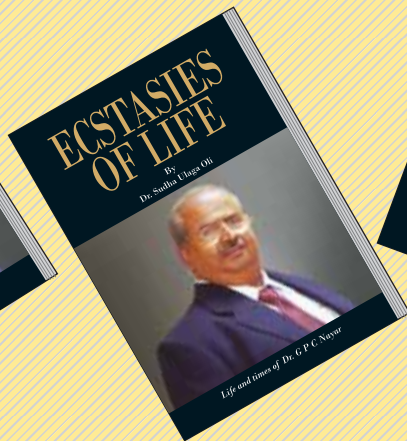
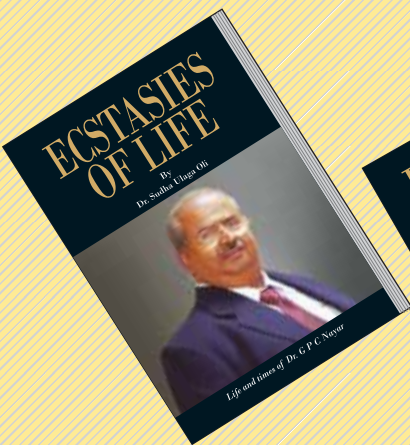
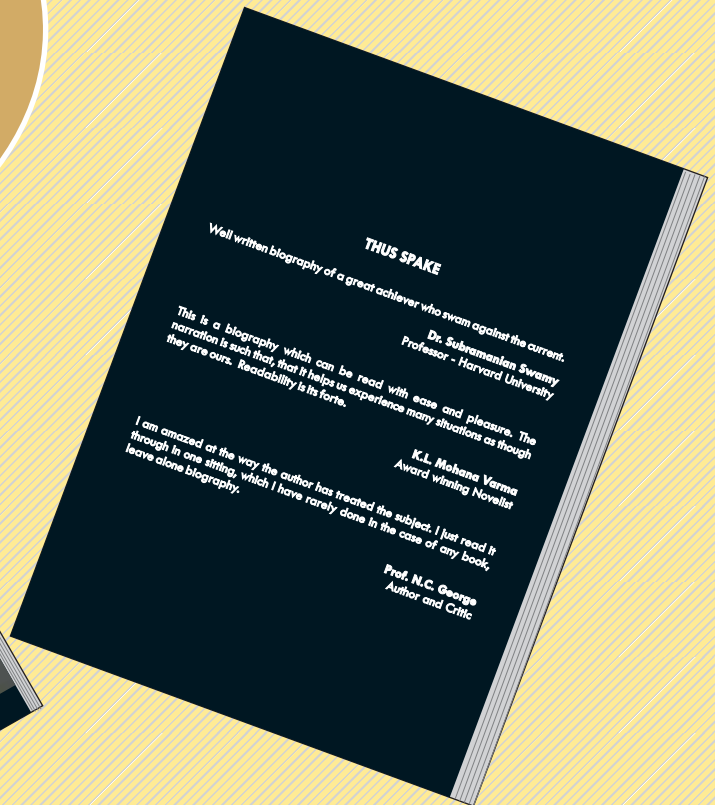
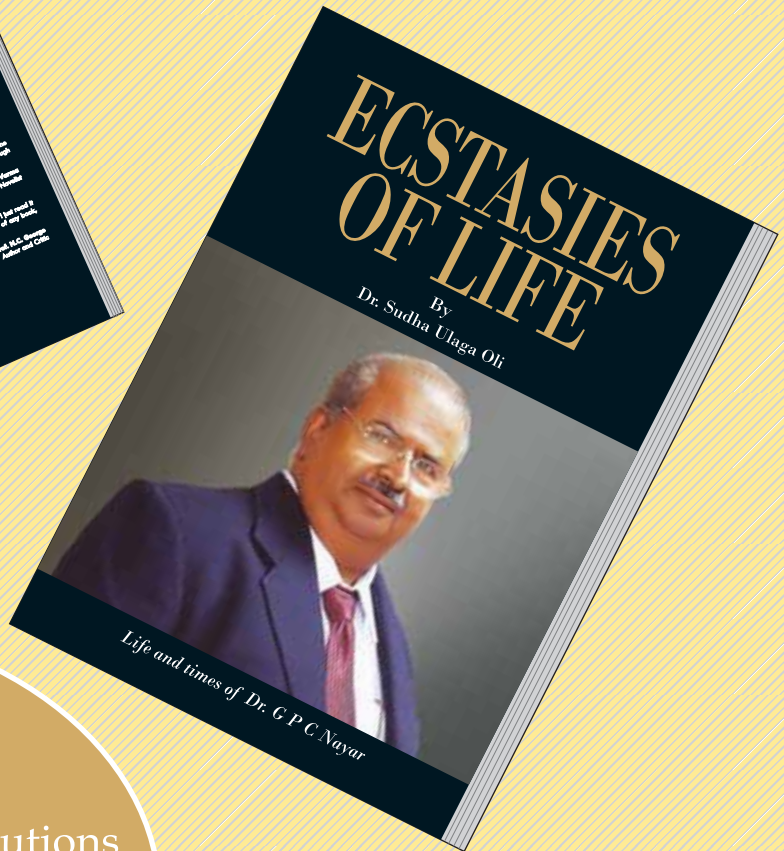
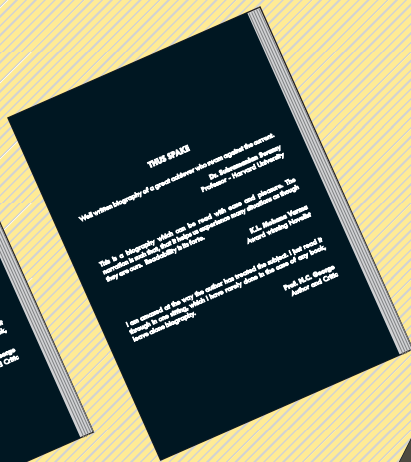
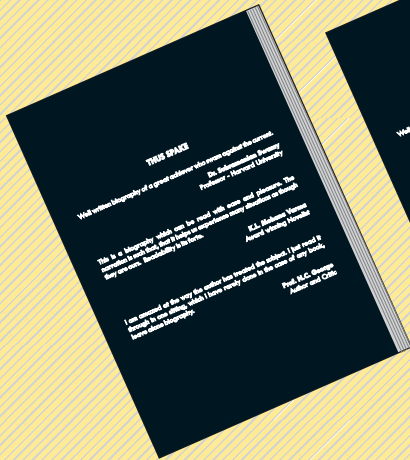
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Domestic LPG Hazards: A Safety Management Perspective

Ramesh V.M. and Dr. Sakthivel R.



Here's an entrepreneur who has created some excellent academic institutions in an unfriendly environment. It is a saga of trials and tribulations in an extremely readable manner by a consummate writer in English.

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Overview

In the 21st century business landscape, intellectual capital is increasingly being recognized as having a far greater role in creating corporate wealth, shareholder value and competitive advantage. In a world that competes on knowledge, conventional resources like capital, land and machinery are no longer going to be the principal drivers of business growth. Instead, people and their reservoir of know-how will be the key driving forces.

The traditional financial reporting formats do not seem to serve their purpose well to convey the intellectual capital strength of a company. For enabling more precise valuation of the company and to derive the benefits arising from it, a more appropriate presentation of financial information inclusive of intellectual capital will be of help. The proposal is being debated and a proper framework is yet to be developed.

We have pleasure to bring to you a study on this topic as the lead article in this issue.

While the significant contribution of the SMEs to economic growth of our nation has long been recognized, the socially responsible business practices of these enterprises have not been extensively studied and interpreted to understand the dimensions involved.

Our second lead article explores the motivational aspects of SMEs to engage in CSR activities.

This issue carries many more studied articles on a number of topics such as Job Engagement, Public Relations, Consumer Behaviour, Critical Success Factors, Turnover Intentions, Domestic LPG Hazards, et al.

I am sure that you will find this issue truly informative and enriching.

Dr. G. P. C. NAYAR
Chairman, SCMS Group of Educational Institutions.

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Editorial



Empower Nurses for Health Care Management

Nursing is the largest segment of healthcare workforce. It has been evolving from ‘home visiting and community-based care’ to ‘hospital and institution-based care.’ Nurses spend the greatest amount of time in delivering patient care as a profession. They therefore have valuable insights and unique abilities to contribute as partners with other health care professionals in improving the quality and safety of care. The Future of Nursing explores how nurses’ roles, responsibilities, and education should change significantly to meet the increased demand for care that will be created by healthcare reform and to advance improvements in World’s increasingly complex health system.

Nurses should be fully engaged with other health professionals and assume leadership roles in redesigning care in the world. Nurses have embraced the latest healthcare changes. A long-time hurdle facing the predominantly female profession is nursing’s lacking power compared to that of the physicians and hospital administrators. As women make continuous inroads across the board, this more traditional issue will fade away. Public opinion polls always favour nurses. Nurses are among the best trusted professions. Nurses will remain in a favourable position with the public if they chip away at the fragmentation of care that exists in the healthcare profession. Nurses are in an ideal position to accomplish this, given their holistic view of health care.

Today large challenges and opportunities face this profession. Besides upholding high standards of patient care, there is the need to increase the visibility, respect, and recognition of nursing while maintaining its important role in health care delivery and research. Nursing is an invisible profession to the public. Nurses often feel reluctant to communicate their worth to the public for social reasons, and may discount the important contributions they make. They are reduced to “physician extenders,” “handmaidens,” or “physician substitutes.” Medicine is concerned with diagnosing and treating illnesses; nursing is concerned with both of these, as well as the patient’s response to both health and illness, including the environment and family. Nurses cannot substitute for physicians or physicians for nurses. They provide complementary care. Among the various functionaries of the healthcare system, the nurse is the nerve centre. The soothing presence of the nurse forms the main stream of healthcare. It is the nurse who imparts to the patient continuous care and caress. The ephemeral presence of a physician, surgeon, pharmacist, laboratory technician and the sustained presence of a nurse with the patient will sooner or later make the nurse the king/queen pin of the medical care system. This necessitates need for a managerial stream to supervise and oversee the medical care system. A panacea for all these is: start courses in nursing management in b-schools and provide intensive training to those chosen nurses befitting to become prospective managers of medical care management. It will reinforce the skills and trainings and to strengthen the confidence and visibility of nurses to take over managing hospital and nursing care meticulously.

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Intellectual Capital: Accounting Debate

Mahesha V.

Abstract

In industrial economy, production facilities, physical location, and efficient manufacturing processes were the vital resources for a firm. The post-war booms created sellers' market in most of the developed countries. In such a world, traditional cost-focused reporting methods were able to provide an adequate picture of firm performance. However, global trade has gradually changed this towards buyers' markets. Consumers are better informed and more demanding. This leads to increasing innovation speed and decreasing product life cycles. Differentiation and innovation become critical and capabilities and assets such as research and development (R&D), creativity, brand image, patents. This means that traditional cost focused reporting tools cannot provide the adequate information of firm performance.

Key words: *Intellectual capital (IC), Intangible assets. Accounting, Intellectual Capital Management Process (ICMP)*



*Mahesha V., Asst. Professor, Department of Commerce,
Karnataka State Open University,
Mukta Gangotri, Mysore-570006,
E-mail : maheshmcom69@gmail.com*

Much time and effort have been expended over the past few decades in debating the reforming of the accounting standards so as to include a wider range of assets than previously in the statement of financial position. The results of the study conducted by Marr and Moustaghfir (2005: 1120) suggest that the debates on intellectual capital started as early as the mid 1960s. However, during this period there was no universal definition or classification of intellectual capital in place as a result of the fact that there was still much that was unclear about its nature, and the way in which these assets worked (Marr & Maustaghfir, 2005: 1120). However, the topic of intellectual capital was later researched by a number of researchers who identified and analysed different classes of these assets. The debate on the topic also forced the International Accounting Standard Board (IASB) to include certain of the intellectual capital categories in its definition of intangible assets.

The debate on the existence of intellectual capital within a business was initially explained by means of the recognition

and definition of the goodwill that is part of a business. According to Seetharaman, Balachandran and Saravanan (2002: 131) the debate on the accounting in respect of goodwill started as early as the 19th century when a scholar by the name of Francis More defined goodwill as “a present value placed on the anticipated future earnings in excess of a reasonable return on producing asset.”

The IASB (2010: A101–A105 & A845), however, makes a distinction between the goodwill acquired in a business combination and internally generated goodwill. The IASB refers to the goodwill acquired in a business combination as representing a payment made by an acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. The value of acquired goodwill is, therefore, determined by business combination transactions, and is recognised as an intangible asset in the statement of financial position of a company. Internally generated goodwill, on the other hand, refers to the expenditure incurred in order to generate future economic benefits that do not result in the creation of an intangible asset (IASB 2010: A845). Accordingly, these assets are not recognised as assets in the financial statements, and they form part of the intellectual capital that is expensed as a periodic cost in the statement of comprehensive income. An example of internally generated goodwill is the expenditure incurred in order to service a key customer so as to gain the customer’s loyalty to the company’s product. The result of incurring this expenditure is the customer loyalty that may result in future economic benefits flowing into the company. However, these future economic benefits will not result in a recognisable intangible asset because the company will not have control over the asset nor over future economic benefits that may flow from the asset. In addition the measurement of intangible assets is also problematic. According to Swart (2006: 137), unlike other assets, the value of internally generated goodwill is created over a period through a series of activities and it is not possible to link this value to a specific transaction.

Despite the existence of and debate on goodwill, the debate on intellectual capital surfaced in the 1960s and became more marked in the 1990s. The debate on this subject is now rooted in different disciplines, namely, economics accounting, finance, strategic management, human resource and marketing. Nevertheless, intellectual capital is linked more closely to accounting than to any other discipline as there is a need for an accounting perspective in respect of the value creation

process (Lev, 2001: 3). This linking of intellectual capital to accounting has made it necessary for accountants to continue to research and debate the treatment of intellectual capital in the annual financial statements of companies in order to improve annual reporting.

In the early 1990s, writers and scholars identified the growing importance of intellectual capital as a source of long-term value creation for organisations (Roslender & Fincham, 2004: 179). During this time the literature on intellectual capital focused mainly on the need to report this type of capital as a separate asset in a business. This trend resulted in a debate on how best to do this in an accurate and reliable way in order to complement the financial information on strategic reporting. Other researchers such as Seetharaman (2002: 140) and van der Meer-Kooistra and Zijlstra (2001: 456) proposed a voluntary reporting that would support the financial reporting and assist investors in their decision making.

In 2003 the IASB initiated its field work and round-table discussions with the aim of obtaining feedback on their project on IFRS 3 *Business Combinations*. This project focused, *inter alia*, on the accounting for both goodwill and intangible assets acquired in business combinations. During the round-table project discussions the debate centred mainly around the accounting treatment of internally generated, intangible assets (IASB, 2008: 382 and IASB, 2010: A97). The project resulted in the amendments of IAS 38, *Intangible assets* which became effective in January 2004. Further improvements to IFRSs were issued in May 2008 and in April 2009.

In view of the varying viewpoints which have emerged from different studies on the subject and the debates on intellectual capital, this paper will analyse the different arguments “in favour of and against” in respect of recognising intellectual capital in the annual financial statements of organisations.

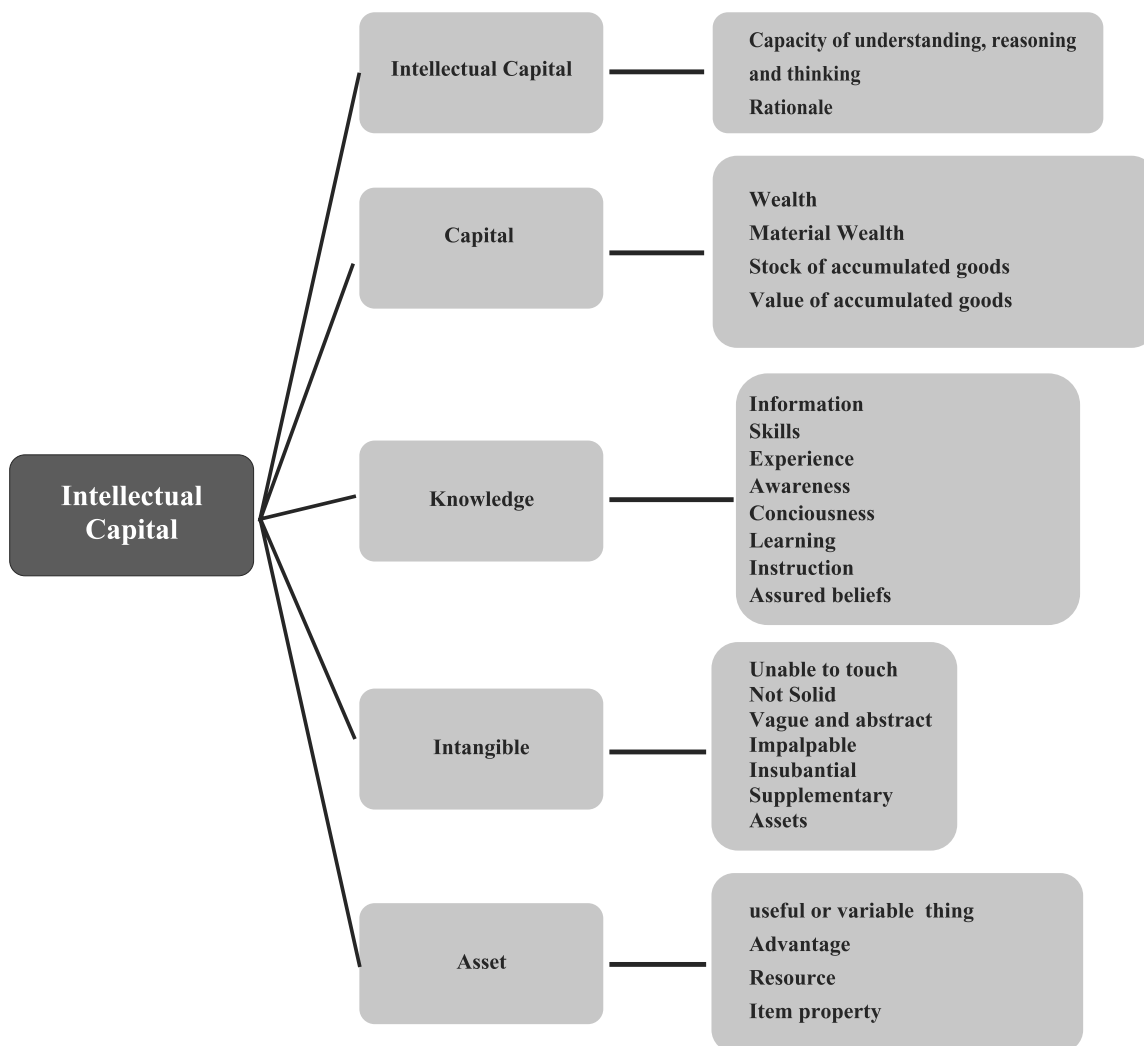
Concept of Intellectual Capital

Intellectual Capital (IC) is commonly referred to as the difference between the market value and assets of an organisation that are termed as intangible. On a simple note, Roos et al (2005) defined IC as: “All non-monetary and non-physical resources that are fully or partly controlled by the organisation and contribute to the organisation’s value creation.” Generally, IC is composed of three core components: human capital, structural capital and relational capital. Human capital is capital that is embedded in an individual’s mind and

remains intact in an individual; it leaves the company when an employee leaves. It includes competence, knowledge, skills, education, experiences, technological know-how, creativity, leadership, innovativeness and changeability (Brooking, 1997; Roos *et al*, 2005). Structural capital refers to the stock of knowledge that is codified and printed on paper. It remains as possession and is controlled by the company. This includes databases, corporate culture, research and development, computerised software, brands, copyrights, processes, management information systems, strategies and other resources that carry higher value than their material value

(Wall *et al.*, 2004; Roos *et al.*, 2005). Relational capital refers to all intangibles that develop over time between a company and the external groups such as marketing channels, customer relationships, relationships with suppliers, customer loyalty, governmental and industrial networking, partners, lenders, market intelligence, customer satisfaction and reputation (Wall *et al*, 2004; Tayles *et al*, 2007). Marr and Moustaghfir (2005) suggested that any IC definition should include a statement of the role of IC and clarify how important it is to measure or manage IC which is summarised as the ‘Intellectual Capital Concept’ (see Figure 1). This offers a starting point for

Figure 1 Summary of IC Component Definition



Source: Marr and Moustaghfir (2005)

organisations to realize where their potentials lie, to improve their attitude towards IC and to initiate IC management. According to Tayles *et al* (2007) companies that invest in intellectual capital by means of managing and reporting it will be able to survive even in a difficult economic condition. Hence, organizations should focus on identifying, managing, measuring, reporting and utilizing IC to its optimum in creating wealth, fostering innovations, improving operation efficiency, attracting investment opportunities, increasing profitability and sustaining the competitive edge. This has been the case with companies like Skandia, HP, Microsoft, Nokia, Disney, Coca Cola and eBay (Brooking, 1997; Sullivan, 1999; Bontis *et al.*, 2000; Tayles *et al.*, 2007). In particular, Leliaert *et al* (2003) insists that a manager should understand what actions could influence and control a company's IC and how they do it. Managers must search for ways to improve their businesses' IC and explore the use of more tools to calculate or measure it. IC concept is vital and the consequences for failing to identify and manage IC can be detrimental to their businesses' health. IC management is important in today's global economy where business relies heavily on human capability to gain long term success, competitiveness and survive financial crises. Additionally, Roos *et al.* (2005) used the intellectual capital management process (ICMP) to illustrate the importance of managing IC. ICMP identifies what value creation means for the organisation and which resources are essential to attain the desired value. Among the ICMP steps are:

- ◆ Analyse strategies of the organisation: present and future desired strategic positions.
- ◆ Construct a resource distinction tree (resources) for the organisation.
- ◆ Decide how the resources are to be deployed to achieve the organisation's desired positions.
- ◆ Analyse and evaluate the effectiveness of the IC navigator.
- ◆ Create a performance management tool for tracking the efficiency with which value is created in the organisation.

Arguments in favour of recognising intellectual capital in financial reporting

It emerged from the literature review that the argument in favour of recognising intellectual assets in financial reporting

involves recognising that the true value of a company may be assessed only by taking intellectual capital into account (Marr, Schiuma & Neely, 2004:553). This also involves disclosing the value of intellectual capital as an integral part of financial reporting so as to reflect the true value of the organisation as a whole and to assist investors and other stakeholders to make informed decisions. However, this argument also encompasses broader questions about the ability of financial reporting both to explain and analyse the intellectual capital of an organisation. Accordingly, the argument also identifies a need to develop standards that may be used to regulate the disclosure of intellectual capital to the users of financial information.

Financial accounting does not recognise intellectual capital as an asset in the financial statements as these assets do not meet the recognition criteria set out by the IASB (2010: A838). Therefore the value created through the use of these intangible assets remains unreported to the users of company information and, as a result, the non-recognition of intellectual capital in the financial statements creates a gap between the accounting and the capital market values (Rodov & Leliaert, 2002: 323). Seetharaman *et al* (2002:132) argue that the accounting profession needs to do more in order to remain relevant in the knowledge economy. Knowledge and information comprise the largest part of the intangible value creation of a business. Seetharaman *et al* (2002:132) contend that the main challenge currently facing the accounting discipline is the measurement of and reporting on this knowledge. Some researchers argue that the relevance and usefulness of financial accounting reporting has diminished, and its limitations have attracted greater attention in the wake of a series of accounting and corporate scandals (Sujan & Abeyeskera, 2007:1). Financial reporting is considered to be inadequate in meeting the financial information needs of its different users (Bozzolan, O'Regan & Ricceri, 2006: 1). It is essential that corporate reporting include information which is useful for decision making and that it satisfies the needs of all its users. In other words, information relating to the value creation process in a business and the true value of the company should be reflected in the annual reporting.

The above arguments suggest that there is a need to capture the nature and value of both the intellectual capital and the other intangible assets that add value to the overall value of the business in the reporting. It has also become clear from the above debate that there is both a need and a drive to

establish new measures and ways in which to report on intellectual capital in order to complement the financial reporting. Kucek (2007: 28) refers to this kind of reporting as broad-based business reporting. Broad-based reporting provides investors and other stakeholders with both mandatory and contextual information and assists them to make informed decisions.

A separate debate revolves around the need to develop better technological and infrastructural systems for creating, capturing and disseminating the intellectual capital within organizations (April *et al*, 2003: 165–166). It is argued that these systems will assist companies to optimise the management of their intellectual capital in order to improve their performance on a continuous basis.

Holmen (2005: 2) and other researchers argue that companies would achieve overall advantages if they improved their external reporting on intellectual capital. Some of these advantages include:

- ◆ Closing the gap between the book value and the market value of the organisation,
- ◆ Providing improved information about the real value of the organisation,
- ◆ Reducing information asymmetry, and
- ◆ Enhancing the reputation of the organisation.

The above arguments have been supported by most studies on intellectual capital and they form the basis for debates in favour of including intellectual capital in financial reporting (Li, Pike & Haniffa, and 2008: 137)

Arguments against recognising intellectual capital in financial reporting

It emerged from the literature review that there are few arguments against the recognition of intellectual capital in financial reporting and, in fact, most of the studies recommend the designing of accounting systems for managing, monitoring and reporting on intellectual capital. The arguments against recognising intellectual capital in financial reporting stem mainly from an accounting perspective and are based on the IASB Framework for the Preparation and Presentation of Financial Statements, IFRSs and IASs. Nevertheless, a key argument does flow from the uncertainty of future economic

benefits and a company's control of these possible benefits (Lev, Cañibano & Marr, 2005:2) the IASB prohibits the recognition of internally generated, intangible assets, including goodwill, in the financial statements. The nature of intellectual capital qualifies it to be classified as an internally generated intangible asset. Some comments submitted to the IASB were in favour of recognising internally generated, intangible assets in financial statements. It was also noted in section 3.2 above that the limitations of the IFRSs and IASs have attracted greater attention in the wake of a series of accounting scandals and corporate collapses in the past few years (Sujan & Abeysekera, 2007: 1). These scandals have resulted in both the formulation of stricter requirements for the recognition of assets in the financial statements and in the amendment of IAS 38 (IASB, 2010:B1728-1733).

The financial statements are designed both to provide accurate and reliable estimates of the values disclosed and to prevent the manipulation of information by management. In order to achieve this objective, the IASB (2010: B1728–B1733) sets strict criteria for the recognition of items in the statement of financial position. The debate against the recognition of intellectual capital in the financial statements revolves around the following two arguments:

- ◆ Information on intellectual capital does not meet the critical qualitative characteristics of financial information designed to achieve fair presentation.
- ◆ Intellectual capital does not meet the definition and the recognition criteria of an asset.

Conclusion

This research paper explored the arguments in favour of and against recognising intellectual capital in financial reporting. It was found that the arguments that favour the recognition of intellectual capital revolve around recognising the need to capture, in financial reporting, the nature and value of both intellectual capital and other intangible assets that add value to the overall value of a business. This is for the benefit of investors and other users of financial information.

In addition, it also emerged that researchers do recognise the need to develop alternative financial and non-financial measures of intellectual capital to those prescribed by the IASB, including developing guidelines and standards that will

regulate the disclosure of intellectual capital in corporate annual reports. It was also noted that those arguments that support the disclosure of intellectual capital in financial reporting highlight the benefits of doing so for the business as a whole. However, in light of the challenges involved in recognising intellectual capital in financial reporting, it would be necessary to report on and disclose these assets under the contextual disclosures in the corporate annual reports.

This research paper also explores arguments against recognising intellectual capital in financial reporting. These counter-arguments stem mainly from an accounting perspective and are based on the IASB Framework for the Preparation and Presentation of Financial Statements, IFRSs, and IASs. It is clear from both sets of two arguments that there is a need to develop a reporting framework that will assist in striking a balance between realising the advantages of reporting on intellectual capital and achieving the fair presentation of financial information. It is suggested that both accountants and auditors should take a leading role in the development of such a framework.

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SMEs Motivation : Corporate Social Responsibility

Ankur Roy, Vishal Vyas and Priyanka Jain

A b s t r a c t

This paper empirically explores the motivational factors for small and medium enterprises (SMEs) to engage in corporate social responsibility (CSR) practices. A structured questionnaire was used to collect data from SMEs based at Rajasthan resulting in 132 usable responses. The data was subjected to confirmatory factor analysis by using AMOS 19 to test the model-fit and unidimensionality of scale items. Confirmatory factor analysis identified four underlying dimensions in the CSR motivation of SME managers. Four motivational dimensions emerged reflected themes ranging from "Customer Propositions," "Stakeholder Value," "Founder Characteristics and business values," and "Business Motives". The study concluded that SMEs are both willing and able to make significant contributions to support predominantly local events and organizations in recognition of their social obligations and economic objectives.

Key words: Corporate Social Responsibility, Confirmatory Factor Analysis, Small and Medium Enterprises.



*Ankur Roy is Assistant Professor in the Faculty of Management Studies, Mody Institute of Technology and Science, Lakshmangarh - 332311, Sikar, Rajasthan.
E-mail : roy.ankur@gmail.com*

*Vishal Vyas is Associate Professor, ABV - Indian Institute of Information Technology and Management, Morena Link Road, Gwalior -474010, Madhya Pradesh
E-mail :vishalkvyas@gmail.com*

*Priyanka Jain is Assistant Professor in the Faculty of Management Studies, Mody Institute of Technology and Science, Lakshmangarh, 332311, Sikar, Rajasthan.
E-mail :jainpriyanka5@yahoo.co.in*

As we all are aware that the world economic scene has been continuously changing throughout the last decades, as the balance between business, state and civil society is challenged and transformed. Great attention has been given to the social responsibility and commitment characterizing companies' strategic mission and behaviour. Following governments' indications and encouragement from other societal institutions, companies are showing willingness to demonstrate socially responsible behaviour, as those might have direct and indirect effects on the socio-economic context in which they operate, as well as on their own performance.

Business has come under increasing pressure to demonstrably engage in activities which are described as corporate social responsibility (CSR). While many such activities come under legal compliance, such as environmental legislation, business is encouraged to go beyond this and assume roles previously occupied by the public sector, such as supporting education

and becoming involved in the governance of communities (Curran et al, 2000).

Small and Medium Enterprises (SMEs) in India and CSR

The World Bank defines CSR as “the commitment of business to contribute to sustainable economic development working with employees, their families, the local community, and society to improve their quality of life, in ways that are both good for business and good for development” (World Bank Group, 2003).

“Corporate social responsibility must not be defined by tax planning strategies alone. Rather, it should be defined within the framework of a corporate philosophy which factors the needs of the community and the regions in which a corporate entity functions. This is part of our cultural heritage. Mahatma Gandhi called it trusteeship....I invite corporate India to be a partner in making ours a more humane and just society...we need to have healthy respect for our workers and invest in their welfare...” (Manmohan Singh, Prime Minister-India, 2007).

The term SME is of relatively recent origin in the Indian context. SMEs were referred to as small scale industry. The SMEs were officially created in the 1950s. Since 1954, the Government of India has consciously nurtured, promoted and developed SMEs through specific policies as a part of the overall industrial development strategy. With the advent of planned economy from 1951 and the subsequent industrial policy followed by Government of India, both planners and Government earmarked a special role for small-scale industries and medium scale industries in the Indian economy. Due protection was accorded to both sectors, and particularly for small scale industries from 1951 to 1991; till the nation adopted a policy of liberalization and globalization. The contribution of SMEs to the economic development of India is significant. Their contribution in the total corporate sector is as follows: 40% of the total volume of production, 80% of employment, 60% of the exports and 92% in terms of enterprises. SMEs contribute 7% of India's GDP. As per the third All India Census of Small Scale Industries conducted in 2004, the SMEs have increased from about 80,000 units in the 1940s to about 10.52 million units. They constitute 90% of the industrial units in the country and also contribute to about 35% of India's exports.

In recent years, beyond the economic growth, there is a greater urgency for 'inclusive growth' in which SMEs are expected to play a critical role. The geographical and socio-cultural diversity of India with 28 states and 16 national languages, coupled with significant disparities in income, and co-existence of poverty and high affluence make the SME sector more critical for India. The sector provides employment to more than 25 million people.

SMEs play an indispensable role in triggering economic growth and equitable development, particularly in developing countries. Their business activity is generally performed closer to the stakeholders, allowing them to be the firsthand recipients of expressed needs. Therefore by sheer proximity, SMEs are continuously confronted to participate actively in the development of their environment and act ethically. The contribution of SMEs to the economic growth of a nation is well recognised.

In developing countries, as some authors argue (Leutkenhorst, 2004), the contribution of SMEs towards employment generation is high because they tend to use more labour intensive production processes than large enterprises, boosting employment and leading to more equitable income distribution. They also provide livelihood opportunities through simple, value-adding processing activities in agriculture based economies, nurture entrepreneurship and support the building up of systemic productive capacities and the creation of resilient economic systems, through linkages with the large enterprises. Once consigned by many to the periphery of an economy, SMEs are now recognised as the primary driver of economic development (Spence and Rutherford, 2001). From the 1980s the number and importance of SMEs has increased dramatically (Jenkins, 2004) and this group arguably represents one of the most important sectors of society (Hillary, 2000). They have been described as the bedrock of an economy (Fox, 2005). SMEs create employment and can be seen as a source of innovation and entrepreneurial spirit (Wilkinson, 1999).

In short, SMEs are important for a healthy dynamic market economy (Hillary, 2000). Thus, a focus on large firms far from represents the entire story (Spence et al, 2001) and to ignore this sector when studying CSR is to ignore an important slice of business activity (Quinn, 1997). There is an urgent need therefore to understand the responsible business practices adopted by the SMEs. Therefore, the study of CSR and ethics

in SMEs in developing countries assumes greater significance given the rapid economic growth.

The CSR concept is generic in nature and is applicable to organizations regardless of type and size – from public to private, from small-to-medium enterprises (SMEs) to multinational enterprises (MNEs), from manufacturing to service organizations.

Responsible business practices can be conceptualised as consisting of two dimensions - the ethical behaviours of the corporation and the corporate social responsibility (CSR) practices that it adopts. This conceptualisation at an SME level translates to the role of the owners and their ethical orientations and the CSR activities of the enterprises that they own and manage.

For the global economy it matters a lot to what extent small businesses decide to engage in CSR activities. Although it is much more complex to identify, investigate and communicate CSR in the small business, we believe this area deserves more attention due to its potential impact on the global economy. The CSR and ethics discourse till recently has been dominated by large corporations and CSR in SMEs has received relatively little attention compared to the CSR in large corporations (Moore & Spence, 2006; Spence & Rutherford, 2003). While CSR has traditionally been the domain of the corporate sector, recognition of the growing significance of the SME sector has led to an emphasis on their social and environmental impact, illustrated by an increasing number of initiatives aimed at engaging SMEs in the CSR agenda.

Within this context we wanted to study the relationship between CSR and SMEs. Through this paper we try to find out what are the key factors which motivate SMEs for CSR.

Literature Review

CSR has traditionally been associated with large companies. Conventional approaches to CSR are based on the assumption that large companies are the norm and have been predominantly developed for large corporations (Jenkins, 2004). Another assumption is that SMEs are “little big companies” (Tilley, 2000) and that advances to engage companies in CSR can simply be scaled down to “fit.” So far, CSR in SMEs is an area that has not attracted much systematic research beyond a few dedicated scholars (Spence, 1999; Spence & Schmidpeter, 2003; Moore & Spence, 2006; Perrini, 2006;

Perrini et al., 2007; Russo & Tencati, 2008) and a special issue in *Journal of Business Ethics* (2006), but recognition of the growing significance of the SME sector (Fuller, 2003; UNIDO, 2002) has led to an emphasis on their social and environmental impact. Furthermore, this recognition of SMEs is incomplete at best (Curran, 1999), with a continued emphasis in research and the media on the characteristics of large firms (Storey, 1994), and most of the researches on the topic of best practice is based on the notions of competitive advantage, quality and benchmarking as they all are related to larger organisations (Massey, 2003).

Few researchers suggested that SMEs have distinctive characteristics, which make them different from large organisations and, therefore, the content, nature and extent of their participation in CSR and ethics is likely to be different (Jenkins, 2006; Tilley, 2000). Some other characteristics such as smaller size and fewer resources when considered individually, managerial systems where ownership-management separation rarely and management training that does not always meet the company’s real needs, are unique to SMEs.

Castka et al (2004) conducted an action research case study on “How can SMEs effectively implement the CSR agenda? Their findings suggested that SMEs can benefit from CSR and improve their business and develop competitive advantage. It was also concluded that business system frameworks, such as ISO 9001:2000, can serve as a vehicle for CSR integration into day-to-day operation of the business.

Jenkins (2006) in her paper presented the findings from a U.K. wide study of socially responsible SMEs. The aim of this study was to understand both the limitations on and opportunities for CSR in SMEs through the exploration of exemplary characteristics in the studied companies. Key areas of investigation were CSR terminology, the influence of managerial values, the nature of SME CSR activities, motivation for and benefits from engaging in CSR, and the challenges faced. The results of this study demonstrated some of the exemplary goals and principles needed to achieve social responsibility in SMEs, and begin to provide knowledge that could be used to engender learning in other SMEs. The study suggested that SMEs prefer to learn through networking and from their peers, so this is a possible avenue for greater SME engagement in CSR. This would require strong leadership or

“championing” from individuals such as highly motivated owner-managers and from exemplary companies as a whole.

Spence and Rutherford (2000) proposed four “frames” of perceiving the social perspectives of the small business – profit maximisation priority, subsistence priority, enlightened self-interest and social priority.

Curran (2005) in his study assessed the rate of return of the adoption of CSR initiatives and found that the main motivational factors include profit, image and reputation, altruism, consumer demand, government policy and economic climate.

Moir and Taffler (2004) conducted a study “Does Corporate Philanthropy Exist?” in the SMEs operating in the UK and found that firms were involved in charitable donations for self-interest and there was very little indication of pure altruism.

Some researchers concluded that SMEs are motivated to conduct CSR from an ethical point of view whereas large firms are motivated by enhanced profitability (Jenkins, 2004; Prinic, 2003; Vives, 2006).

Research also suggested that CSR had a strong impact on financial performance and there is a positive relationship between CSR and financial performance (Bessera & Millers, 2000; Brammer et al., 2007; Tsoutsoura, 2004; Hitchens et al., 2003; Liston-Heyes & Ceton, 2007).

Murillo and Lozano (2006) conducted a study on four SMEs operating in Spain and found that all companies without exception and with great conviction defend a strong positive correlation between CSR and financial performance.

Gallup (2005) found that thirty six percent of SMEs believe CSR has a positive impact of their financial performance and reported that three quarters of Danish SMEs have implemented CSR activities.

Jenkins (2004) in her study on ‘Corporate Social Responsibility: Engaging Small and Medium Sized Enterprises’ reported that all SME owner/manager respondents of her study felt that their values were essential and a powerful driver of ethics and standards in their company.

Perrini (2006) reported that 50 per cent of European SMEs are involved in socially responsible activities including

donating to local causes and charities, sponsorship of local events and organisations, support for local schools and colleges, environmental initiatives, ethical purchasing and staff related activities.

Quazi and O’Brien, (2000) concluded that research in CSR has sought to identify diverse stakeholder groups (such as supplier, creditor, employees, and the community) and dimensions of CSR, such as narrow to wider perspective as well as costs to benefit-driven orientation of CSR. Quazi (2003) further argued that perceived managerial views of CSR are positively linked with the managerial demographics (such as age, education, and international experience of managers) in Australian corporate sectors. These observations suggest that CSR participation has diverse facets. Accordingly, enterprise stakeholders’ needs are interlinked, which in turn emphasise a need for SMEs to develop different strategies towards each group of stakeholders (Maignan, Ferrell, and Ferrell, 2005).

From above literature review it is clear that large firms are the domain areas of research involved with CSR practices because they have more formal structures, have responsibility towards their stakeholders, customers, environment, employees, community, and suppliers and thus have incorporated CSR activities as one of their strategic missions.

But this is not the case with SMEs because they are characterised by less formal structures and looser control systems, less documentation on transactions and fewer procedural hurdles (Longenecker et al., 1989; Beaver, 2002). SMEs are organised more informally, and they hate administrative burdens. They do not have specialised staff, nor time to produce special reports. Thus, there are substantial characteristic differences between SMEs and MNEs (Longenecker et al., 1996; Bridge et al., 1998). SMEs’ social and community activities are informal and fragmented (Maitland 2002). The social responsibility of the owner-manager is expressed through loyalty to different stakeholder groups (Vyakarnam et al., 1997). Small business leaders are particularly sensitive to activities in relation to their immediate stakeholders: employees, customers and suppliers (Spence, 2000; Lepoutre & Heene, 2006). CSR in terms of SME employees will focus on creating a good spirit in the workplace, precisely the kind of atmosphere that multinationals are trying to re-establish with many HRM

techniques, such as empowerment, in order to compensate for the anonymity of a large group.

It is evident from above studies that there is a relative paucity of information in the literature with regard to the factors which actually motivates or what drives SMEs for CSR. Through this exploratory research we seek to partially fill this lacuna by identifying the motivational factors for SME owners to engage in CSR domains.

Objectives of Study

This paper aims to identify the motivational factors for SME owners to engage in CSR initiatives. The underlying rationale of the study is that there are few conclusive empirical findings on the above stated objective particularly evidence from SMEs in the state of Rajasthan, India.

Research Methodology

This research design builds on a survey of SMEs based at Rajasthan. A structured and refined questionnaire based on prior pilot surveys was mailed to 146 SMEs. After follow up, a total of 132 completed questionnaires were returned. The data was subjected to confirmatory factor analysis by using AMOS 19 to test the model-fit and unidimensionality of scale items. CFA involves the specification and estimation of hypothesized model of factor structure being measured by latent variables to account for covariance among a set of observed variables (Koufteros, 1999). Maximum likelihood technique was employed to identify the underlying dimensions of eighteen statements (Table 1) drawn from the literature reflecting motivation aspects influencing SMEs to engage in CSR practices. Sixteen strongly loading items for factors were retained. The four resulting factors were named based on the themes captured in the items comprising that factor, with terms used consistent with the CSR literature. In addition, sample size must be assessed to ensure it is large enough (Tabachnick & Fidell, 2007). A sample size of 132 is in line with most recommendations of sample size (Kline, 2005; Hoyle, 1995; Kelloway, 1998).

Scale Development: CSR

Adopting a similar approach to Golden et al (2000) a survey was designed specifically for this research. A scale development process was then undertaken which resulted in an eighteen item scale (Table 1) for CSR. It is proposed that

this scale will adequately measure each of the dimensions of CSR outlined.

Following the advice of McGrath et al (1996) and the approach of Zaher et al (2009) to a large extent items have been taken from the literature. Scale for the purpose of the present research was adopted from the following literature:

After this each item has been measured using a Likert scale of five points, this is the proposed number of points according to Netemeyer et al (1996) and includes a mid-point, which is required as with some items a neutral response is a valid answer.

Data Analysis

We used the AMOS 19 software to perform a CFA, based on data from 132 SME owners in Rajasthan. We chose maximum likelihood estimation because our data were normally distributed. The data came from 18 questions on 5 point Likert-scale survey measuring factors for CSR motivation described in the scale development section.

A correlation table with means and standard deviations is shown in Table 2; the theoretical model is presented in Figure 1. We hypothesized a four-factor model to be confirmed in the measurement portion of the model. We evaluated the assumptions of multivariate normality and linearity through IBM SPSS 19.0. The final sample size was 132; there were no missing data.

Table 3 displays the overall fit summary provided in CFA output. The overall model Chi-square is 102.265 with 98 degrees of freedom. The *p*-value associated with this result is 0.364. This *p*-value is insignificant using Type 1 error rate of 5%. Thus, Chi-square goodness of fit statistic indicates that the observed covariance matrix matches the estimated covariance matrix within sampling variance. The value of RMSEA, an absolute fit index is 0.018. The value appears quite low and within the prescribed bounds for 90% confidence interval.

The CFI is an incremental fit index and showing the value as 0.995, which exceeds the fit index guidelines for a model of this complexity and sample size. Thus, this result supports the model as well. The CFA results suggest the measurement model provides the reasonably good fit. In addition, other index values as Tucker-Lewis fit index (TLI) = 0.994,

Table 1: CSR motivation scale items

Item Label	Items	Authors
F1.1	Through CSR firm is able to increase sales	Items have been adapted from studies by Creyer & Ross, 1997; Cowe & Williams, 2000; Gildea, 2001.
F1.2	Through CSR firm is able to attract repeat customers	
F1.3	Through CSR customer is able to increase customer loyalty	
F1.4	Through CSR firm is able to increase sales through recommendation of current customer	
F1.5	CSR activities helps the company to explore new customers and markets	
F1.6	CSR activities helps the company in positioning its products / services in a better way	
F2.1	Through CSR firm is able to attract new recruits	Items have been adapted from studies by Backhaus et al., 2002; Peterson, 2004; Brammer et al., 2007.
F2.2	Through CSR firm is able to motivate the employees	
F2.3	Through CSR firm is able to increase employee retention	
F2.4	Through CSR firm is able to instigate value and increase employee morale	
F3.1	CSR activities objectively translates the socio-economic objective of the founder	Items have been adapted from studies by Lewis, 2001; Cravens et al., 2003; Mankelov & Quazi, 2007.
F3.2	CSR helps the company to identify innovative ideas for doing business	
F3.3	Through CSR activities firm is able to improve on its business image and identity	
F3.4	Company believes in ethical ways of doing business	
F4.1	Interest of the company is given upper hand while designing a CSR plan	Items have been adapted from studies by Mankelov & Quazi, 2007; Friedman, 1970, 2000.
F4.2	Company receives tax incentives by undertaking CSR activities	
F4.3	Intensity of CSR activities are directly related to the profit / revenue earned	
F4.4	Company follows established industry practice while designing CSR activities	

Table 2: Correlation / Mean / Standard Deviation

	F1.1	F1.2	F1.3	F1.4	F1.5	F1.6	F2.1	F2.2	F2.3	F2.4	F3.1	F3.2	F3.3	F3.4	F4.1	F4.2	F4.3	F4.4
F1.1	1																	
F1.2	.677	1																
F1.3	.589	.627	1															
F1.4	.708	.664	.670	1														
F1.5	.692	.778	.711	.683	1													
F1.6	.457	.604	.590	.580	.602	1												
F2.1	-.029	-.046	.035	-.039	-.024	.054	1											
F2.2	-.021	-.029	.099	.085	.006	.013	.633	1										
F2.3	.066	.051	.204	.125	.035	.092	.624	.594	1									
F2.4	.166	.129	.196	.185	.122	.192	.757	.645	.664	1								
F3.1	.005	-.055	-.005	-.007	.015	.106	.096	.050	.187	.162	1							
F3.2	-.198	-.226	-.158	-.221	-.175	-.061	.098	.056	.008	.034	.610	1						
F3.3	-.137	-.171	-.154	-.186	-.113	-.003	.121	.068	.112	.148	.722	.629	1					
F3.4	-.108	-.030	-.112	-.078	-.013	-.014	-.043	-.148	-.100	-.031	.208	.171	.251	1				
F4.1	.111	.140	.071	-.066	.126	.057	-.023	-.087	-.103	-.109	-.127	-.006	-.045	-.153	1			
F4.2	.128	.177	.073	.013	.129	.077	-.056	-.153	-.186	-.087	-.120	.010	.002	-.084	.738	1		
F4.3	.052	.074	.026	-.150	.029	-.036	-.010	-.069	-.006	-.056	-.005	.038	.064	-.087	.644	.614	1	
F4.4	.098	.031	.032	.070	.135	-.010	.035	.097	.059	.027	.038	.044	.057	-.191	.188	.125	.176	1
Mean	3.08	3.20	3.11	3.08	3.03	2.91	2.89	2.89	2.95	2.89	3.08	3.11	3.04	2.99	2.96	2.92	3.12	2.91
SD	1.31	1.27	1.21	1.31	1.32	1.22	1.35	1.31	1.19	1.30	1.42	1.30	1.33	1.35	1.38	1.22	1.30	1.25

Figure 1: The final CSR model

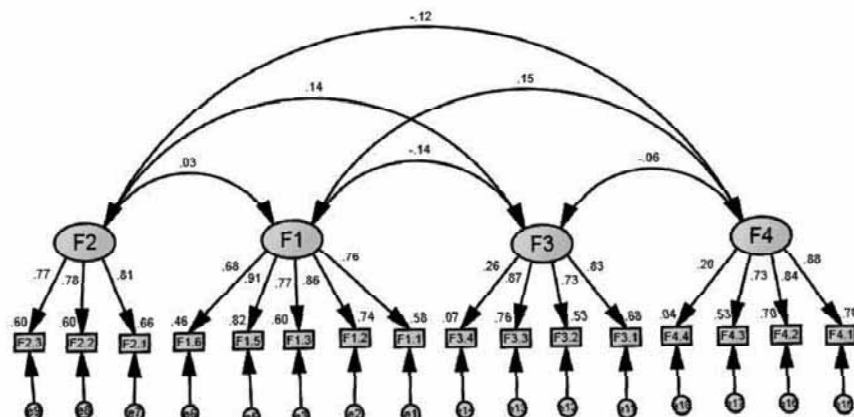


Table 3: Summary of confirmatory factor analysis

Variable Label	Final Standardised Loadings	Squared Multiple Correlation	Average Variance Extracted (AVE)	Composite Construct Reliability (CR)
F1.1	0.582	0.763	0.64015	0.89805
F1.2	0.738	0.859		
F1.3	0.600	0.775		
F1.4	Dropped	-		
F1.5	0.820	0.905		
F1.6	0.461	0.679		
F2.1	0.656	0.810	0.61809	0.82914
F2.2	0.602	0.776		
F2.3	0.596	0.772		
F2.4	Dropped	-		
F3.1	0.683	0.826	0.51115	0.78751
F3.2	0.530	0.728		
F3.3	0.762	0.873		
F3.4	0.070	0.265		
F4.1	0.777	0.881	0.51248	0.78202
F4.2	0.703	0.839		
F4.3	0.532	0.729		
F4.4	0.038	0.196		
Model Fit: Chi Square = 102.26 (df = 98), p = .364 RMSEA = .018, NFI = .899, RMR = .101, GFI = .914, TLI = .994, and CFI = .995				

Goodness of fit index= 0.914 and Root mean square (RMR) =0.101 are supportive.

Table 3 displays standardized loadings. The lowest loading obtained is 0.196 linking F4 to F4.4. One other loading fall

significantly below standards is 0.265 linking F3 to F3.4. The p-value associated with these loadings is showing insignificant. The squared multiple correlation values are also provided in Table 1.2 which indicate (lower bound) the reliability of the measure; F1.5 (.820) and F4.4 (.038) have the highest and the

lowest, respectively. An interpretation is that the construct F1 accounts for 82% of the variance in F1.5 and construct F4 accounts for 3.8% of the variance in F4.4.

The variance extracted estimates and the construct reliability are shown in Table 3 (Fornell & Larcker, 1981). The variance extracted estimates range from 51% (F3) to 64% (F1). All exceed the threshold of 50%. Construct reliabilities are ranging from 78% (F4) to 89% (F1). Once again these exceed the threshold of 0.60. Taken together evidence supports the convergent validity of the measurement model. This congeneric measurement model supports the discriminant validity because it does not contain any cross loadings either among the measured variables or among the error terms. No post-hoc modifications were indicated from the analysis because of the good-fit indexes, and the residual analysis did not indicate any problems.

The four factors that emerged are described below:

Factor 1: Customer Propositions (F1) – This factor represents that SMEs are inspired for CSR as it increases interaction with the customers and helps it to increase customer base and explore new market opportunities. The main ambition of any business venture is to expand its markets and customer and CSR is a vehicle through which SMEs are able to achieve this objective and hence their inspiration for the same.

Factor 2: Stakeholder Value (F2) – This factor indicates that SMEs are able to enhance the value and morale of the stakeholders (employees) through CSR initiatives. The reason may be that CSR activities make the employees a more socially responsible human being and the firm gets benefitted by having them as a part of the work force. The bond between the firm and its stakeholder thereby increases.

Factor 3: Founder Characteristics and business values (F3) – This factor represents the objective of the founder and the broad socio-economic purpose for which a business exists. CSR events demonstrate and establish a positive business identity. The entrepreneur wishes to be known in the society as a socially responsible entity and thus reinforces a strong positive image for itself.

Factor 4: Business Motives (F4) – This factor stresses upon the economic objective of a business. There are clear business instincts which aim at making sufficient profits for the survival of the venture which in turn would help to fulfil

societal needs. SMEs are also driven by their willingness to match the CSR activities of competing firms for strategic purposes.

Implications and Conclusion

The diverse motivations of SME owners are reflected through this study. The SME motivations were grouped into four underlying dimensions: ‘Customer proposition,’ ‘Stakeholder value,’ ‘Founder characteristics and business values,’ and ‘Business motives.’ The findings have potential impacts on internal stakeholders, such as employees, and external stakeholders, such as customer, social groups. SME owners take on different roles, such as being an entrepreneur with strict business motives and being part of the society in which it operates, which, in turn, impacts on SME CSR participation with internal and external stakeholders. Employees can participate in philanthropic events outside their working hours with active support and participation of the entrepreneur. The external stakeholder on the other hand may benefit by getting goods and service from the firm in proper quantity, quality and at the right time and place. The study found that SMEs are both willing and able to make significant contributions to support predominantly local events and organizations in recognition of their social obligations and economic objectives.

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Job Engagement : Medical Transcription

M. Sheik Mohamed and H. Anisa

Abstract

One of the most discussed topics today is *Organizational Citizenship Behaviour (OCB)* in the context of *Human Resource Management (HRM)*, because it is believed to reap rich benefits to an organization both in terms of productivity and financial performance. This paper explores empirical evidence to find whether there exists a positive correlation between *Job Engagement*, *OCB* and *Task Performance*, to check whether the effort and time spent on *OCB* development is really worth it. The data used in this research is from a medical transcription industry (sample size 203) and the method of analysis is *partial least squares path modelling (PLSPM)* approach. The results have revealed the fact that *Job engagement* is positively correlated to *OCB*, which is in turn, positively correlated to *Task Performance*. The study results are useful to the organizations in the current globalized scenario, as it gives an empirical support to the fact that *OCB* is contributing towards the enhancement of quality, performance, and by and large, the organizational survival itself.

Key words: *Physical job engagement, Emotional job engagement, Cognitive job engagement, organisational citizenship behaviour, and task performance*



*Dr. M. Sheik Mohamed, Vice Principal and Professor,
Jamal Institute of Management, Jamal Mohamed College,
Tiruchirappalli-20, Tamil Nadu.
Email: drmsheikmd@yahoo.com*



*H. Anisa, Assistant Professor, Jamal Institute of
Management, Jamal Mohamed College, Tiruchirappalli-20,
Tamil Nadu. Email: anisa.akh@gmail.com*

In this modern era of knowledge economy, Human capital being the only source of intellectual capital, the discipline of Human Resource Management (HRM) has received an unprecedented importance. While there are several components of HRM, Organizational Citizenship Behaviour (OCB) is today becoming one of the most sort after components for research owing to the fact that it has bearing on almost all aspects of HRM. To name a few, researchers have extensively studied the interrelationships between OCB and: Workplace (Turnipseed, 1996), Sales manager control strategy (Piercy et al., 2002), Service quality (Bienstock et al., 2003), Competencies (Kagaari & Munene, 2007), Materialistic attitude (Torlak & Koc, 2007), Job satisfaction (Murphy et al., 2002 and Foote and Tang, 2008), Total quality management (Jung & Hong, 2008), Professionalism (Cohen & Kol, 2004), Leadership and trust (Appelbaum et al., 2004), Career orientation (Chompookum & Derr, 2004), Customer loyalty (Castro et al., 2004), Personality (Comeau & Griffith, 2005 and Emmerik

& Euwema, 2007), Participation in decision making (Bogler & Somech, 2005), Organizational solidarity (Koster & Sanders, 2006), Performance appraisal and Reward systems (Werner, 1994 and Becton et al., 2008), Organizational justice (Zoghbi-Manrique-de-Lara & Melián-González, 2009), Inter-organizational behaviour (Skinner et al., 2009), Group behaviour (Sevi, 2010; Oplatka & Stundi, 2011), Leadership (Hongyu et al, 2012), Knowledge sharing and Job attitude (Teh & Sun, 2012), Culture, motivation and job satisfaction (Cun, 2012), and Accountability (Elstad et al., 2012).

The above streams of research in the field of OCB since the past several decades have underscored the importance of this area in HRM and the research is on round the globe to study in depth the interventions and implications of this field of research. This paper is one step forward in this direction with a focus on certain specific issues in the context of HRM.

2. Motivation for this research

While there are several theoretical models to study the interrelationships between OCB and various components of HRM, the literature lacks in empirical evidence to prove the strength of these interrelationships. Several researchers have emphasized that there is a dire need to structurally relate these two variables so that practitioners can strengthen the OCB in their organizations to reap tangible benefits out of it. This is basically the main motivational factor that has led to the undertaking of this research.

Further, there has been always a gap between theory and practice, however small or big it is, and researchers have been trying to fill this gap by finding the empirical evidence through empirical studies. So, the insatiable lust for establishing and empirical evidence between OCB and the key components of HRM is also a secondary motivational factor in this research.

3. Problem Statement

HRM interventions should ultimately lead to Task performance of the employees. The underpinning assumption behind the strengthening of OCB is that it enhances the productivity, efficacy, efficiency, and effectiveness of the employees. Kahn (1990) has theorized that one of the consequences of Job engagement could be OCB, even though it is not supported by empirical evidence. Further, does OCB have a positive correlation with Task performance is a question which is yet to be answered. So, the problem identified in

this research is to seek empirical evidence for relationships between Job engagement and OCB, and OCB and Task performance.

4. Objectives of the study

The cardinal objective of the study is to seek empirical relationships between HRM components and OCB. However, to achieve this overall objective, following sub-objectives have been formulated:

1. Perform meta-analysis of the contemporary research and identify the variables of Job engagement, Organizational citizenship behaviour and Task performance.
2. Develop and validate a metric to measure the above variables of study.
3. Undertake an empirical research to seek relationship between the above variables.
4. Develop an empirically validated model to fill the research gap in explaining the relationships between the above study variables.

5. Literature Review

The literature is rich in HRM, whereas, as far as OCB is concerned it is yet to grow particularly in connection to the empirical studies. Nevertheless, there are a sizable number of very active set of researchers who have been constantly working in studying the importance, relevance and applications of the various dimensions of OCB in the real life situations in the emerging global economy. In fact, the field has been extended to Global Business Citizenship Behaviour (Torlak & Koc, 2007) and Inter-organizational behaviour (Skinner et al, 2009), as it is gaining importance at the international level in the business world. However, in the scope of this research, the focus is specifically to study the interdependencies between certain key HRM dimensions which have bearing on OCB and organizational performance.

Speaking in terms of the components of HRM, Job Engagement and Task Performance are having direct bearing on Productivity and Organizational performance. So, the empirical evidence between these two and OCB would reveal to a significant extent whether or not OCB contributes to the organizational success.

Job Engagement

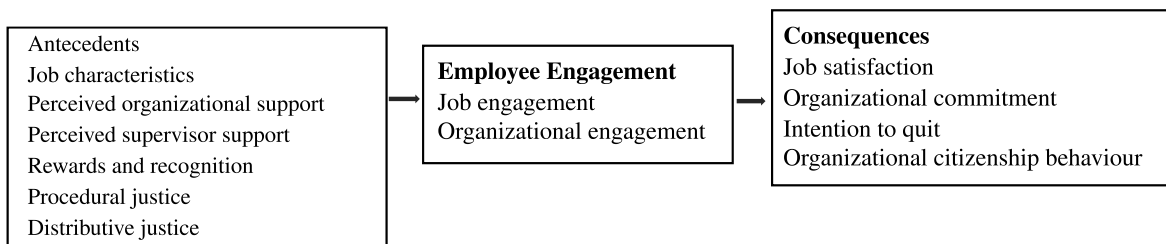
Job engagement has taken the central role in the discussion of managerial or organizational efficacy. Many researchers claim that Employee engagement predicts employee outcomes, organizational success, and financial performance (Bates, 2004; Baumruk, 2004; Harter et al., 2002; Richman, 2006).

Employee engagement has been defined in many different ways and the definitions and measures often sound like other better known and established constructs like Organizational commitment and Organizational citizenship behaviour

(Robinson et al., 2004), so a context based definition may be necessary while undertaking a research in this topic.

Job engagement, as conceptualized by Kahn (1990), entails the active investment of personal energies into task performance, and the more individuals are engaged in their work, the greater will be their investment of effort and attention to task activities. Kahn also conceptualized the antecedents and consequences of Job engagement (figure 1) which indicates how important a concept this is in the organizational context.

Figure 1: A model of the antecedents and consequences of employee engagement



(Source: Saks, 2006).

Slåtten & Mehmetoglu (2011) through their research findings show that employee engagement is closely linked to employees’ innovative behaviour and their study clearly reveals the value of having an engaged frontline workforce and the study proves that perceptions of role benefit, job autonomy, and strategic attention were all significantly related to greater job engagement.

According to Schaufeli et al (2002) job engagement is a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption. Vigour is the level of the energy and mental resilience while working, the willingness is to invest effort work, and persistence is the determination to face difficulties during work. Dedication refers to a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption captures the state of being fully concentrated and deeply engrossed in one’s work, whereby one perceives time to pass quickly and has difficulties detaching oneself from work.

The three important components of Job engagement are Cognitive Job Engagement, Physical Job Engagement, Emotional Job Engagement (Kahn, 1990; Salanova et al., 2005;

Maslach & Leiter, 2008). In general terms, cognitive refers to the information processing view of an individual’s Physical function. According to Kahn, Cognitive job engagement is lively awareness, intellectual vigilance, and a sense of heightened perception and interest. Physical job engagement is based on the energy expended by the individual on the job. Emotional job engagement is a sort of behavioural involvement with the job (Macey and Schneider, 2008). Physical Dimension when engaged in a role, people employ and express themselves physically (Kahn, 1990). The physical dimension of engagement is manifested by the exertion of effort in one’s job. This exertion can range from lethargy (low engagement) to vigorous physical and mental effort. One’s physical engagement is thus partly dependent on the contextual or mental and physical requirements of the role. Kahn suggested that physical energies can be allocated to a range of different activities, including on-task, off-task, and self-regulation activities. However, when individuals are engaged in their role, physical energies are directed at the accomplishment of role task. Finally, Emotional Job Engagement is people exhibiting engagement by “harnessing” themselves to their role through the investment of varying degrees of personal

energies and emotions (Kahn, 1990). Emotional involvement may trigger enthusiasm, interest, pride, positive image, and excitement about the job. All the above features form the basis for the construct of the metric used for measurement purpose in this research.

Organizational Citizenship Behaviour

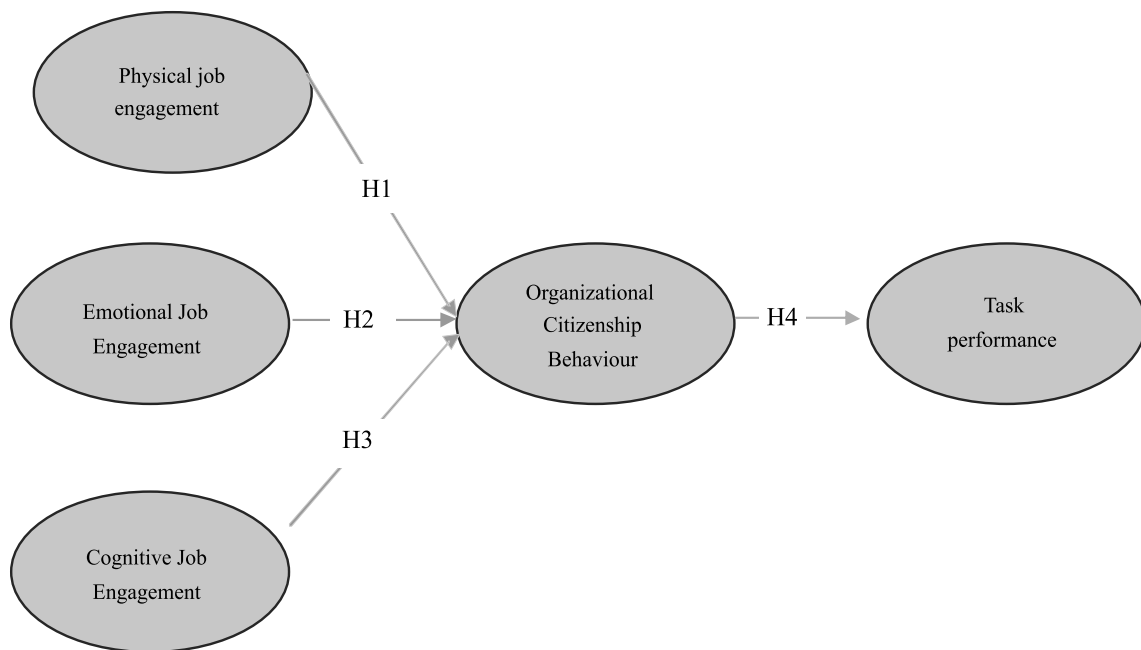
Organizational Citizenship Behaviour (OCB) is defined as those extra work-related behaviours which go above and beyond the routine duties prescribed by their job descriptions or measured in formal evaluations (Bateman and Organ, 1983). Managers value OCB as it is believed to create a work environment conducive to cooperation and contribute to organizational performance. It helps to reduce the amount of time a manager spends on an issue and enables focusing on other opportunities for improving organizational performances (Turnipseed and Rassuli, 2005). Numerous studies have made attempts in relating OCB with various dimensions of organizational performance (Bateman and Organ, 1983). OCB is supposed to have influence on cooperation with peers, performing extra duties without complaint, punctuality, volunteering and helping others, using time efficiently, conserving resource, sharing ideas and positively representing the organization (Turnipseed and

Rassuli, 2005). Most of the studies about the relationship between OCB and performance or other HR dimensions are theoretical rather than empirical (Borman and Motowidlo, 1993). These studies typically suggest that OCB is positive for organizations and benefits most of the HRM dimensions related to organizational performance. However, empirical studies reported so far do not support a consistent linkage between OCB and performance and there is a need to explore the evidence for causal relations between Job engagement and Task performance with OCB.

The Task Performance

Task performance has been one of the oldest research topics of social psychology starting with the studies of Triplett (1898) and Ringelmann (Kravitz and Martin, 1986). Steiner (1972) has introduced two broad explanations for the effects of reduced group task performance; coordination loss and motivation loss (Steiner, 1972). Motivation loss on task performance can occur when group members believe that they will not personally benefit from their own efforts (Kerr, 1983). There is research evidence to prove that group performance can be increased when individuals are working collectively (Haslam, 2004 and Karau & Williams, 1993). Task performance includes the degree of completeness of the job,

Figure 2: Structural model seeking relationships between Job engagement, Organizational citizenship behaviour and Task performance



fulfilling the responsibilities as specified in the job description, self-efficacy, keeping engaged on a continual basis on activities that improve the job performance, and perform all the essential duties meticulously.

6. The Research Model

Through the literature review it is evident that there could be interrelationships between the dimensions of Job engagement and there could be a possibility for a positive correlation between Job engagement and Organizational Citizenship Behaviour. Also, there is no empirical evidence to prove that Organizational Citizenship Behaviour of employees has a positive correlation with Task performance of the employees or if Job engagement is an antecedent of OCB. This research curiosity has led to the following research model (figure 2), and the corresponding hypotheses.

The conceptual structural model gives the diagrammatic relationships to be tested. Following are the hypotheses tested in this research.

- H₁: Physical Job Engagement is positively correlated to Organizational Citizenship Behaviour.
- H₂: Emotional Job Engagement is positively correlated to Organizational Citizenship Behaviour.
- H₃: Cognitive Job Engagement is positively correlated to Organizational Citizenship Behaviour.
- H₄: Organizational Citizenship Behaviour is positively correlated to Task Performance.

7. Research Methodology

This basically is an empirical study and as the name suggests it relies on experience or observation alone, and it can even be without due regard for system and theory (Kothari, 2004). This is basically a data-based research, coming up with conclusions which are capable of being verified by observation. The starting point of this research has been a working hypothesis on the interrelationship between Job engagement, Task performance and Organizational citizenship. Empirical research is most appropriate when proof is sought that certain variables affect other variables in some way and hence this approach has been adopted in this research.

As far as the approach is concerned, it is both qualitative as well as quantitative in nature. It is qualitative because the

very formulation of hypothesis is qualitative in nature as it involves the study of the theoretical models which exist and a thorough understanding and reasoning if there could be an association between the variables of study. Three streams of literature pertaining to Job engagement, Task performance and Organizational citizenship behaviour have been studied to understand the bearing of each one of them, and also, their antecedents and influences or consequences have also been studied and used in the formulation of the working hypothesis.

Respondents

The respondents are employees who form a Medical Transcription company called MedTek, Vijayavada, which is a leading provider of medical transcription and coding solutions for Healthcare Providers and Healthcare Organizations. MedTek is a joint venture between MedtekInc USA based in San Francisco, and Medtek (India) with 49% and 51% share respectively. The workforce comprises over 1000 professional transcriptionists and coders who service the clients' needs through secure Web-based systems. The sample size of the study is 203 employees. Disproportionate simple random sampling was used as stratification, wise response, not important for the specific purpose of this research. Pilot study was undertaken with a sample of 45 random employees so that modifications and simplifications of the jargons used were incorporated. The instrument has been validated for content, construct and criterion validity. Finally, the metric in the form of a self-administered questionnaire (Appendix I) with 5-point Likert scale was served to 300 employees (response rate 68%), who are basically employees working on transcription, to collect the data.

Procedure

The respondents were contacted through the HR manager during their free timings and the purpose as well as the importance of the research was explained, and also, the anonymity of respondents was guaranteed to ensure that there would be no bias in their response. Even though there was no particular reason for having chosen transcription workers, the affective domain of job engagement was significantly tested in this kind of a job so it would suit to the purpose. Several visits were made to the company until the desired sample size was reached.

Questionnaire and measures

This study employed a self-administered and structured questionnaire, with most of the questions developed through

meta-analysis of the literature. Meta-analysis is basically a research procedure where all the literature relevant to the study is scanned and the most the variables of interest are separated and scanned for the association with other variables so that a relation can be established between these variables of study. This would be of particular use while developing a metric for measurement. Even though standard metrics were available for some of the dimensions of study as this study is specially oriented towards the three variables of interest the questions needed rephrasing to suit the purpose and hence validation was to be carried out. One expert evaluated the questionnaire, which then was pre-tested with five respondents. The five respondents were chosen because of their expertise and knowledge related to the content of working as a frontline employee in the transcription organization included this study. On the basis of the comments and evaluations from both the expert and the five respondents, some questions have been re-worked on for the sake of improving the clarity, readability and understandability of questionnaire.

The questionnaire thus developed had separate sections for Physical job engagement (6 questions), Emotional job engagement (6 questions), Cognitive job engagement (6 questions), Organizational citizenship behaviour (16 questions) and Task performance (7 questions). In addition to these sections there was a separate section on socio-demographic characteristics, including age, gender, level of education, and income.

Sample Characteristics

Out of the 203 respondents 65% were female and 35% were male employees of transcription. Designation wise majority of the respondents were Medical Transcriptionists (80%), a small number of them were Senior Transcriptionists (13%), and a very small number of them were proof readers (7%).

Experience wise majority of them had less than 5 years of experience (88%) and the remaining had above 5 years but less than 10 years of experience. About 56% of the respondents were drawing a salary of less than ₹ 10,000 per month, 37% were in the range of ₹10,000 to 20,000 , and only 7% were drawing a salary in the range of 21,000 to 30,000. Majority of them were in the age group of 20 to 30 years (50%), quite a sizable number were in 30 to 40 years (40%), a small number below 20 years of age (8.5%) and in the category of above 41 years only 1.5% of the respondents were present. Qualification wise, majority were Bachelor's degree holders (51%), a sizable number were Post graduates (41%), and a small number of respondents were diploma holders (8%).

8.Data analysis and results

This study used partial least squares path modelling (PLSPM) to examine the study's suggested model. The reason for this choice is the simple fact that PLSPM is an analytic technique that runs principal component analysis (PCA) and regression analysis simultaneously. Thus, PLSPM is considered to be a more efficient analytic technique than the conventional method, in which, PCA and regression analysis are performed separately. The PLS analysis pursued a two-stage approach by first assessing the measurement model (validity and reliability), and then assessing the structural model by an estimate of the paths between the latent variables in the model and its predictive power.

Measurement Model

This study used the following criteria to assess the psychometric properties of each reflective construct: average variances extracted (AVE), item loadings' significance, and discriminant validity. The reliability of the study in terms of

Table 1: Reliability and internal consistency of the variables

Construct	Composite Reliability	AVE Cronbach	Alpha
1. Physical job engagement	0.8729	0.5341	0.8255
2. Emotional job engagement	0.8542	0.4953	0.7951
3. Cognitive job engagement	0.8120	0.4195	0.7201
4. Organizational citizenship behaviour	0.8555	0.2763	0.8207
5. Task performance	0.8226	0.4026	0.7492

internal consistency is acceptable in terms of Alphas Cronbach (Table 1). The average loadings and convergent validity for all

the factors except OCB(<0.4), indicating acceptable internal consistency. Physical and Emotional job engagement have

Table 2: Correlations between the variables

	Physical job engagement	Emotional job engagement	Cognitive job engagement	Organizational citizenship behaviour	Task performance
1. Physical job engagement	1				
2. Emotional job engagement	0.61	1			
3. Cognitive job engagement	0.56	0.53	1		
4. Organizational citizenship behaviour	0.50	0.50	0.48	1	
5. Task performance	0.36	0.40	0.40	0.47	1

Correlations significant at alpha 0.05

Table 3: t-statistics of the variables

	Entire Sample	Mean of subsamples	Standard error	T- Statistics
phyeng->ocb	0.232	0.2355	0.0616	3.7648
emoeng->ocb	0.222	0.2363	0.0652	3.4043
cogeng->ocb	0.233	0.2403	0.0599	3.8918
ocbev->taskperf	0.471	0.4935	0.0499	9.4343

highest correlation (0.61), whereas, Physical job engagement and Task performance have least correlation (0.36) (Table 2).

Incidentally, all the hypotheses stand supported through the correlation (Table 2) as well as t-statistics (Table 3) (Figure 3), which delineate the fact that:

H₁: Physical Job Engagement is positively correlated to Organizational Citizenship Behaviour.

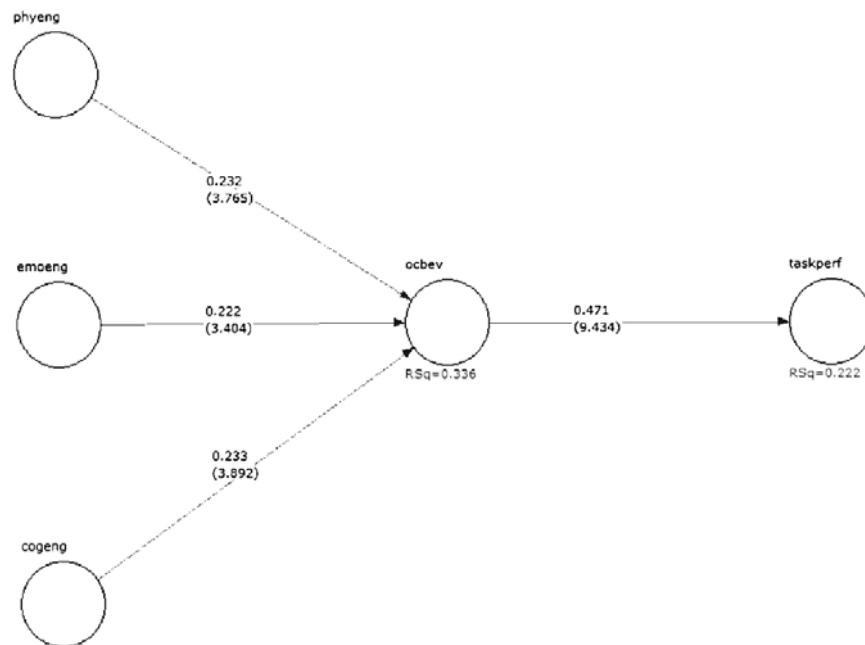
H₂: Emotional Job Engagement is positively correlated to Organizational Citizenship Behaviour.

H₃: Cognitive Job Engagement is positively correlated to Organizational Citizenship Behaviour.

H₄: Organizational Citizenship Behaviour is positively correlated to Task Performance.

9. Discussions and Conclusion

This research has empirically demonstrated the fact that Employee Engagement in all the three forms (Kahn, 1990) are positively correlated to Organizational Citizenship Behaviour, and in turn, Organizational Citizenship Behaviour is positively correlated to Task Performance. This finding is highly relevant to the HRM literature because it emphasizes the critical role of OCB in service firms, which until now in the literature has most often been conceptually assumed or

Figure 3: Structural Research Model with correlation and t-statistics

regarded as the foundation for Task performance (Turnipseed, 1996; Piercy et al., 2002; Murphy et al., 2002; Bienstock et al., 2003; Cohen & Kol, 2004; Castro et al., 2004; Comeau & Griffith, 2005; Kagaari & Munene, 2007; Torlak & Koc, 2007; Emmerik & Euwema, 2007; Zoghbi-Manrique-de-Lara & Melián-González, 2009; Sevi, 2010; Oplatka & Stundi, 2011; Cun, 2012; Elstad et al., 2012 and Hongyu et al., 2012). The organizations (both service and manufacturing) provide an environment congenial to the growth of OCB, nevertheless, there has been no empirical evidence to link these three critical variables, and in that sense this research becomes unique and adds to the body of knowledge of OCB literature.

The study results have supported the hypotheses both under the t-statistics and correlation matrix. While Physical, Emotional and Cognitive Job Engagements are correlated positively (0.232, 0.222, 0.233) but weakly, the OCB has established a relatively strong correlation (0.5) with Task performance. However, under t-statistics the hypotheses stand supported in all the cases.

The results support the 'broaden-and-build' theory that a positive Employee engagement broadens a person's thought-action repertory leading to the OCB, and this belongingness

to the organization, will promote the Task performance, which is the quintessential factor for quality, growth, and survival of an organization. The point to be noted is that in the context of a service industry such as the transcription company considered in this research, all three forms of Job engagement are vital for the overall performance and this research has taken the three components individually. While previous literature is focussed on role theory, this research is focussing exclusively on task theory and ends up ultimately in the study whether task performance is enhanced, which is essential for the organizational survival.

The work opens up a new direction for research as linkages between Job engagement to the individual components of OCB can be studied by future researchers. This study result is based on the study in a particular service industry and even though the results can be generalized to a considerable extent it cannot be accepted as a general theory due to the selection of the limited sample and as it is focussed on one single service sector. So, this research provides ample scope for future researchers to extend this study by considering a cross section of service sectors and an extended sample size. This research is very timely in the sense that the HRM

literature is already saturated with OCB literature and is making attempts to move towards Inter-organizational citizenship behaviour and International organizational citizenship behaviour, and may ultimately lead towards Global organizational citizenship behaviour.

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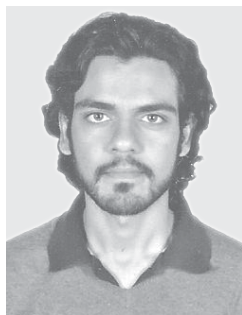
Plugging In: New PR Technologies

Vineet Kaul

A b s t r a c t

This article offers a benchmark study of public relations research, drawing on insights from both scholars and practitioners to question outdated models. The technologies examined here are digital, or computer-based, and networked-enabled, such as wired and wireless technologies that reach globally through the Internet and World Wide Web. The impact and implications are examined in four broad areas: the impact of technology on how public relations practitioners do their work, the implications of technology on the content or messages developed and delivered, the implications of technology on organizational structure, culture and management, and the impact of technology on the relationships between or among organizations.

Key words: *New technology, corporate public-relations, new media, social media.*



*Vineet Kaul, Research Scholar, Ph.D in Communication
at DA-IICT University, Indroda Circle,
Gandhinagar - 382007, Gujarat
Email : vineetkaul2404@gmail.com*

Public Relations is about a multitude of things—communication, relationship, strategy, messages, and so on—and that it can overlap and coexist with fields like advertising. We believe that, in all its complexity, public relations is an art, a science and a business. Considering that public relations is a communication discipline, one would think that the rapid proliferation of new media tools and rapid communication technology would make public relations all that more powerful and effective. Others suggest that the effects of the internet on communication for organisations will be “instantaneous and far-reaching” (Owyang & Toll, 2007, p. 1). Public relations has grown and matured and, like many other professions, it has had to adapt many of its processes, structures and responsibilities because of the rapidly changing communications and information environment.

We have grown accustomed to the steady parade of new devices for communications and novel uses of them. In the

historic span of human communications, this transition has been extraordinary in its impact and speed. Public relations, to some the business of puff and fluff, is flexing its media muscles like never before and strong- arming its way into areas once considered the exclusive domains of advertising agencies, broadcasters and publishers. PRs, who once had to go through the prism of journalism to convey their messages to a mass audience, are increasingly confident in circumventing traditional media altogether. In generating their own video and text-based digital content on behalf of clients, they are not only taking the bread from the table of a weakened advertising sector but encroaching onto the old territory of television and press companies. Therefore, the mantra is that every company has to be a media company in their own right, telling their own stories not just through websites but through branded entertainment, video, iPad and mobile applications. Big companies have already started going directly to the consumer to engage them now, rather than through display or spot ads and the traditional means of trying to reach consumers. One can't just be out there shouting at people about his brand, he has got to be engaged with them quite carefully, and the editorial skills that he can bring will help with that.

Many types of organizations virtually and physically interact and communicate with publics and/or audiences outside their own country of origin to build a dynamic set of relationships. Trade, direct foreign investment, political coalitions, worthy global causes, information flow, and social networking, among other phenomena, are increasing the complexity of these relationships dramatically. Moreover, this complexity results in greater interdependence and interconnectivity among societies, groups of ideology-driven or cause-driven individuals, and organizations worldwide (Sharp & Pritchard, 2003). This reality parallels the evolution of public relations as a profession, practice, and field of study in every corner of the planet (Bates, 2006; Sharp & Pritchard, 2003).

The walls of the traditional box are falling away and taking every opportunity to move into new territory. The titans of public relations have made the industry significantly powerful and evolved themselves with changing times. We are witnessing the beginning of a new era in public communication because of introduction of new media technologies and it is only a matter of time before we see Wiki news, a global collaborative news service, potentially dwarf CNN, the BBC

and global wire services in our day today life.. These new networks are rewriting the rules of media relations, and stakeholder communication. Scholars from around the world provide intriguing insights into how constantly emerging technologies require organizations to be interactive and authentic in virtual environments where control and creation of messages is a shared process. With the dominance of Western-based public relations models and theories, non-Western practitioners across the globe instinctively attempt to implement them, often unsuccessfully, regardless of their surrounding environment. While the Western practitioners predominantly practised symmetrical communication models, the Asian practitioners only idealised these models but depended upon press-agentry/publicity and the public information model. Other models such as the personal influence and cultural interpreter models are heavily used in Asia.

Today's media can be seen as comprising a single complex system that encompasses a vast range of digital and nondigital, mass and personal communication. This system offers new opportunities for public relations practitioners to develop integrated strategies for monitoring and managing a broad communication context. New media technologies challenge PR practitioners to expand their thinking and practice. A large part of the PR industry has not yet engaged in any substantial way with new media and concepts such as Web 2.0. Of those that have, the primary focus is how to produce Web sites, produce blogs, and produce podcasts, yet more outputs; more focus on process and practice. It is comparatively rare to find practitioners monitoring and analyzing the use, impact and effects of blogs, for instance, and it is rare to find them at the forefront of policy making and planning, advising their organizations on the implications of new media. A strong PR strategy can really set a company apart from the competition and extend business' thought leadership outreach and touch a broader audience. PR practitioners who want to traverse successfully in the new modern world must be able to embrace and master this technology well. It is evident that the usage of new media and technologies are widely practised in Asia and around the world. Several high-tech companies have attained industry visibility that is not necessarily justified by their market position or technical leadership, but rather by their leverage

the concepts of digital public relations. Public relations professionals can help their companies or clients navigate these new waters.

New media technologies have had a revolutionary impact on the field and practice of public relations. The new digital media have dialogical, interactive, relational, and global properties that make them perfectly suited for a strategic management paradigm of public relations—properties that one would think would force public relations practitioners to abandon their traditional one-way, message-oriented, asymmetrical and ethnocentric paradigm of practice. The extraordinary global adoption of public relations in recent years has changed the way organizations and the public relate to one another. Scholars from around the world provide intriguing insights into how constantly emerging technologies require organizations to be interactive and authentic in virtual environments where control and creation of messages is a shared process. In an increasingly rising economic climate and increased competition, with cost rising and profit dwindling, it has become imperative as well as challenging for many organizations to not only make profit but also ensure that the public, internal and external, see them in a positive light. To achieve this, organizations need to adopt some measures to ensure that the reputation of their organizations' products and services are enhanced, at the same time establish and sustain mutual relationship with their public. Although corporate websites, chat-rooms, email customer response facilities and electronic news release distribution are now viewed as standard aspects of public relations practice (Galloway, 2005) but many public relations practitioners are still struggling with the impact of new media, and especially the Internet. Research has shown that practitioners are not fully embracing new media, are ill-equipped to do so and have a fear of the technology (Alfonso & de Valbuena Miguel, 2006).

New media gave people the opportunity to become active creators of online content which affected the public ability to exert their power. The terrain of public relations practice is also shifting with new media bringing about substantial increases in stakeholder strength through facilitating communication within stakeholder groups and between different stakeholder groups (Van der Merwe, Pitt & Abratt, 2005). Information 'pours out of digital spigots [sic]' (Stephens 2007, p. 35) and news now arrives 'astoundingly

fast from number of directions' (Stephens 2007, p. 35) and it is often free. Anyone with a computer linked to the Internet has the ability to publish information for potential global consumption and it is clear that the internet 'is revolutionising many aspects of public relations research and practice' (Taylor & Kent 2006, p. 145).

The impact stakeholders can have on organizational policy, strategy, and project is dependent on their relationship to either the organisation itself or the issues of concern, or both. One prominent way organizations globally can achieve this is through good Public Relations (PR) - a process / business of studying public attitudes, executing programmes of action and relaying information to the publics through channels / medium / media, so as to earn public acceptance and good will. The Public Relations officer having this huge task has to ensure that the appropriate channel(s) of reaching the target publics is/are employed among many other channels. As it is a known fact that there are so many channels of communication the PR officers can use to execute his or her job, but the most prominent and common is the media. However, since there are several media outlets, transforming daily, with increased advancement in technology, the Public Relations officer is left with the task of maintaining credibility and mutual relationship with the appropriate media so as to reach their public not just effectively but also positively. This is where the concept of Media Relations, an important aspect of Public Relations comes into play.

2. Defining Media Relations and PR

Although media relations are only one of many important functions of public relations, it is traditionally the one often associated with the practice. Media relations have a central role within the practice of public relations because the media are the "gatekeepers controlling the information that flows to other publics in a social system. The media relations role is a traditional role for practitioners because it functions to "maintain media contacts, place news releases, and figure out what the media will find newsworthy about their organizations. Businesses, not-for-profit organizations, and even terrorist organizations rely on media relations to communicate important messages to multiple publics. Over the years media relations have gained an increasingly significant profile and added value to the business bottom-line. Many people use the terms public-relations and media relations interchangeably; however, doing so is incorrect.

Media relations refer to the relationship that a company or organization develops with journalists, while public relations extend that relationship beyond the media to the general public. Igben (1997) defines media relations as a “persistent interaction with the media of communication in order to maintain exchange of newsworthy confidence and sustained public information.” Baran (2004) observes that media relation requires that the “public relations professional maintains good relationship with professionals in the media, understand their deadlines and other restraints and earn their trust.” Biagi (2005) adds that media relations is contacting news media, freelance writers and trade publications with the intent of getting them to publish or broadcast news and features about or originated by the organizations. She asserts that media relations are simply responding to media request for information or spokesperson.” Similarly, Hanson (2005) states that media relations “is a two-way interactions with members of the press”, broadcast and online media – new media.

There are numerous definitions of what Public Relations is among today’s scholars and academics. The academic status of PR is young, and among the definitions the most famous one was coined by the Chartered Institute of PR in the UK as: “the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics”. Frank Jefkins, a PR guru from the 70s and 80s defined our sector as consisting of: “all forms of planned communication, outwards and inwards, between an organisation and its publics for the purpose of achieving specific objectives concerning mutual understanding”. I think Jefkins’ definition is the closest for the digital world. We are definitely planning two-way communications between organisations and its publics to achieve mutual understanding. The most used word seems to be the creation of ‘conversations’. As conversations are increasingly distributed, everything begins with listening and observing which helps identify relevant discussion, their scales and frequency. And these conversations are held in an ever more transparent world. So companies are judged not just by what they do but also by what they say they will do and how the two compare. Actions really do have to match the words.

In my view, the beauty of the digital world for PR is that it gives us valuable tools to create these conversations and to

make Jefkins’ definition a reality. I see the digital world delivering three benefits to the PR sector.

1. Firstly, the capacity to communicate with all of your target audiences at the same time. Online communications reach consumers and customers at the same time as they do the media.
2. Secondly, the opportunity to create a real and recorded two-way conversation, which will highlight both the good and the bad in an organisation’s relationship with its customers, prospects, employees and stakeholders. This gives the communications process considerably more valued as it allows companies to gain insights into customer behaviour and attitudes towards products and services – what they like and what they don’t like.
3. Thirdly, the ability to truly measure the impact of your communications – quickly, simply and affordably – demonstrating once and for all that PR can directly support business development and sales

Regardless of which definition of public relations you choose, several factors are consistent. PR is part of an organization’s overall marketing and communications function. PR is critical in helping to engage an organization’s diverse publics across media platforms including third party and social media. Public relations must protect the organization’s reputation and provide crisis management where necessary. Further, PR must accomplish this with an understanding of the search optimization opportunities.

Ideally, the job of the media relations department is “to help reporters and editors to do their job.” This explains why Ajala (2005) notes that “good media relations can only be established if public relations practitioners have an understanding of the functions of the media in the society.” The media, on the other hand, which now overlap with some of the contemporary tools of media relations as a result of their technological developments, innovations and convergence must continue to operate within the ambit of their functions to the society in which they operate.

3. New Media and Public Relations Theory

The early days of public relations knew no theories, thus no thought was put into communication plans, tactics, strategies, or programs. With no theoretical foundation, public relations

in many cases did more harm than good because legal ramifications, such as libel and fraud, were not considered. This oversight and bad judgment had dire consequences (i.e. profit loss and a tarnished organizational image) that had to be alleviated and avoided in order to insure public relations' survival. However, Grunig's research has added many new theories to the body of knowledge that already exists. These theories have helped to improve the field of public relations in many ways. Public relations practitioners are better able to serve the organizational and public interest by using the best model or models.

The convergence and mutual understanding of diffusion of innovations leads to the preeminent models and situational theories in public relations (J. Grunig & Hunt, 1984). The ideal model is the two-way symmetrical that leads away from the context/distribution of rhetorical theory (Heath, 1992; 1993) to collaboration and mutual problem-solving of the two-way symmetrical model. In the past, rhetorical theory has emphasized one-way persuasion but recently Heath (Toth & Heath, 1992; Heath, 1993) has described a mutual persuasion model of communication. Like rhetorical public relations theory, the two-way symmetrical model emphasized the receiver or audience view of an issue in strong alignment with the postmodern view, the listening and caring view of feminist theory and the deconstructionist stance of culture and chaos theory. In public relations terms, these audiences are called publics. Publics arise in response to the consequence, pro or con, that an organization has on people as it pursues its mission. Publics organize around problems and make issues of problems that actively affect them (J. Grunig, 1993).

As the public relations field matured, scholars have called for more careful reflection on the linkages between public relations research and larger bodies of theory to expand the scope of the discipline and situate it more effectively within an interdisciplinary, pluralistic framework (Bentele, 2007; Ihlen & van Ruler, 2007). The academic literature has been dominated by attempts to apply Grunig and Hunt's (1984) two-way symmetrical model of communication to examine the potential of new media to build constructive relationships between organizations and their publics. Alfonso and de Valbuena Miguel (2006) concluded that new media do offer a way to increase two way symmetrical communication but that current practice, at least in terms of online press rooms, did not achieve this. Pursuing the theme of two-way

symmetrical communication, McAllister and Taylor (2007) researched community college websites to determine whether the websites fostered dialogic relationships. They found an overall lack of interactive features that could solicit feedback or input from key stakeholders and stated that the weaknesses were limiting opportunities for public relations practitioners to collect information and monitor public opinion from individuals, as well as regional, state and federal entities.

If public relations is to be regarded as an ethical profession concerned with how people think and behave, it is important to provide an explanation of a range of public relations theories and to critique the reasons for adopting one theory over another. They website offerings as examples of essentially one-way asymmetrical communication, performing a similar role to that of a brochure, and that were focused on the sender-receiver transmission model of communication. The authors concluded that those websites studied were not facilitating relationship building with key publics (Allister & Taylor, 2007). Hassink, Bollen and Steggink (2007) cite several studies where symmetrical two-way communications is considered to be an important element in excellent corporate communication. They applied this approach to their own study of online investor relations and concluded that the presence of mechanisms on corporations' websites for investor inquiries by email did not equate with symmetrical communication. It was determined that it was whether the corporation responded at all, or the timeliness and quality of a received response that determined whether symmetrical communication was present. The study found that overall, corporations did not do well in this area and that organising a symmetrical dialogue with investors could require a structure that is quite different from the traditional supply-driven asymmetrical communications process (Hassink, Bollen & Steggink, 2007).

The rhetorical approach focuses on how public relations is engaged in the construction of messages and meanings that are intended to influence key publics important to an organization. Rhetorical theory encompasses a wide range of approaches, including argumentation, advocacy and persuasion, corporate communication, dialectics and discourse, dramatism and storytelling, information, organizing, public opinion, and reputation management. Yet, none of these approaches represents a comprehensive foundation for fully

understanding the processes or consequences of public relations. Then another theoretical theme is that of cross-cultural analysis, particularly looking at Asian public relations practice when compared to US practice, but to a lesser extent European and Middle Eastern practices. Beckerman's (2007) description of Middle Eastern blogging sheds valuable light on the role of the blog both as diary and also as 'a personal op-ed page' (p. 19) that exposes 'a hidden trove of multiple perspectives in a world that the West often imagines as having only one perspective' (p. 18). Although beyond the scope of this paper, to those engaged with organisational communication, Galushkin's (2003) theoretical argument for challenging aspects of media richness theory and social presence theory will be of interest. Hermann (2007) explores Weick's process of sense making as a way of investigating online communications in the context of investor online discussion boards and suggests several theoretical approaches for future research, including comparing interaction analysis typologies, applying network analysis or exploring strategic ambiguity.

Another theoretically rich approach that offers the potential of subsuming and tying together many of these seemingly unrelated approaches involves framing theory. Framing has been used as a paradigm for understanding and investigating communication and related behavior in a wide range of disciplines (Rendahl, 1995). These include psychology, speech communication (especially discourse analysis and negotiation), organizational decision making, economics, health communication, media studies, and political communication. Dewdney and Ride (2006) have also proposed another way of theorizing new media through 'cultural concept' which refers to 'an active and shaping set of ideas, and the underlying theories or wider discourses to which they belong, that informs what the practitioner does' (p.8). In one of the most interesting approaches to theorising public relations and new media, Galloway (2005) calls for professional communicators to develop a new form of cultural literacy and says that 'negotiating meaning systems in the mobile communications context demands use of a new language—"txt"—and a knowledge of the protocols of this environment' (p. 572). This does not just mean having the technical know-how but also refers to know-how about the conventions of 'swift, abbreviated, direct responses that capture communicative moments rather than extended discussion' (Galloway, 2005, p. 572). Galloway (2005) sees

these moments as 'spontaneous, rather than structured, used more to co-ordinate and sustain social relationships, and to meet emotional needs such as feelings of belonging rather than simply to achieve task related outcomes' (p. 572). One possible conceptualization for all this is put forward, that of 'dynamic communicative touch' (Galloway, 2005, p. 573). If Galloway is correct, and new media communication is fluid and spontaneous and about instilling feelings, public relations management paradigms centered on strategic planning and evaluation may need some major reconsideration.

4. P R in the New Media Landscape

There is ongoing debate within the industry about the value of PR and where the centre of gravity lies, with specialist digital agencies creating wide-reaching tailored, measurable campaigns. In particular, there is a growing grey area in which agencies of all kinds are starting to talk about paid media versus earned media. Should the two go hand-in hand? Is the new media landscape forcing a completely new approach to PR?

With the burgeoning new media landscape, we have the challenge and the opportunity to be creative and bold to reach new audiences in unconventional ways. The new media landscape is challenging for all organisations, not least the most globalised, client- focused, professional services for ground-breaking new approaches to communications. "As one industry after another looks at itself in the mirror and asks about its future in a digital world, that future is driven almost 100 per cent by the ability of that company's product or services to be rendered in digital form." (Negroponte, 1995). "Grupp (2000:34) suggests that, in the context of new media technology, public relations practitioners have become e-communicators and managers of online strategic relationships. He also assigns to practitioners the role of stewardship for the content of the Internet, that otherwise is just an unfiltered commodity. The Communication Revolution has brought about many benefits and new opportunities in public relations, but also new challenges and the need for new skills.

All PR is ePR and this remains a vital component when utilized effectively and Internet is allowed to go hand-in-hand with PR. If it's not being used carefully, the Internet will provide practitioners with nothing but crisis management. According to Geimann (2001), the Internet has accelerated the evolution

of public relations and created all-day news and information consumers. As a result of the Communication Revolution, being physically located in a particular centre is no longer a prerequisite for participation in global public relations. Advanced telecommunication, which instantly disseminates news and information around the globe, means that audiences today are multinational and even global (Hirigoyen, 2000:39). Indeed our roles within society- either as corporate or political players, individuals, small community groups or large NGOs are about involvement or engagement. The days of sending messages out and ignoring the consequences are well behind us. In this regard, Seitel(2001:474)suggests that while the new media will increasingly capture public attention in the most creative ways, public relations professionals will have to be equally creative to keep up with the new media and harness them for persuasive purposes..

Truth and technology will triumph over bullshit and bureaucracy. There are dramatic shifts in consumer tastes and trends that are hard to monitor, let alone shape, by large organizations. Consideration will be given to both the impact on skills, knowledge and work practices of current and future practitioners and the way new media is consumed and used, including the impact that related expectations and behaviour of consumers is having on public relations practice. New technologies are being developed and updated continuously and in themselves pose challenges for public relations professionals in terms of keeping abreast of not only what is available but also of what is being planned for release in the future. Many large scale public relations projects such as national public information campaigns or major international events have long lead times, and plans made a couple of years out from an event may need to be revisited several times to accommodate trends in usage of new technologies among key publics.

Organisations and their publics now use web pages, forums, blogs, social networks, email and SMS to communicate with greater ease and scope than at any time in history. Galloway (2005) puts forward that conventional techniques of public relations are being undermined by the mobile nature of new media and that this requires public relations practitioners to rethink how they relate to publics. Internet news services are not just relying on the news wire services but turning increasingly to other places for raw materials. Public relations

practitioners would be aware that 'transcripts, reports and budgets are regularly being placed on the Web, either by organizations themselves or by citizens trying to hold those organizations to account' (Stephens 2007, p. 35). Consumers expect instant updates in their inboxes when something happens. Public relations practitioners may be under more pressure to produce this instant content.

The implications for public relations practitioners of needing to prepare material faster than ever before include being able to produce what is required almost instantaneously and with the required level of accuracy; having processes in place that can get required priority clearances for materials to be released; and, having the technology at hand to directly distribute or upload what is being disseminated. These factors may put pressure on the public relations practitioner and the team with which they work but may also pressure the relationships they have with colleagues or more senior staff, in particular the CEO, and his or her minders. It can also add pressure to the relationship with the Information Technology (IT) team if direct upload to the corporate website is not available to the public relations practitioners. In-house public relations practitioners may need to form stronger alliances with IT departments and may have to engage with the organisation's legal advisers in order to refine content clearance procedures when content is demanded instantaneously.

Another area of practice that new media has changed in the past decade is that of events. People attending events are being exposed to more and more 'bells and whistles' as new media technology gives the wherewithal to create spectacle to an ever increasing number of people. The ubiquitous digital projector and PowerPoint presentation have become baseline requirements for the most basic events, and access to the Internet to enable presenters to integrate online elements is now almost essential. Practitioners working on events may need to manage expectations from their employing organisations, their consumers and stakeholders, including sponsors, that the level of spectacle and gadgetry provided at one event will be replicated or augmented.

If new media are to be embraced, public relations practitioners will need more technical skills in areas such as web publishing, new software operation, online security, search engine

optimisation, web analytics and web trend analysis software operation. They will need enhanced online information architecture skills and skills related to managing an increasing amount of complex information digitally. Writing for cross-media delivery will continue as a major component of practice but the demands for multimedia elements will bring even more challenges in this area. Since late 2006 there have been several trade press articles on how the media release is beginning to evolve to include multimedia elements. The past several years have seen an increased use of multimedia and interactive content in news releases and leading newswire services are fully equipped to distribute such material (Nowland, 2006).

With the trend towards multimedia news releases, the demands to have multimedia elements available for inclusion in such releases will grow. Public relations practitioners will be responsible for either coordinating production, or actually producing this material, and the budgets and skills bases of public relations units may need to be reviewed to accommodate these new demands. This trend may be setting up new expectations for content provision that smaller or non-profit organisations may not be able to easily meet and this has the potential to diminish the share of voice that less well-funded organisations receive.

There is also the need to consider whether target publics have access to new media technologies such as the Internet which becomes an issue when communication strategies target publics without such access due to geographic or socio-economic factors (Badaracco, 2007). All public relations practitioners will need to keep abreast of emerging media and many may already be undertaking public relations planning, implementation and evaluation in unfamiliar media areas. PR News Online started their PR Digital Report earlier this year and is now regularly covering stories on issues such as blogging, online communities and podcasting. Only a few years back it would have seemed unlikely to many practitioners to have to plan campaign components to embrace website possibilities such as YouTube and My Space but it is evident that many organisations and now, even election campaigns, are doing just that. In 2003, Galushkin suggested that SMS text messaging should be considered by organisations as a means to enhance internal communications given that spatial and temporal constraints had been weakened or removed, and new communication structures and forms had developed. Less than three years later, during the 2006 Australian Census of Population and Housing, SMS was used

extensively by the Australian Bureau of Statistics for communicating with tens of thousands of census employees. (C. Verey, Media and Public Affairs Unit, Australian Bureau of Statistics, personal communication, 26 April 2007)

The academic literature indicates a range of challenges ahead for public relations practitioners. They may need to design virtual experiences that stimulate feelings as connectedness, involvement, appreciation and meaningfulness (Galloway 2005). Serious consideration must be given to whether blogs are part of campaigns as there are indications that they could be effective at establishing and maintaining organisation-public relationships (Seltzer & Mitrook, 2007). Already the cautionary tales related to blogging are evident in the trade literature. A public relations firm was discovered to be ghost-writing a blog on behalf of Wal-Mart customers in the USA causing embarrassment to the company (Holmes, 2006). Sony was also caught out by faking a blog which was supposed to have been written by a boy wanting a Play station 2 for Christmas; this is known as 'flogging'—a term coined in the information technology media for fake blogging (Laycock, 2006).

Practitioners will need to be able to analyse how new technologies can aide or hinder traditional public relations roles like public information dissemination, media relations, reputation management, stakeholder relations, marketing communications, investor relations, and issues and crisis management. Practitioners can draw on research to inform their practice. An excellent example of this is Taylor and Kent's (2007) work in articulating six best practices of mediated crisis communications. Taylor and Kent (2007) state that the use of the internet in crisis communications is a logical one in that websites are one controlled channel through which organisations can communicate directly with the media and the public. Through the website an organisation can tell its 'side of the story, reduce the uncertainty of consumers, address multiple stakeholder needs, and work with government agencies that specialise in public safety'. (Taylor & Kent 2007, p. 146), Public relations practitioners, as the in-house experts on communication, are likely to be advising senior management on these issues and, in some cases, actively engaging in implementing new media initiatives.

The practitioner will need to manage the organisation's expectation that all traditional media will be fully serviced, as has been the case in the past, as well as integrating many

aspects of new media. Additional work generated by these expectations may need to be undertaken without additional personnel or budget allocations. Finding time, funds and support for upgrading skills and engaging in professional development experiences may continue to be challenging. Turf wars may develop with other work areas in the organisation such as IT, marketing and sales, customer relations, call centers and others. This is due to these areas seeing a range of advantages, including the advancement of careers and the control of information and technology, in managing communication activities in a new media age. Turf wars can also arise from public relations asserting management responsibility for areas of practice that traditionally may have resided within other areas such as IT. These internal relationships need to be carefully managed as encroachment from management information systems departments can lead public relations practitioners having a lack of control in managing Web sites (Pavlik & Dozier, cited in Porter & Sallott, 2003).

Research has shown that public relations practitioners who embrace new technologies such as blogging are perceived within organisations as having more power, in that they are willing to be leaders in the industry and use new tools to better reach target publics (Porter, Sweetser Trammell, Chung, & Kim, 2007). Some practitioners may find themselves working with key organisational decision-makers who are not abreast of emerging media or, at the other end of the continuum, are working with decision-makers who are very aware of the new media developments and want to embrace every new one without considering the full implications of doing so. There may be recruitment issues for public relations which may also impact on journalists looking to 'jump the fence' into a public relations role.

Academic literature in journalism indicates a high level of debate as to the future of journalism practice, journalism outputs and the education of journalists, to name but a few. The outcomes of these debates may have unexpected outcomes for public relations both in terms of how media relations are practised but also for recruitment planning.

Although not evident in the academic literature, through blogs, trade press and industry websites, one can glean a trend towards some public relations agencies and in-house units looking to employ staff with broader tertiary qualifications and career backgrounds than public relations. These agencies

may instead be considering people with technological know-how to work alongside the traditional public relations practitioners. There are also anecdotal reports that mature practitioners are being overlooked in some cases in favour of young, relatively inexperienced (but technically-savvy) public relations practitioners who can take a leading role in projects that require technical know-how or firsthand knowledge of the consumption habits related to new media. Some public relations agencies or in-house units are being amalgamated into multidisciplinary strategic communication agencies encompassing public relations, marketing, advertising, media, website development and graphic design. There are agencies forming strategic alliances with different companies in order to deliver crossdiscipline multimedia services.

5. Contemporary Tools for Media Relations

Today, technological innovations and convergence have revolutionized existing media relations tools like press kits, newsletters, news releases, facility visits just to mention but a few; thereby leading to the emergence of new and contemporary tools of media relations. This is not to say that these contemporary tools have replaced the 'old' tools but are used to complement each other for effective relations with the media. The contemporary tools of media relations remains those media / facilities that meet the changing trends associated with the 21st century thereby enhancing the practice of media relations. They include the Internet, webcasting, e-mail, videoconferencing, video news release, facility visits among others. Every branch of media relations is online today. The future will be more so. Marketing communications, crisis communications, brand communications, reputational communications, financial communications, industry relations all are largely conducted online, principally through e-mail, web sites and conferencing. Increasingly, activities will include blogging and Voice Over Internet Protocol (VOIP) in which telephoning is done by internet. Although a number of research studies have examined the huge impact new communications media are having on the practice of public relations, what is missing is research studying how public relations practitioners actually are using these new media. Most of the researches start with questions such as why, and to what extent does communication contribute to the achievement of organizational objectives and how must public relations be practised and the communication function organized for it to contribute most to organizational effectiveness? They asserted that public

relations have value to the larger society as well as to specific organizations. To further identify the value of excellent public relations, they examined previous research on excellence in management and searched for the meaning of organizational effectiveness. New communications media and particularly blogs, micro-blogs and social media networks- are changing the way organizations communicate with strategic publics such as employees, customers, stockholders, communities, governments and other stakeholders.

Organizations are effective when they choose and achieve goals that are important to their self-interest as well as to the interests of strategic publics in their environment (L. Grunig, J. Grunig, & Ehling, 1992, p. 86). By helping organizations build relationships and by resolving conflicts between the organization and its strategic publics, public relations departments contribute to organizational effectiveness. Public relations is a management function separate from other functions. Many organizations splinter the public relations function by making it a supporting tool for other departments such as marketing, human resources, law, or finance. When the public relations function is sublimated to other functions, it cannot move communication resources from one strategic public to another as an integrated public relations function can.

Regardless of what technological developments provide as "new media," public relations practitioners will still be relied upon to learn from their operating environments, help their organizations benefit from that flow of information, and, ideally, improve the lives of publics upon whom organizational survival depends. Treating new media as just another one-way information dissemination channel is detrimental to our profession, the organizations we represent, and the publics we aim to serve. Authentic interaction with online publics involves risk, but what part of a worthwhile enterprise is truly risk free? With a thoughtful, strategic approach to new media, public relations scholars and counselors can lead organizations into changing communication environments, but we must likewise be prepared to assess our effectiveness and measure our results. As long as technology evolves, so must our thinking.

As of this writing, YouTube, Twitter, Facebook, Flickr, Digg, StumbleUpon, LinkedIn, Delicious, Technorati, Alexa, and Mashable are among the most popular social sites for image sharing, social networking, content sharing, bookmarking,

website locating, blog searching, site ranking, and news posting ("Top 15 Most Popular," 2011; "Top Social Media Sites," 2010). These sites consistently appear on a number of ranking lists that are readily available through Google, Bing, and other search engines. Expanded use of audio and video files – podcasts, vodcasts – is a major trend. Moreover, these media can shape the character of the messages themselves. Text messaging via cell phones has emerged as a viable means to reach mobile publics, especially youthful targets. Because of the nature of the medium, the messages must conform to certain strict parameters. Among these parameters are text-only, short messages, and often messages encoded in shorthand, such as "LOL" for Lots of laughs or "c2it" for see to it. The Lingo 2 Word Web site provides a comprehensive alphabetic listing of text messaging terminology and characters. It also provides a conventional text to texting translator for the texting neophyte. News releases must also be adapted to cell phone and mobile media formats. Embedding links within content is also important, enabling consumers to immediately act on content or messages of interest. Interactive media, including online games, are increasingly important tools in public relations, as more sponsored games emerge as a way to reach young publics in particular. Technology has long influenced how public relations practitioners do their work. Once typed on paper and sent via mail or fax, press releases are now produced on a computer and delivered via email. PR Newswire sent the first electronically transmitted press release on March 8, 1954. The electronic press release was sent to 12 media outlets in New York. By 2007, a variety of competitors offer a wide range of online media services, ranging from an RSS (really simple syndication) feed to ProfNet expert source services to free media monitoring. Video news releases are delivered digitally via satellite or the Internet. Public opinion surveys are conducted via the World Wide Web. Photography and videography are widely produced and delivered digitally.

Because much of the strategy and tactics of public relations rely on use of the media, as media have evolved technically, practitioners have adapted their methods as well. Some of these adaptations have been strategic and intentional, designed to improve the effectiveness, efficiency or efficacy of various tactics or techniques. In other cases, the changes have been perhaps more subtle and unintentional, possibly adversely influencing practices.

Media relations are the core activity in many public relations jobs (Wilcox, Dennis L, 2005). According to Argenti (2003, p.101), “the media is both a constituency and a conduit through which investors, suppliers, retailers and consumers receive information about and develop images of a company.” Media relations, according to most surveys, are still a major activity of corporate public relations departments and public relations consulting firms. At the same time, I think most of today’s PR professionals recognize the fact that “media relations” is just a sub-category of the broader term, “public relations.” It is a special activity, much like employee communications, investor relations, or even governmental affairs. Increasingly, public relations professionals are doing more work in marketing communications and branding, or even doing more work on corporate social responsibility (CSR) projects. It is an acknowledged fact that the main objective of media relations is to establish and maintain good relations with the media gatekeepers. This can be easily achieved when the appropriate tools are employed. Today, technological innovations and convergence have revolutionized existing media relations tools like press kits, newsletters, news releases, facility visits just to mention but a few; thereby leading to the emergence of new and contemporary tools of media relations. This is not to say that these contemporary tools have replaced the ‘old’ tools but are used to complement each other for effective relations with the media. The contemporary tools of media relations remains those media / facilities that meet the changing trends associated with the 21st century thereby enhancing the practice of media relations. They include the Internet, webcasting, e-mail, videoconferencing, video news release, facility visits among others.

Of a concern in this 21st century is the fact that the influx of variety of contemporary media relations tools leaves the media relations department with the problem of choice. In this regard, Ajala (2005) provides some factors to consider in making the right choice. Some of these factors include “the media profile, the target public profile, time factor, competition and cost of the tool.” All these factors if properly harnessed are very capable of guiding the media relations department of any organization in choosing any of these contemporary tools for media relations outlined and discussed below.

6. Public Relations and the Internet (Website)

What has the Internet added to traditional Public Relations? The Internet has given us e-mail, gads of information, search engines and it has made it possible for every person to research any subject as thoroughly as desired from his home or office. Besides, the Internet has created the ultimate “global village,” and completely changed news distribution to the world, allowing people to access information at any time and stay updated minute-by-minute (Hiebert, 2004). While newspapers and television once dominated as medium choices for information flow, the Internet now offers equal access for all interested in disseminating information. With equal access and the free flow of information, the Internet supports a true democracy unlike any other medium before it. Hiebert (2004) argued that people around the world have used cell phones and the Internet to organize rallies and protests. He stated that the Internet offers a forum for debate, as witnessed by the numerous opinions and political views that buzzed on the blogosphere during the 2004 U.S. presidential election. Finally, Heibert (2004) stated that the Internet forces companies, organizations and government administrations to approach the information flow with a new sense of transparency.

The global reach of online media makes it particularly useful for public relations practitioners. According to Kirat (2007), “Online is a major medium that PR practitioners should use efficiently and rationally for effective public relations” (p. 170). Kirat (2007) conducted a Web site analysis to assess online public relations tools and distributed a questionnaire to 24 public relations department managers to study how public relations departments in the UAE use the Internet to communicate directly with target publics and the media. Kirat (2007) argued that the proper use of online applications provides unprecedented access, but her findings showed that public relations practitioners in the UAE do not utilize the Internet in such a way that allows target publics to connect directly with their organization. Kirat (2007) proposed that the integration of Internet tools into contemporary public relations practices is necessary for success.

Once public relations practitioners embrace the power of the Internet, it changes the way practitioners do their jobs. Gregory (2004) stated that, “The advent of the Internet and electronic communication has transformed public relations, just as it has transformed many areas of organizational and

business life” (p. 245). Organizations conduct business almost entirely online in some cases, and rely on the ability to communicate instantly to meet their goals. Gregory (2004) created a framework for the public relations process in which the Internet exists as an important component when implementing a communications campaign. Gregory (2004) reviewed XML (eXtensible Mark-up Language), a language that allows computer hardware and software to communicate regardless of the type. She focused on XPRL (the public relations specific version of XML) and how it might benefit the industry and to support her ideas that successful public relations follow a specific process, the author developed a schematic that showed the communication campaign process. Among the implementation techniques, online is considered an integral component.

After integrating Internet tools into the communications campaign, industry professionals need to evaluate how instant and directed communication affects the message. The Internet allows messages to travel much faster, and while the ability to disperse information quickly offers public relations professionals faster communication avenues, the ever-changing information stream requires constant monitoring and response. Gregory and Hallahan (2004) argued that public relations professionals need to coordinate with information technology professionals to protect information and supervise the organization’s online presence. The authors explained the many threats to client information such as hackers obtaining privileged information when public relations firms store that information on computers and Internet software applications. Critics or attackers have an open forum on the Internet to voice their negative opinions and are protected under the First Amendment. Public relations practitioners and their information technology counterparts must protect that information and the relationship between the firm and the client. The relationship between a firm and its client is very important, and the relationship between that client and its target publics is paramount. The Web has changed the way organizations build relationships with their publics (Kent & Taylor, 1998). Public relations is no longer a one-way conversation, it is a constant dialogue between an organization and its audience. Even in the late 1990s, this article predicted that the Internet would improve relationships between an organization and its target publics. The authors stated that the Internet does not affect relationships one way or the other, but how practitioners

use the Internet to create a dialogue affect important relationships.

With all of its benefits, the Internet has created some interesting challenges for communication professionals. As discussed above, target publics are easier to reach through the Internet, but “due to fragmentation, complexity, time constraint and interactivity of computer communication, corporations may be unable to carefully package their message and make it consistent across all media channels” (Ihator, 2001, p 200). Maintaining the original message structure across the Internet is difficult with numerous application choices and a fragmented audience. Public relations practitioners lose the ability to target messages to a specific audience when the audience shifts and evolves based on the daily online community. Communication professionals must produce creative, innovative and consistent digital messages that successfully represent the brand regardless of the intended audience.

Although public relations practitioners and researchers are highly in favor of the Internet as a new tool for practice, they still debate over the ability of the Internet to replace some traditional public relations tools. According to Hill and White (2000), most people are suspect about the Internet’s ability to replace traditional public relations tools, such as a press release, a public service announcement, or a brochure. For instance, most organizations routinely post news releases to their sites without abandoning traditional methods of distributing releases. They did not think the audiences of their newsletters would visit the website to get the same information and did not believe the web replaced face-to-face communication. Cowlett (1999) found that the use of traditional public relations strategies are re-emerging in the UK, as companies return to traditional public relations to help mitigate the spread of misinformation on the Internet. Furthermore, Daniel Dern (1997) expressed “[D] on’t think that the Internet can replace good PR people – it can’t” (p.28). Thus, e-mail and the Web can help public relations departments transmit information to the press more quickly, but the Internet needs to be carefully managed as a public relations tool.

7. Blogging and PR

The ‘blogosphere’ is already a force to be reckoned with. Bloggers can wreck havoc on reputations and careers or can create the ‘next big thing.’ Although blogging most definitely

is a global phenomenon, Scoble and Israel (2006) point out some companies are actively involved in blogging while others are not. Companies that are already blogging would do well to make sure it's not some perfunctory task disguising itself as a legitimate form of transparency, but a real effort at providing insight and value. Four years ago Technorati (2008) said that in the US alone there were 23 million bloggers and 94 million blog readers. Current figures suggest 77 percent of active internet users read blogs, 133 million blogs have been indexed since 2002 and 900,000 blog posts are generated every 24 hours (Future Buzz, 2010). Technorati (2008) claims that more than 50,000 blogs mention typical news events every day and on some days that figure is greater than 100,000. Technorati (2009) has indexed 133 Million blogs since 2002. Future Buzz (2009) claims 346 Million people throughout the world now read blogs and that there are 900,000 blog posts made in a typical 24-hour period. Furthermore, Facebook currently has 200 million active users, half of whom log onto that service at least once each day and there have been more than one billion tweets sent on Twitter to date (Future Buzz, 2010).

Marken (2005) claims that blogs give organizations "fast, effective and economic means" of engaging publics, and that they are becoming so entrenched in contemporary culture that public relations practitioners must understand them. Blogs can be used for gathering information, for communicating to internal and external publics, and for framing messages. There is no easy way to define a blog because they are a little bit of everything. "Web logs give voice to people whom just a decade ago, you never would have heard from. Blogs come in many flavours, spanning from any given person's place to express any opinion to professional blogs owned by companies. In that span blogs covering topics of all sorts are: war blogs, peace blogs, food blogs, crude blogs, humor blogs, and culture blogs to occupy your day. Geek blogs, freak blogs, teen blogs, mean blogs, fantastical and radicals who like to rant away. Optimists, pessimists, enthusiasts and hobbyists, journalists and journal – ists with something big to say." Blogging is a proven public relations tool that practitioners should know about.

Marken (2005) maintains that "blogs work best when they are candid, timeliness, and pithiness, address urgencies and controversies, and of course, are useful to key publics." In

PR, practitioners need to maintain relationships with the key audiences that help their organizations survive and succeed. Secondly, PR practitioners are spokespersons for others and not for themselves. They do not have the freedom to speak out about company and marketplace issues without checking with those who have direct control over these areas. Hence, a practitioner should consider carefully before writing something that comes to mind without a semblance of accuracy and proportion to the statement. It is possible for a PR practitioner to adopt an outrageous voice that is followed enthusiastically by target audiences, but if the individual is shown to be in error time and again, credibility becomes an issue, as does employment. There are few situations in which a PR practitioner enhances audience relationships and personal rewards by being a demagogue. So the first facet of blogging – the freedom to say anything – is compromised when the tool is used for PR. This alone makes blogging for PR purposes different than personal blogging anyone else might do. Credibility is key to the PR practitioner, both internally and externally.

With growth comes responsibility and public relation practitioners whose blog must be open and ethical in its practices as the complexity of the modern communication environment makes it more transparent than ever before. Journalists have editors to help them. Bloggers don't. One should take care to check references and make sure of facts before using them in an online journal. That is why PR blogging should use hyper linking as much as possible to refer to sources of information. Originally, bloggers listed hyperlinks to help users who didn't have time to scour the web daily. The blog hyperlink was a shortcut to help one remain up-to-date on what was happening. Today, bloggers appear to cite sources by hyperlink as much to let one look for oneself at the original statement, news story or other topic that generated the blog entry. The PR practitioner should be as careful. If the PR blogger cannot use a hyperlink, then he or she should quote someone who is the source of information. E.g., "Just got a call from X who said that we won the Widget contract. Stay tuned."

A second difference between a PR blog and a personal blog is purposefulness. There is no point in maintaining an online journal as a PR tool unless one has something to say. Why blog if you have a functioning communications system that

is reasonably fast in letting employees and others know about organization news? Blogging just adds to noise. The answer to this objection is that blogging might be an excellent way to maintain a stream of news and organizational viewpoint to the organization at large that would take too much time to process through the communications system. For example, mentions of contract wins, CEO and senior executive visitations, policy changes those employees should be aware of but might miss and so on. The stream of tidbits could become a journal of the organization's life and a source of information to employees who might otherwise miss formal communications.

The virtue of diary entries is brevity. One does not have to wade through a policy statement or a press release to get the gist of something. Blogging in this sense is similar to a wire service and the blogger an editor serving up fresh news quickly without the approval machinery of the typical corporate communications department getting in the way. This means, however, that the PR practitioner who serves as an organizational blogger knows the limits in which he or she works.

A third consideration that PR practitioners have to take into account with blogging is the evanescent nature of it. Journal entries enter and exit the blogger's diary, most never to be seen again except in archive form. So, how does one find easily what has been blogged in the past? That is, if I am an employee who, five days after reading the entry about the benefit plan, wants to get the hyperlink and check the changes in the plan, how do I easily find the journal entry where the hyperlink was given? Some blogging software handles this through addition of a search engine, but it is not the same as having a repository of well-constructed information that is readily available, such as white papers that lay out of the features, functions and benefits of a product. Rather, blogging advances structured information by letting one know that it is coming or supplements it by adding facts and information that might not have been in the original documents.

Blogging entries without relationship to structured information, while useful in personal journals, would seem to have little application in PR blogging. That is, if an organization's news and policies were in the form of diary entries that had to be searched each time one wanted to find

something, would it be as useful as a structured document? It does not seem to me that it would, although some organizations have found that blogging daily activities and policies has proven useful, especially in product development cycles.

This is blogging as a form of small group discussion, and it might have potential for large corporate communications departments. For example, a department might maintain a blog of media contacts, events and other happenings that keeps department members up to date on what is going on and also allows department members to express ideas and opinions on upcoming activities or challenges. The same could be done with divisional and corporate PR departments all making entries into the same blog as a community. There have several applications of blogging in support of this goal used both internally and externally. In one case, cited by Wired news (May 9, 2002), Macromedia, the software company that makes the Flash and Shockwave software, adopted a "blog strategy." Macromedia had five of its customer relations managers, called "community managers," start their own blogs as a forum to discuss new products, explain features and answer questions from the field. Customers immediately praised the idea because it provides them with a heads-up on issues and ideas that they would not otherwise get except through formal – and perhaps, slow — communications from the company, phone calls to customer service or other developers who have had a similar experience.

Fundamentally, blogging is user-driven. Because it is a low-cost and widely available medium, user experts of all kinds can weigh in on a topic outside of the hierarchy of a corporation and provide a depth of understanding that one might not ordinarily get. Some have called blogging an "anti-intranet" because intranets have so many layers of departmental and editorial control over information posted on them. However, from a PR perspective, there are few situations in which information is left uncontrolled. That is, the practitioner evaluates all information for its usefulness in promoting a company's relationships with target audiences. An engineer making cracks about the company "compromising" the vision of a forthcoming product is not something a PR practitioner could or should let into an organizational blog.

8. Videoconferencing

As we move into the new century, advances in technology communication systems provide more sophisticated and varied opportunities to reach distant audiences and also challenge our traditional paradigms. The public relations department of any organization goes through a lot of research to get the knack of things required to get instant success in the business venture. Observing the different trends of the market and studying the various strategies adopted by the top notch companies can help in making a foolproof plan for spreading the business in a positive way. This involves meeting with genuine leaders who know the art of convincing and can guide you with their experience in the industry. You can easily reach these resource persons with the help of video conferencing without wasting your time on travelling. This is the latest tool to join the band wagon of video conferencing which has already made its mark in corporate sector, and has become the fastest means of communication. With many businesses having offices scattered around the globe, video conferencing is the closest thing to face-to-face as it allows you to see, hear and talk to people in another location. It can be used in media conferences, investor meetings and incorporating experts into press interviews.

When you are communicating through video conferencing you can be sure that you will be the first one to reach the customers and convey your message. This is an excellent way of one-to-one communication and considered the most effective way of convincing. Manufacturing organizations use video conferencing and content sharing to verify product quality, make revisions, and ensure accuracy throughout the supply chain, while their competitors continue to rely on next-day delivery of services. Video enables sales executives to clearly and immediately appreciate the status of the pipeline, beyond the rows on a spreadsheet. Public relations and human resources departments can promote the organization's use of video as proof of corporate efforts to protect the environment, helping to ensure they end up on the short list of preferred vendors for environmentally friendliness in competitive governmental or commercial bids. This can also pose solutions to the issues of access, equity, student achievement, pedagogical strategies, and the integration of emerging communication and media technologies that if deployed can transform videoconferencing to become a high performance

tool for public relations activities.. In addition, as we embrace the millennial generation with unique characteristics that distinguish it from generations that have gone before must acknowledge the global, diverse and politically charged world. As a result, there is also an urgency to deploy videoconferencing with its fullest capacities. Video conferencing tools allow you to use your standard webcam and broadband Internet connection to have multi-party videoconferences..

Innovations in communications are sprouting up like mushrooms during the last decades. Video conferencing is an obvious "green" technology, allowing organizations to mitigate energy use by dramatically reducing the need to travel. By communicating over video, organizations can also substantially reduce their carbon footprint and help ensure a basis for regulatory compliance. With tools that provide a powerful way to enable conferences and other video content to be streamed live or on demand around the world, employees, customers, partners, and students can use video to communicate, engage and interact with others across distance at any time, from wherever they are.

9. Video News Releases (VNRs)

According to the trade-group Public Relations Society of America, a VNR is the video equivalent of a press release and presents a client's case in an attractive, informative format. The VNR placement agency seeks to garner media attention for the client's products, services, brands or other marketing goals. The VNR affords local TV stations free broadcast quality materials for use in reports offered by such stations. Public Relations agencies have their video tapes encoded allowing very accurate tracking of where such video is used. Using images will help you make sure that you explain your point as clearly and forcefully as possible. A picture is worth over a thousand words, so consider using video news releases in your own company's publicity and public relations campaigns. Hanson (2005) defines video news releases as "a tape or digitalised audio and video messages that serve as a press release to the broadcast and online media." The difference between news release and video news release is that video news release is accompanied with sound. They are not just read like news release in the print. Seitel (2007) states that "on the Internet, new release is delivered by email and should be shorter than their offline counterparts."

It is typically a 90 second video, which includes extra bits of audio and video to mimic the tone and visual characteristics of a news story. It is the TV version of the press-release. Organizations can package and send video news release to media organizations especially for free and believe that they would be aired. Hanson (2005) argues however that to get a video news release on the air, it has to be more than a slick piece of video promoting the company but should be something that media organization wants to air. He adds that video news release that looks like commercial or promotional films are unlikely to be broadcast, those that tell an interesting story and look like the video shot for the evening news stand a much better chance of getting on the air. This notwithstanding, media houses usually must edit the video news release once they found it does not suit their house style or would provoke public taste. Nonetheless, Adamolekun (2001) asserts that media relations practitioners should understand that video news release are “too commercial and too one sided.” Nevertheless, video news release is still a very good tool of media relations because of its ability to present information through picture and sound.

With the increasing popularity of 24-hour news channels such as CNN, VNRs are recognized as a quick and easy way of attaining information. A notable example of how technology has influenced public relations messages is the video news release (VNR). With the rise of video tape technology, VNRs emerged in the 1980s as a video version of the traditional news or press release. Having started as oftentimes amateurish promotional video on analog tape, mailed or sent by overnight delivery to selected television stations for possible inclusion in the evening newscast, the VNR has evolved into a sophisticated digital public relations tool and a frequent part of television news, particularly at the local level. Further, new technologies have made it increasingly effective to distribute VNRs in digital format via satellite or other broadband technologies. Typically, journalists can view or download VNRs online before deciding whether to use them.

Never have PR and communications professionals had so many options for creating and distributing video for almost every kind of media. VNRs are rapidly being transformed in the age of digital convergence. VNRs will morph into a form of marketing communication that will be available for viewing on portable devices, such as mobile phones, and other

technologies. Perhaps more importantly, there will be no need to deliver these videos through news channels. They are already available online and are becoming increasingly so. Viewership is easier to measure online and consumers are able to easily find them through search engines such as Google and Yahoo. In fact, the rise of digital video production and online distribution through sites such as YouTube is propelling organizational uses of video to communicate directly with publics such as consumers, without traditional media filters or gatekeepers. What was once a very small marketplace, the VNR production industry is now a multi-billion dollar industry?

10. New Communication Media Used in PR

New communications media are having a dramatic impact on public relations and the way organizations communicate. Resultantly, this has significantly empowered a wide variety of strategic publics by giving them dynamic new media many are using to communicate effectively with a variety of internal and external audiences. The new media revolution has transformed the information and communication infrastructure and spawned emerging themes and subjects of study. The advent of globalization led local public relations to use new media technologies which have had a huge impact on the practice of public relations since the first weblogs, or blogs, appeared more than a dozen years ago. Since then these new communications media have developed into a number of different forms including text, images, audio and video through the development of forums, message boards, photo sharing, podcasts RSS (really simple syndication), search engine marketing, video sharing, Wikis, social networks, professional networks and micro-blogging sites.

Blogs are changing the way organizations communicate with important publics, especially customers (Scoble & Israel, 2006). The communications world is dramatically moving in a digital direction and those who understand this transformation will communicate much more effectively than those who do not. Technological change presents many significant implications for the structure, culture and management of organizations, particularly from the point of view of public relations. Perhaps among the most significant is the opportunity to flatten the hierarchical nature of many organizations, at least from the point of view of communication. Digital communications makes it possible for more efficient management of organizational

communications, including both internally and externally. This also means organizations can be more open and transparent to facilitate better understanding between and among various groups. It is also possible to better transcend time and distance constraints via digital communications. We are witnessing the rise of decentralization, with increasing use of collaboration (intranets have succeeded Lotus Notes, etc.) and group decision-making software. Organizational openness and transparency are increasing as online technologies have become ubiquitous and powerful.

Argenti and Barnes (2009) say new communication media have “changed the rules of the game in every part” of strategic communication. They also claim that over the past decade these new communication vehicles have not only turned upside down everything people knew about communications but also have dramatically changed the business of managing relationships. Public relations educators explain that, “Openness and transparency includes things such as extranets used as part of expanded, special-purpose organizational structures (e.g., alliances, joint ventures, etc.) and relationships with suppliers and distributors who have access to at least a portion of an organization’s systems. Materials online might be read by the organization’s expanded community. Internal communications has been transformed with the abandonment of printed materials – including written memos, employee publications, and employee benefits communications. Is ‘high touch’ important in light of this ‘high tech’?”

11. Public Relations and Social Media

PR is one of the industries that’s taken an alleged “hit” in the previous years due to the advent of social media. But I, like many, believe social media is just a new tool that’s making PR more effective – and weeding out the truly great PR executives from the not-so-great. It’s opened up the opportunity for the industry’s master story tellers and people connectors to do their job more directly – reaching influencers in ways never before possible, and extending our reach well beyond media, which, until now, was the main measurement of PR in the eyes of many companies. But all that’s changing. People who can understand the rapidly and changing digital world can communicate more effectively than those who cannot (Wright & Hinson, 2010). Therefore not only people but also companies need to adapt to this digital world in order to succeed in communicating with stakeholders. None

is in exception, we all are required to understand how social media is changing the way we communicate. Social media is here to stay, this medium is not static as the society and technology evolves, it will also adapt to the circumstances and new environments of this digital era.

Public Relations has always been a critical communications channel for business marketers to raise visibility and credibility for their company, products, services and people. Over the last several years, the web has had tremendous influence on public relations. Social media tools have created new ways for companies to engage with their customers. People who can understand the rapidly and changing digital world can communicate more effectively than those who cannot (Wright & Hinson, 2010). PR in social media demands not only precise measurement, but also constant campaign tweaking in its wake. Diving headfirst into social media without at least a directional goal is like advertising on television without having anything to hawk. Therefore not only people but also companies need to adapt to this digital world in order to succeed in communicating with stakeholders. None is an exception, we all are required to understand how social media is changing the way we communicate. Social media is here to stay, this medium is not static as the society and technology evolves, it will also adapt to the circumstances and new environments of this digital era. Public Relations has always been a critical communications channel for business marketers to raise visibility and credibility for their company, products, services and people. Over the last several years, the web has had tremendous influence on public relations. Social media tools have created new ways for companies to engage with their customers. As social media moves from “buzz word” status to strategic tool, more practitioners are developing skills related to this online communication technology. While once labeled “laggards” in regard to adoption of communication technology, recent research suggests public relations professionals are now more on par with adoption of online tools. According to a 2007 PRSA Wired for Change Survey, the majority of public relations professionals state that the use of communication technology has made their job easier by expediting the circulation of information to reach broader audiences. Social media not only allows public relations practitioners to reach out to and engage their publics in conversation, but also provides an avenue to strengthen media relations.

Is the practice of public relations any different today than in years past? That's one of the more frequently asked questions in blog communities, LinkedIn discussion groups and Twitter streams. While changes to our profession continue unabated, I'd argue that many of public relations' core elements remain the same. Whether you categorize it as traditional, digital or social media, public relations still is the discipline responsible for strategic communications between a company and the public. It engages consumers to create brand advocates and build beneficial relationships. It requires critical thinking and excellent writing and speaking skills. And it involves applicable research, adequate resources, ethical conduct and ongoing measurement and evaluation. What has changed, though, is that social media has expanded our approach to public relations, giving us an opportunity to take what we know and apply it in new ways. And as we adopt new approaches to connecting with today's consumer, we gain new opportunities to raise public relations' profile among business leaders and the public.

Social media is reinventing the public relations playbook – and bringing with it the potential to raise the corporate profile of PR professionals. After all, PR professionals are among those who have pioneered the frontiers of social media. It's a good thing, too, because it's not just PR that social media is reinventing – it's every Industry. To meet the challenge of their industries being “rebuilt around social engagement” – and to raise the profile of PR in the process – PR professionals must commit to lifelong learning, since the state-of-the-art for PR in social media is likely to continue evolving rapidly for years to come. Leading PR professionals using social media have invested time and money in the process: they use analytical and listening tools to determine the activity level of their audience, their sentiment and where they “hang out” when they're not visiting the brand's page. And they've engaged their myriad audiences by participating in conversations not of their own making, at venues other than their own.

One of the greatest opportunities we have is in technology — a field we used to acknowledge as separate and distinct from our own. Public relations professionals now are becoming public relations technology (tech) testers, which require us to have a slightly different mindset; one that embraces technology and motivates us to use new tools and tactics to carry out our daily roles and responsibilities. The

more we immerse ourselves in the different platforms and applications currently available, the more we'll realize that technology provides incredibly efficient ways to build relationships. It allows us to target particular groups directly, to create more customized and meaningful stories, and to measure our communications with greater accuracy.

According to the study, professionals entering the public relations field are expected to have information technology as a core competency. The study found “... competence using new information technologies, relationship building, self-control, ability to initiate dialogue, persuasion and negotiation as the most important skills criteria for young professionals.” In an age of globalization and a changing media landscape, there's increased demand for this new breed of communication practitioner.

As social media continues to dominate consumer time online and companies are increasing their social media spend, we are quickly learning how tech testing can help us achieve our communications goals. We're now making better use of technology to monitor and measure, to visualize relationships, to “listen” for keyword mentions and relevant conversations and, generally, to offer better brand experiences. Because technology is no longer “someone else's job,” tech testers roll up their sleeves, experiment with finding the right technology for their tool kits and make technology and collaboration an integral part of a communications program. The end result is better engagement and greater consumer impact.

“Social” consumers have no shortage of creative online experiences from which to choose, so brands must have a presence where these consumers congregate, and be willing to deliver news and information in the ways these consumers prefer. One of the best ways for public relations practitioners to offer senior-level counsel is to understand this new type of collaborative experience and be up-to-date on the technology that can facilitate it.

While PR pros are experiencing lots of successes with social media as is it today, our experts pointed out quite a few limitations with the current offering of social platforms that will need to be worked out for continued adoption, understanding and success across the industry. For some public relations professionals, the tech tester role is an easy and natural progression; for others, it's an awakening to a whole new (and challenging) world. Either way, we're now

being asked to possess greater professional knowledge, to exhibit increased skill with information technologies and to take on added roles and responsibilities. Social media and emerging technology can help us meet these “new” requirements and expand our influence; so long as we continue to carry forward the core essence of what public relations is. How are you using technology? Are you a public relations tech tester, too?

In some sense, social media demands that PR professionals do the same things they always have: identify an audience, figure out how to communicate with that audience to encourage desired behavior and then measure the results against pre-set benchmarks. Of course, that is at the highest level of abstraction; everything else about successful PR in social media requires new thinking, from faster execution, through company-wide coordination and a more authentic “human” voice, all the way to the issue of managing conversations over which you have less direct control. However, because the core principles are the same – and companies’ audiences have moved wholesale into social media – the savviest PR pros are taking the lead in social media. The rest of us will be well served by following their lead.

12. Conclusion

Several practitioners consider that despite increasing levels of internet use, the public relations industry has not yet grasped its full potential in a professional domain. The practitioners demonstrate ambivalence towards new media, as they express both anxiety about its increasing use in communication and acknowledge it was something that would change the profession and which they would have to embrace. Many see advantages in new media, mostly with email, websites. Practitioners also consider new media to be changing public relations practice, particularly in terms of speed and workload. There is consensus that new media are the domain of a younger generation. Responding to the demands of emerging media in an environment where traditional media demands on public relations practice are not reducing significantly will be a major area of concern in coming years. Evaluation challenges that have been articulated in the public relations literature over the past two decades will be further complicated by the seeming fluidity of both the new media technologies themselves and the conventions of their use.

Further research is needed to ascertain whether it was lack of technological knowhow, reluctance on the part of the public relations practitioners to integrate new media into their practice, or the communication management role. Indications are that if public relations practitioners do not step up to the mark, then others will do so. Thus, these media have the potential to truly revolutionise public relations—but only if a paradigm shift in the thinking of many practitioners and scholars takes place.

The impact of new media on public relations requires more research, and in particular, more critical research. By this, I do not mean just ‘how to practice public relations effectively in a new media environment’, but rather an understanding of the role of public relations and of the broader social implications of public relations practice in a new media environment. Studying how established practitioners perceive new media, and its broader social impact in countries where the government closely regulates the activity of traditional media, contributes to a better understanding of how public relations is changing in an increasingly globalised and networked world.

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Market Orientation Ambidexterity

Swarup Kumar Dutta

Abstract

Organizations develop characteristics of market orientation by not just exploiting the current portfolio of products or services that it can offer to customers but also by exploring the anticipated future needs, which is critical for the sustained success of organizations. This aspect of market orientation has received relatively little attention from the perspective of how firms acquire ambidextrous characteristics. Accordingly the focus of the paper lies in exploring the market orientation of firms through the ambidexterity perspective. Is market orientation achieved directly as fallout of context or through an intermediate capability? The research process begins by elaborating on the concepts of market orientation, ambidexterity and context pertaining to an organization. Thereafter an attempt is made to establish a relationship between them. Further the arguments are strengthened in terms of trying to establish whether ambidexterity has an interacting or intermediate effect in driving market orientation of firms through an empirical study of six matured firms in diverse industries.

Key words: market orientation, contextual ambidexterity, organizational context, environmental dynamism



Swarup Kumar Dutta, Assistant Professor, Strategic Management and Entrepreneurship, Institute of Management, Nirma University, S.G. Highway, Ahmedabad- 382481
Email: swarup@imnu.ac.in ; swarup_dutta@hotmail.com

A market orientated approach means a business reacts to what customers want. The decisions taken are based around information about customers' needs and wants, rather than what the business thinks is right for the customer. Most successful businesses take a market-orientated approach. Market orientation was originally defined as an organization-level culture of attempting to put the customer first in business planning (Deshpande & Webster, 1987). Market orientation relates to the translation of market knowledge into strategic capabilities (competence) that becomes disseminated organization wide. As market orientation involves an external or outward looking perspective, it has a significant relationship about how a firm attempts to align and adapt itself to the current requirements of the market simultaneously to changing trends in customer demand, technologies or shifting markets.

Ambidexterity has been widely studied in terms of both contextual and structural aspects and how firms go about

building ambidexterity in organizations. Further it has been reported through empirical research that development of appropriate organizational context shapes or facilitates ambidexterity in organizations. So what is the nature of the role of ambidexterity in facilitating firms to develop better market orientation?

The premises on which the research is built focuses on the organization-context literature based on frameworks for organizational effectiveness as also the construct of contextual ambidexterity. According to this perspective business unit performance is achieved by building a carefully selected set of systems and processes that collectively define a context that allows the meta-capabilities of ambidexterity to flourish. However does this ambidexterity lead to better market orientation of firms has remained relatively unexplored.

The research attempts to explore the relationship between market orientation of firms, organizational context, and ambidexterity based on a predicted relationship between the three elements as mentioned (refer Fig-I). The research process first elaborates on the concepts of market orientation,

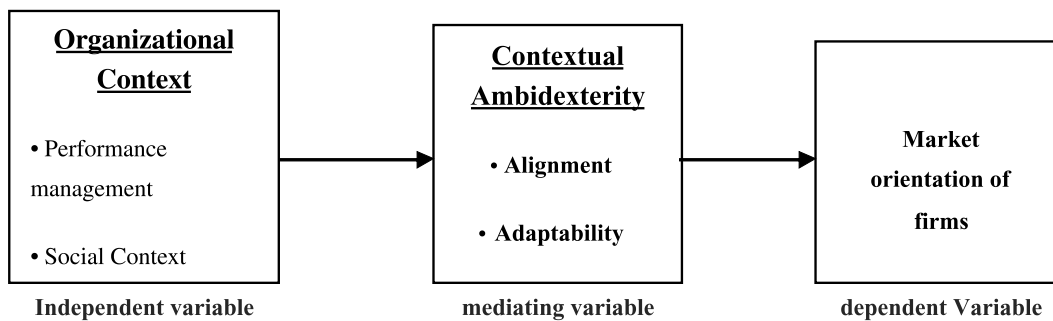
contextual ambidexterity and organizational context and tries to establish a relationship between them. The nature of the relationship is studied in detailed from the perspective of whether contextual ambidexterity mediates or moderates the relationship between organizational context and market orientation.

The research gap identified:

Literature review has revealed that studies have already been done towards studying how organizational context shapes market orientation of firms, however does context have a direct or indirect effect on market orientation has largely remain unexplored.

The present research takes into view a predicted relationship which states that market orientation is not achieved directly by firms through the route of organizational context. Firms develop characteristics for market orientation by developing ambidexterity. Ambidexterity as an intermediate variable which influences market orientation is explored through an empirical study in the present research.

Fig-1- Relationships Predicted



(Source: developed by the author)

OBJECTIVES OF THE STUDY:

The study would attempt to understand the relationship between the following-

- i) How does organizational context facilitate market orientation of firms?
- ii) How does the assumed mediating variable (ambidexterity) facilitate the antecedent variable

(organizational context) in achieving the consequence (market orientation)?

- iii) Does ambidexterity mediate or moderate the relationship between context and market orientation?

RESEARCH METHODOLOGY

1. Six matured firms in diverse sectors in India (cement, information technology, textile, metallurgical process, telecom and venture finance) have been taken up for

administering a questionnaire whereby the organizational context, contextual ambidexterity and market orientation of firms exhibited was surveyed through a primary research.

2. The scales used in the questionnaire have been validated for internal consistency using reliability statistics (Cronbach’s alpha).
3. Based on the above study attempts have been made to establish the relationship between the variables (organizational context, ambidexterity and market orientation). As such correlations were arrived at. Thereafter linear regression was used to study the nature of the relationship and thereby support or reject the hypotheses mentioned.

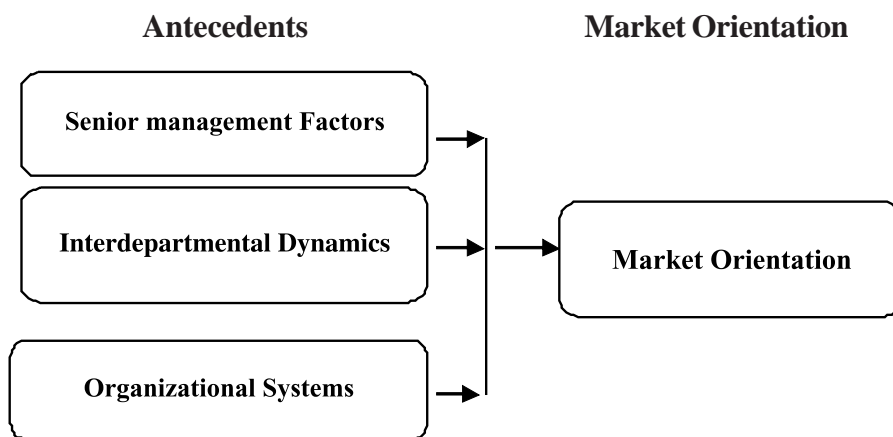
I) Market orientation of Firms:

Market orientation has been defined and hence measured as a set of activities or behaviours relating to market intelligence gathering, market intelligence dissemination organization wide and the appropriate responses of the organization based on the intelligence. Thus responses could be in the form of offerings to the customers or behaviours that exhibit a certain offering. The two most prominent conceptualizations of market orientation are those given by Kohli and Jaworski (1990) and Narver and Slater (1990). While Kohli and Jaworski (1990) consider market orientation as the implementation of the marketing concept, Narver and Slater (1990) consider it as an organizational culture. As more firms make the effort to become customer-focused, it is important to comprehend what market orientation is. A market orientation describes the

process by which a company determines current and future customer needs and disseminates this information throughout the firm’s various divisions, which then act together as a unified organization to meet specified customer needs (Kohli and Jaworski, 1990).

As mentioned by Kohli and Jaworski, (1990) market orientation may be defined as the organization wide generation of market intelligence, or information on customer’s current and future customer needs, dissemination of that information across departments, and organization wide responsiveness to it. Market orientation involves taking concrete actions in response to market intelligence. These actions relate to targeting select market segments and designing new products and programs or modifying existing ones to meet customer needs. A market orientation is likely to be more strongly related to performance under conditions of high market turbulence, technological stability, strong competition and weak economic conditions. They added that “a market orientation appears to provide a unifying focus for the efforts and projects of individuals and departments within the organization. “On the other hand, Narver and Slater (1990) consider market orientation as an organizational culture consisting of three behavioural components, namely, i) customer orientation, ii) competitor orientation and iii) interfunctional coordination.

Kohli and Jaworski, 1990, mentioned the antecedents for market orientation to the organizational factors that enhance or impede the implementation of the business philosophy represented by the marketing concept. They reported three hierarchically ordered category of antecedents to a market orientation namely senior management factors, interdepartmental dynamics, and organizational systems.



Their observation of the antecedents mentioned above indirectly refers to a combination of context and ambidexterity, though they did not mention it explicitly. Thus the basis of this research on market orientation is grounded on the presence of context and ambidexterity which facilitates market orientation.

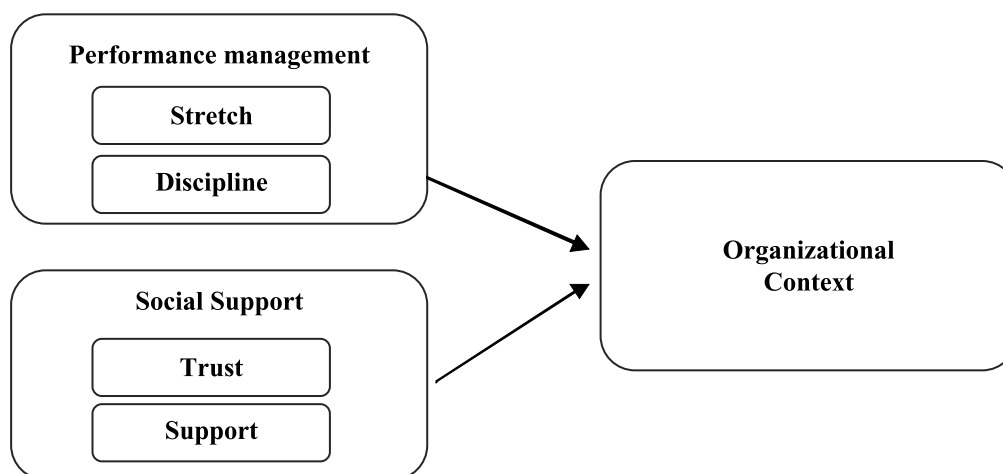
II) Organizational Context:

Based on organization-context literature on Ghoshal and Bartlett's (1994) framework for organizational effectiveness, superior renewal efforts are facilitated when leaders in a business unit create a behavioural context. According to this perspective, superior performance and renewal is achieved by building a carefully selected set of systems and processes that collectively define a context which then guides the organization in renewal efforts. Organization Context is the systems, processes and beliefs that shape individual-level behaviours in any organization (Gibson and Birkinshaw, 2004).

Ghoshal and Bartlett (1994:95) defined organizational context in terms of four behaviour framing attributes- discipline, stretch, support and trust. A management context shaped by discipline does not rely on authority relationships or management policies as the means for influencing individual behaviour; rather self-discipline in management processes induces members to voluntarily strive to meet the requirements and expectations of the system. As such establishment of clear standards of performance, a system of open-free and frank feedback constitutes discipline. Stretch is an attribute

of context which induces employees to voluntarily strive for more. In self-renewing organizations, top management tries to put in systems and create an internal environment that raises individual aspirations levels and encourages people to give their best. As such development of collective identify, shared vision and the ability to give personal meaning to the way in which individuals contribute to the overall purpose of an organization contribute to the establishment of stretch. Support is more than the vertical relationships that exist in organizations. A context of support induces fellow employees to frame horizontal linkages among peers- relationships that become characterized more by cooperation and collaboration. By experimenting and allowing a certain degree of freedom of initiative at lower levels for sharing ideas and accessing resources, like senior members providing guidance to new initiatives of the lower levels by being developmental coaches gives credence to the establishment of Support. Trust is an attribute of context that induces members to rely on the commitments of each other. Trustworthiness would stem from the fact if there is fairness and equity in a business unit's decision to allocate resources.

These four attributes as conceptualized by Ghoshal and Bartlett are interdependent. An organization, they argued, needs to foster discipline and stretch to encourage individuals to push for ambitious goals, but it also needs support and trust to ensure that this happens within a cooperative environment. Organization context, in other words, can be conceptualized in terms of the "the yin and yang" of continuous self-renewal (Ghoshal & Bartlett, 1997:151), a



(Source: Adapted from Birkinshaw and Gibson, 2004)

balance between a pair of hard elements(discipline and stretch) and a pair of soft elements(support and trust). They described discipline, stretch, support and trust as engendering individual-level behaviours that result in initiative, cooperation and learning at the firm level. Birkinshaw and Gibson, 2004 mentions that stretch and discipline are the characteristics of performance management and support and trust are characteristics of social support. Thus organization context is a combination of performance management and social support.

The above discussion leads us to believe that a higher element of organizational context facilitates higher market orientation in firms. Thus the first hypotheses are :

Hypothesis-I: *The higher the level of organizational context, the higher the marketing orientation of firms.*

As per organizational context literature (Birkinshaw and Gibson, 2004), performance management and social context constitutes organizational context and the two are mutually reinforcing. Thus for the purpose of this research the questionnaire used by the mentioned authors in defining organizational context and the methodology used for finding an index to the same has been used.

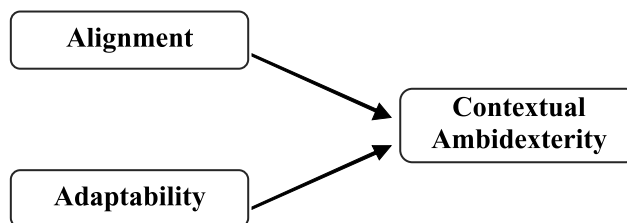
III) Organizational Ambidexterity:

The construct of Gibson and Birkinshaw (2004) have been used for research in this area and as such while referring to organizational ambidexterity, typically contextual ambidexterity will be referred to as it arises from features of its organizational context. As mentioned by Gibson and

Birkinshaw (2004), contextual ambidexterity is the behavioral capacity to simultaneously demonstrate alignment and adaptability across an entire business unit. Alignment refers to nature or degree of coherence among all the patterns of activities in the business unit that are working together toward the same goals. Adaptability refers to the capability to reconfigure activities in the business unit quickly to meet the ever changing demands in the task environment. While discussing the concept of contextual ambidexterity, it is important that this construct is different from the traditional concept of structural ambidexterity (Tushman & O'Reilly, 1996), because contextual ambidexterity is best achieved not through the creation of dual structures, but by building a set of processes or systems that encourage and enable individuals to make their own judgments about how to divide their time between conflicting demands for alignment and adaptability.

Contextual Ambidexterity in Organizations:

Traditionally in the organization context literature ambidexterity refers broadly to an organization's ability to pursue two disparate things at the same time.- such as manufacturing efficiency and flexibility(Adler et al.,1999), differentiation and low-cost strategic positioning (Porter1980,1996), or global integration and local responsiveness(Bartlett & Ghoshal, 1989). For example, Tushman and O'Reilly defined ambidexterity as the "ability to simultaneously pursue both incremental and discontinuous innovation and change" (1996:24); Duncan (1976) focused on the need for organizations to develop dual structural arrangements for managing innovation and March (1991) mentions the balance between the conflicting demands for exploitation and exploration.



Essentially contextual ambidexterity is a multidimensional construct with alignment and adaptability each constituting a separate, but interrelated element. A further implication is that although ambidexterity is a characteristic of a business unit as a whole, it manifests itself in the specific actions of

individuals throughout the organization (Gibson and Birkinshaw, 2004). In short, the systems that are developed at the business-unit level encourage ambidextrous behaviour that is both aligned and adaptable to meet customer requirements. As Gibson and Birkinshaw (2004) have

mentioned that contextual ambidexterity is the interplay of system capacities- for alignment and adaptability- that simultaneously permeate an entire business unit. Thus the multiplicative index of alignment and adaptability is understood to be the effect of ambidexterity (Birkinshaw and Gibson, 2004).

The above conceptualization of ambidexterity suggests creating appropriate and conducive mechanisms can lead to firm performance and renewal in organizations. Alignment activities are geared towards improving firm performance and renewal in the short term and adaptability activities are geared for creating for the long term. The solutions to this dilemma may include acceptance of the dual tensions or confrontation of the tensions, yet several authors have argued that the most powerful approach is to view the same as some form of transcendence whereby the elements are complementary and interwoven (Lewis, 2000; Schneider, 1990). Further several views have been expressed suggesting that systems that engage in exploration to the exclusion of exploitation are likely to find that they suffer the costs of experimentation without gaining many of the benefits, while systems that engage in exploitation to the exclusion of exploration are likely to find themselves trapped in suboptimal stable equilibria (Gibson and Birkinshaw, 2004). March (1991:71) suggested that simultaneous development of the two activities is a primary factor in system survival and prosperity.

Thus the second and third hypothesis is-

Hypothesis-II: *The higher the organizational context in organizations, the higher is the level of ambidexterity, as also*

Hypothesis-III: *The higher the ambidexterity, the higher is the marketing orientation of firms.*

Mediation and moderation effects:

Mediation and moderation are theories for refining and understanding a causal relationship. They, in essence, are researchers' hypotheses about how a cause leads to an effect (Wu and Zumbo, 2008). As mentioned by the authors a mediator is a third variable that links a cause and effect. A moderator is a third variable that modifies a causal effect. Mediation is a causal model that explains the process of "why" and "how" a cause and effect happens (Baron and Kenny, 1986). Hence, a mediational analysis attempts to identify the intermediary process that leads from the

independent variable to the independent variable. In other words in a simple mediational model, the independent variable is presumed to cause the mediator, and in turn the mediator causes the dependent variable. As such a mediating variable is also termed as indirect effect, surrogate effect, intermediates effect or intervening effect. (Mackinnon et al., 2002).

A moderation effect is a causal model that postulates "when" or "for whom" an independent variable most strongly (or weakly) causes a dependent variable (Baron and Kenny, 1986; Kraemer et al, 2002). In essence, a moderator modifies the strength or direction (i.e., positive or negative) of a causal relationship. The moderation effect is more commonly known as the statistical term "interaction "effect" where the strength or direction of an independent variable effect on the dependent variable depends on the level or the value of the other independent variable.

The argument that follows from the predicted relationship defined earlier is that ambidexterity mediates the relationship between organization context and market orientation. That is the attributes of organizational context influence market orientation through the development of ambidexterity. When ambidexterity has not been developed, the organizational context may or may not influence market orientation. Thus based on the predicted relationship, ambidexterity has an intervening or intermediate effect between context and market orientation which is sought to be tested. If not the findings will be tested for the moderating or interaction effect as mentioned. Thus our fourth hypothesis is-

Hypothesis-IV: *Contextual ambidexterity mediates the relationship between the antecedent (organizational context) and the consequence (market orientation).*

Methods:

The approach used was to administer a questionnaire to a sample of individuals in particular business units of six organizations on all the variables considered namely market orientation, ambidexterity and organizational context.

Procedures and Sample:

1. A survey of a random sample of employees at two hierarchical levels (top and middle) in each of the six organizations with a structured questionnaire containing the key elements of organizational context, ambidexterity

and market orientation. A total number of 95 valid responses by employees were considered for analysis.

- The questions administered were on a 7-point Likert Scale. Scores on these measures were means calculated across items. The survey was based on an earlier testing of the questionnaire on a pilot study tested on a small sample of managers to ensure the meanings were clear.

The Questionnaire:

Towards Ambidexterity (mediating variable) questions were asked in matters of alignment and adaptability. In matters of alignment questions asked were whether the organization works coherently to support the overall objectives of the organization; do people work at cross purposes and whether organizational activities involve wasting resources on productive/unproductive activities. Adaptability questions focused on whether management systems in this organization encourage people to challenge out- model traditions and practices; are management systems flexible enough to allow employees to respond quickly to changes in the respective markets; do the management systems in the organization evolve rapidly in response to shifts in business priorities. The multiplicative score of alignment and adaptability is the score attained for organizational ambidexterity.

In matters of market orientation questions asked were implementation of new or significantly changed business strategies as a part of response to market changes, implementation of new or significantly changed organization structures, significant changes how the firm competed in the market, seizing opportunities and going for new alliances, new ventures, restructuring, etc., formation of new teams for intelligence gathering and knowledge dissemination and acquiring new skills and capabilities in the last few years.

Towards Organizational Context, questions were asked on two areas namely performance management (stretch and discipline) and social support (attributes included trust and support) based on the scales mentioned (Birkinshaw and Gibson, 2004). The multiplication of the average scores of performance management and social support is understood to be the score for organizational context.

Validating the Questionnaire: The scales used in the questionnaire for measuring performance management, social support, organizational context, alignment, adaptability, and ambidexterity and market orientation has been tested for internal consistency and hence the reliability statistics is shown in table-I

Table 1: Reliability Statistics

Parameter for validation	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
Performance Management	.774	.777	6
Social Support	0.801	0.801	6
Organizational Context	0.838	0.839	12
Alignment	0.478	0.439	3
Adaptability	0.722	0.724	3
Ambidexterity	0.637	0.639	6
Market Orientation	0.792	0.799	6

Source: Extract from SPSS

Analysis:

The analysis was done with a view to study the predicted relationship, as such the scores attained in the three variables namely Organizational Context (OC) Ambidexterity(AMB) and Market orientation (MO) were taken up for statistical analysis using SPSS package.

RESULTS

As can be seen from the Correlation Table-II (output of SPSS), the coefficient of Pearson Correlation is significant enough to suggest such a relationship exists as per the predicted way with strong significance of the correlation between the variables.

Table-II Correlations

		OC	AMB	MO
OC	Pearson Correlation	1	.402(**)	.549(**)
	Sig. (2-tailed)	.	.000	.000
	N	95	95	95
AMB	Pearson Correlation	.402(**)	1	.518(**)
	Sig. (2-tailed)	.000	.	.000
	N	95	95	95
MO	Pearson Correlation	.549(**)	.518(**)	1
	Sig. (2-tailed)	.000	.000	.
	N	95	95	95

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

(Source: Extract of SPSS as per the study)

Thereafter at the micro level the elements of organizational context i.e. performance management and social support were further analyzed, in terms of how individually it affects organizational context. As shown in Table-III, the individual effects showed a strong positive correlation with overall organizational context (OC).

Also as shown in Table-IV, the individual elements of ambidexterity (alignment and adaptability) have a significant

correlation with the overall effect of ambidexterity. There was a positive correlation between alignment and adaptability, indicating that business units can indeed achieve both simultaneously. Further alignment, adaptability and their interaction (ambidexterity) were significantly and positively correlated. This finding indicates the importance of the dual capacity.

Table-III Correlations

		OC_PERf	OC_SOC	OC
OC_PERf	OC_SOC	OC		
OC_PERf	Pearson Correlation	1	.484(**)	.844(**)
	Sig. (2-tailed)	.	.000	.000
	N	95	95	95
OC_SOC	Pearson Correlation	.484(**)	1	.867(**)
	Sig. (2-tailed)	.000	.	.000
	N	95	95	95
OC	Pearson Correlation	.844(**)	.867(**)	1
	Sig. (2-tailed)	.000	.000	.
	N	95	95	95

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

(Source: Extract of SPSS as per the study)

Table-IV Correlations

		OC-PERF	OC_SOC	OC
AMBI_ALI	Pearson Correlation	1	.275(**)	.813(**)
	Sig. (2-tailed)	.	.007	.000
	N	95	95	95
AMB_ADA	Pearson Correlation	.275(**)	1	.762(**)
	Sig. (2-tailed)	.007	.	.000
	N	95	95	95
AMB	Pearson Correlation	.813(**)	.762(**)	1
	Sig. (2-tailed)	.000	.000	.
	N	95	95	95

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

(Source: Extract of SPSS as per the study)

Table-V Results of Regression analysis

Parameter	Model - 1 Dep : MO Ind : OC	Model - 2 Dep : AMB Ind : OC	Model - 3 Dep : MO Ind : AMB	Model - 4 Dep : MO Ind : AMB (with OC controlled)	
R²	0.301	0.162	0.269	0.407	
Adjusted R²	0.294	0.153	0.261	0.394	
ANOVA F	40.080 P=0.0005	17.928 P=0.0005	34.147 P=0.0005	31.548 P=0.0005	
Significance of Regression Coefficients	Beta 0.542 t=6.331 t=13.948p=0.0005	Beta=0.402 t=4.086	Beta=0.518 t=13.948	OC Beta=0.406 t=4.631 P=0.0005	AMB Beta=0.355 t= 4.048 P=0.0005

Dep =Dependent Variable, Ind = Independent Variable

(Source: Extracted from SPSS as per study)

The hypothesis testing was done by linear step wise regression.

Hypothesis-I stipulated that organizational context will be positively related with market orientation. As depicted in model-1of Table- V, the coefficient for organizational context was significant and positive (Beta=0.542, p=0.0005) supported hypothesis-I. Thus hypothesis-I which states,

the higher the organizational context, the higher the market orientation is proved. This basically tries to explain that organizations which create supporting organizational context which is a combination of both performance management and social support, are more likely to exhibit higher market orientation. This also basically says higher the organizational context, higher is the performance management index, and hence higher the market orientation.

Hypothesis-II: As depicted in model- 2 of table-V, the higher the effect of organizational context (multiplicative index of performance management and social support), the higher is the level of ambidexterity (multiplicative index of alignment and adaptability). This has been found to be significant. (Beta values of organizational context is 0.402, $p=0.0005$). This also supports and proves hypothesis 2, that higher the organizational context, higher is the level of ambidexterity exhibited. Basically this hypothesis explains the fact that organizations develop supporting organizational context mechanisms in response to the nature of environmental dynamism to be adaptable and exhibit ambidexterity.

Hypothesis -III: As depicted in model-3 of table-V, the higher the ambidexterity (multiplicative index of alignment and adaptability), and the higher is the market orientation achieved in organizations. This has also been found to be positive and significant suggesting a positive relationship. (Beta values of ambidexterity is 0.518, $p=0.0005$). This also supports hypothesis-III. Thus a higher value of ambidexterity leads to higher market orientation in organizations.

Hypothesis-IV: Testing the mediating effect.

Hypothesis-IV predicts that contextual ambidexterity will mediate the relationship between organizational context and market orientation.

Analysing mediation involves three steps (Baron & Kenny, 1986; Kenny, Kashy and Bolger, 1998; Mackinnon and Dwyer, 1993).

The first step is to establish the independent (here organizational context) influences the mediator (ambidexterity). This step was supported in model-2 of Table -V. Organizational context had a significant and positive correlation with ambidexterity (Beta values of organizational context is 0.402, $p=0.0005$). Thus step-I is established.

The second step is to demonstrate that the independent variable (organizational context) influences the dependent variable (market orientation). This step was supported in model-1 of table V. The coefficient for organizational context was significant and positive (Beta=0.542, $p=0.0005$). Organizational context had a significant positive relationship with market orientation.

Lastly one has to demonstrate that the mediator (ambidexterity) influences the dependent variable (market

orientation), with the independent variable (organizational context) controlled. If in this final step, the effect of context is no longer significant when the mediator, ambidexterity is in the model, full mediation is indicated (Baron & Kenny, 1986; Kenny et al., 1998). Otherwise the results needs to be further explored.

As shown in model- 4 of Table V, the coefficient of ambidexterity was significant and positive indicating a main effect of ambidexterity on market orientation. However in this step of finding the influence of ambidexterity on market orientation with organizational context controlled, suggests that context was no longer significant. Both the size of the coefficient for context and the corresponding test statistic for significant difference (t) decreased from model- 1 to model 4:

Model-1 (Table-V): Beta values of context =0.542, $t=6.331$ $p=0.0005$

Model-4 (Table-V): Beta values of context=0.406, $t=4.631$, $p=0.0005$.

Thus ambidexterity has a significant influence on market orientation. As revealed by the probability values, the null hypothesis stands rejected and ambidexterity has a significant mediation effect on market orientation. Thus we can say that hypothesis-IV stands proven and contextual ambidexterity mediates the relationship between organizational context and market orientation of firms.

Statistical significance of the mediating effect:

1. The statistical significance of the mediating effect was tested by using the Sobel/ Aroian Test.

The most commonly employed standard error is Sobel's first-order approximation, However an improvement of the same, which is the 2nd order Aroian's solution is by understanding where α is the zero-order correlation or unstandardized regression coefficient for predicting the mediating variable from the independent variable and σ_{α} is the standard error for that coefficient, β is the standardized or unstandardized regression coefficient for predicting the dependent variable controlling for independent variable (model-4 of Table-V) and σ_{β} is the standard error for that coefficient.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.217	.053		4.086	.000
	OC	.429	.101	.402	4.234	.000

a. Dependent Variable: AMB

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.368	.042		8.065	.000
	OC	.378	.082	.406	4.631	.000
	AMB	.309	.076	.355	4.048	.000

a. Dependent Variable: MO

The amount of mediation is defined as the reduction of the effect of the initial variation on the outcome. The statistical significance of the mediated effect was tested by finding the test statistic (also called the Z-score) using the Aroian Test ($ab / \sqrt{a^2 s_b^2 + b^2 s_a^2 + s_a^2 s_b^2}$), wherein the values of test statistic was 1.862 (the critical value of using the Aroian error is 0.9 at $p=0.05$). (When using the Aroian error term, the .05 critical values is ± 0.9 that is, if the absolute value of the test statistic is .9 or more, then the mediation effect is significant).

Thus the mediation effect using the Aroian test is significant.

2. Mackinnon et al (2002): Distribution of Products. With this approach, one starts by converting both critical paths (α and β above) into z scores by dividing their unstandardized regression coefficients by the standard errors (these are, in fact, the t scores reported in typical computer output for testing those paths).

For the current research data, $Z_\alpha Z_\beta$ that yields = $4.234 \times 4.048 = 17.14$

(For a .05 non directional test, the critical value for this test statistic is 2.18). Again, our evidence of mediation is significant.

Thus it can be concluded that using the tests 1 and 2 as above, the mediation effect is significant.

DISCUSSION

This study has important implications for both theory building and managers in organization. The research findings suggest the following-


- i) Organizations need to build appropriate organizational context mechanisms based on the complexity of the environment which can support nurturing of both alignment and adaptability attributes in an organization. Thus the development of appropriate context mechanisms will facilitate development of ambidexterity in organizations. Thus managers have to develop appropriate organization climate to build context mechanisms which can then support both performance management (stretch and discipline) and social support (trust and support) to effectively realize ambidexterity in organizations.
- ii) As had been observed from earlier literature which reported development of context leads to a superior development of a culture in the organization which facilitates a positive organizational climate which can aid in the development of superior market orientation of firms. This view has been corroborated by this study which also finds a good correlation between organizational context and market orientation. Also the views of Narver & Slater, (1990) are corroborated in this study wherein development of an appropriate culture

supports in building superior market orientation of firms. Thus the lessons for managers would be to develop a context of performance management which is backed with requisite social support that can create better an organization in which decisions taken are based around information about customers' needs and wants, rather than what the business thinks is right for the customer.

- iii) The research study has found the higher the ambidexterity in organizations, the higher the market orientation of firms. The study lays out the important fact that firms that nurture ambidexterity and promotes both alignment and adaptability as a part of their culture stands to benefit higher in terms of realization of better market orientation. Thus by fostering a climate of trust, support, stretch and discipline, organizations become more adaptable which enables it to gather better market intelligence, disseminate the same information within the firm and come out with a better response in the market place, thereby achieving superior market orientation. It is the ambidexterity that enables firms to achieve better market orientation, which is an important finding of the research.
- iv) Ambidexterity plays the mediating role in the relationship between context and market orientation. Organizations do not directly achieve better market orientation as they fallout of context. Context enables superior market orientation through the intermediate effect of ambidexterity. Thus ambidexterity is the link in the causal relationship between context and market orientation. It is this indirect effect of ambidexterity that enables firms in being both "aligned and adaptable" at the same time that facilitates higher market orientation. This is an important lesson for both theory and practice of management.

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Tourism Revenue Leakage Check

Birinchi Choudhury and Chandan Goswami

A b s t r a c t

The present study undertaken in Manas National Park, adapting the model derived from the work of Sandbrook (2008) and Lacher and Nepal (2010a, 2010b), has found that tourism business owned non-local actors are more responsible for revenue leakage compared to tourism business owned by local actors i.e. 86 % and 24.5% respectively. Some local NGOs are involved in the tourism business adopting some unique strategies and have identified an alternative way of livelihood for the local communities living in the fringe villages of the park. The paper concludes providing some policy implication for increasing local involvement in the tourism business.

Key words: Community participation, Manas National Park, NGOs, Retain revenue, Revenue leakage.



Birinchi Choudhury, Asst. Professor,
Dept. of Economics, B.B. Kakati College, Nagaon,
Barpeta, Assam, & Research Scholar, Dept. of
Business Adm. School of Management Sciences,
Tezpur University, Tezpur, Sonitpur, Assam-784028, India
E-mail : brinchitezu@gmail.com



Dr. Chandan Goswami, Associate Professor, Dept. of
Business Administration, School of Management Sciences,
Tezpur University, Napaam, Sonitpur, Assam,
PIN: 784028 Email: chand@tezu.ernet.in

Tourism is regarded as one of the important segments of the economy that can enhance a tremendous economic growth without regional and income disparity (UNWTO, 2009). Observing the importance of tourism industry, particularly in developing countries, the UNWTO has introduced the programme of sustainable tourism for eliminating poverty programme in 2003 and this programme has been implemented in many developing countries. However, it is seen that the less developed regions are unable to take full advantage of tourism (Scheyven 1999). Number of authors like Lindberg, Enriquez and Sproule (1996), Weaver (1998), Walpole and Goodwin (2000), Mbaiwa (2005), Akama and Kieti (2007), Stone and Wall (2004) etc argued that tourism has failed to promote local development and improve the livelihood of local community in LDCs.

Some authors criticized tourism on the ground that benefits often accrue to a small section of the local population (Britton, 2004; Kiss, 2004). Because the host communities (Sandbrook 2008) have little control over tourism development since they

have lack of ability to ensure positive outcomes (Scheyvens 1999). This is because; the host has operational, structural and cultural limitations to participation in tourism (Tosun 2000, 2006). Lacher and Nepal (2010a, 2010b), Linderberg *et al* (1996) etc argued that the failure of the tourism sector is due to high extent of leakages of tourism revenue. Though some scholars believe that alternative forms of tourism such as backpacking tourism, adventure tourism, cultural tourism, eco-tourism (Weaver 2001), nature based tourism (Rinne and Saastamoinen 2005), community based tourism (Wearing and Mc Donald, 2002), pro-pro tourism (Asley *et al.* 2001) etc as an appropriate tool for economic development, it is still strongly criticized by another group of authors like Britton (1982, 2004), Mowforth and Munt (2003) and Kiss (2004).

Different authors defined tourism leakage in different scales. Gollup, Hosier and Woo (2004), Supradist (2004), Gu (2000), Smith and Jenner (1992) and some others defined tourism leakage from the point of international scale including expenditure on holiday planning, traveling air fee, commission of the tour agents located outside state or region or country, commission of currency exchange etc into leakage amount. The important thing is that this kind of leakage may be significant from the point of view of the national economy as a whole, but not significant for the local economy (Mitchel and Asley, 2007). Sandbrook, (2008) argued that since this kind of leakage originates outside the economic space of host destination, it is hard to measure. These kinds of tourists' expenditure do not enter even the border of tourism service provider destination (Smith and Jenner, 1992).

The other group of authors likes Walpole and Goodwin (2000), Sandbrook (2008, 2010), Mitchel and Ashley (2005), Lacher and Nepal (2010a, 2010b) etc. accounted leakage in the local scale. Where as the former group exaggerated leakage rate, the latter one failed to provide a specific strategy adopted by local community which would have been compatible to the destination. Though a group of authors like Aabo (2006), Ashley and Garland (1994), Cengiz1, Ozkok and Ayhan (2011), Khan (2009), Halstead (2003), Lai (2003) advocated community's involvement for sustainable tourism; all are silent about the strategies to be adopted for local peoples' benefits. In the previous studies undertaken by Sandbrook (2008), Lacher and Nepal (2010a, 2010b), Walpole and

Goodwin (2000), Rinne and Saastamoinen, (2005) and Goodwin (2002) it was seen that large amount of tourism revenue has been leaked out from the destinations providing a minimal benefit to the local community. In that situation, special strategy which is looked to be compatible to the situation is required for capturing maximum amount of tourism revenue in the destination.

The present study has filled this research gap by drawing on research conducted in the Manas National Park (MNP) of N.E. India, through the documentation and examination of local level strategies adopted by some local NGOs that have been employed in peripheral regions to reduce leakage. The present study has fulfilled the following objectives:

1. to quantify leakage amount of tourism revenue in the study area,
2. to compare the leaked revenue and retained revenue between the two groups of the service providers viz. owned by non-local actors and local actors, and
3. to analyze the strategy adopted by the NGOs to minimize leakage in the study area.

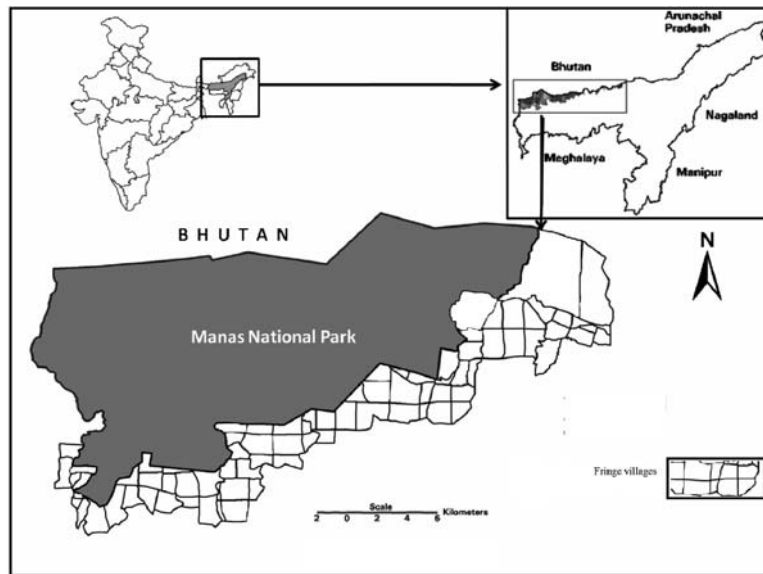
2. Methodology:

2.1 Study Area:

The Manas National Park (MNP) is one of the important world heritage sites (nature) situated in the North East India (**Figure 1**). The MNP was declared a sanctuary on October 1, 1928 with an area of 360 km². Manas Tiger reserve was created in 1973. In 1955 the area was increased to 391 km². It was declared a World Heritage site in December 1985 by UNESCO.

MNP is located at the confluence of Indian, Ethiopian and Indo-Chinese realms resulting in the magnificent biodiversity. The Park which is situated in the North-West Bank of River Brahmaputra is 175 km away from Guwahati, the capital of Assam. As per information provided by the forest department of Assam, there are 61 fringe villages with total population 28,795 in 4,885 households. The main livelihood of these people is agriculture and other activity related to forest resources. The background information is depicted in the **Table 1**.

Figure 1: Location of the study area, MNP



Source: Aranyak

Table 1. Selected background information of the case study tourists point

Background information	Manas Gate	Kokilabari	Chowki
Major ethnicity	Bodo, Adibashi (Tea tribe)	Bodo,	Bodo, Nepali, Adibashi (Tea tribe)
Main source of employment	Agriculture	Agriculture	Agriculture
Number of tourism businesses	7	1	1
Estimated yearly tourists	8657	355	27,720
Main tourist attraction	Wild life Tribal village, Tea garden	Wild life Tribal Village	Natural Scenery, caves Foothills of Bhutan
Main tourism income source	Lodging, Catering, Rafting Jeep Safari, Elephant Safari, Tribal and traditional dance	Lodging Catering Jeep Safari Tribal and traditional dance	Entrance fees for vehicles

Source: Extract from SPSS

2.2 Tourism Revenue, Tourism Leakage, Retained Revenue:

Though the tourism leakage is being defined in different scales, the argument of Mitchell and Ashley (2007) is very much

significant and practical. They argued that calculations of leakage often exclude important ‘out of pocket’ spending at the destination, and include spending on external items such as international flights, which could not possibly have been provided by the destination. This results in exaggerated leakage

rates which do not accurately reflect conditions within the host economy. Sandbrook (2008) defined Tourism Revenue (TR) as the money which was spent by the tourists in the study area, either directly or indirectly through their tour operator. This excludes money paid by tourists to tour operators which was subsequently spent on other elements of the holiday or retained as profit, as this money was never present in the study area and is therefore not considered relevant for calculation of local leakage (Mitchell and Ashley 2007).

Sandbrook (2008, 2010) has divided spending into four categories: (a) accommodation, (b) activities (in the National Park or on a local community walk), (c) out of pocket' spending (on shopping, handicrafts, tips and donations) and (d) tour staff (drivers and guides accompanying tours). Sandbrook (2008, 2010) argued that Leaked Revenue (LR) was that amount of tourism revenue which did not accrue to a local person, either as a payment or as profit to a locally owned business. The profit of the camps or service providers which had non local ownership was included in leakage revenue.

To estimate the leaked revenue, attempt was to see how tourist expenditures were distributed spatially by source (S.K. Nepal, personal communication, June 12, 2010; Lacher and Nepal 2010a, 2010b). The percentage of leakage rate was calculated as $LR/TR \times 100$ as it was suggested by Sandbrook (2008) in

his work. Thus, from the definitions provided by the above scholars, the functional definition or operational definition of tourism revenue leakage can be given as, Tourism Revenue Leakage = Tourism Revenue – Retained Revenue.

Retained Revenue (Lacher and Nepal defined it as Net Income, 2010a, 2010b) is the Net Tourism Revenue to the study area which is spent in the local food, items, service and employment.

Thus in case of the tourism business owned by the non-local actors, the tourism leakage can be estimated by deducting the spending on local goods and services and wages and salaries paid to local people. In case of the tourism business owned by the local actors, the tourism leakage can be estimated by deducting the spending on imports of goods and services and spending on wages and salaries paid to non-local people.

This was the approach adopted here to define total tourism revenue, leaked revenue and retained revenue.

2.3 Data Collection:

A preliminary survey of tourism businesses was carried out in January-February, 2010 in the study area to understand the status of tourism during this process and to test the data collection instrument i.e. interview schedules. There are four kinds of service providers in MNP (as shown in Table 2) viz. Accommodation providers with lodging and food, Jeep

Table 2: Service providers in the Manas National Park

Forest Range	Area of operation	Service provider	Ownership
Bansbari	Central MNP	Mathanguri Lodge	Government
		Bansbari Lodge	Non-local actor
		Manas View Jungle Resort	Non-local actor
		Birina Lodge	Non-local actor
		Florican Cottage	Local actor (NGO)
		Manas Gypsy Safari Association	Local actor
		ANAJAREE (Elephant Safari Association)	Local-non-local Partnership (NGO)
Bhuyanpara	Eastern MNP	<i>Thobgang</i> Jungle Tourist Camp	Local Actor (NGO)
		Manas Souchi Khungur Ecotourism Society	Local Actor (NGO)
Panbari	Western MNP	Nil	

Source: Extract from SPSS

Safari and Elephant Safari and Amusement Park run by NGO. In Chowki, there is no provision of night stay. Only day visitors come to the site either for picnic or for environmental and educational tours. The spot is being managed by an NGO, Manas Souchi Khungur Ecotourism Society (MSKETS).

In-depth interview was done among 15 respondents; each person was interviewed individually through unstructured questions. The respondents of the in-depth interview were presidents and secretaries of three NGOs formed by local youths doing tourism business in the study area, Director of Tourism (Government of Assam, India), Forest Range Officers (under which jurisdiction the National Parks are), Village Headmen, the president and the secretary of Manas Gypsy Safari Association and the President of Manas Elephant Safari Association. These stakeholders were selected intentionally by the authors since these people are directly involved in tourism of the study area. The major areas of inquiry were information related to the tourism history of the study area; view of the local people regarding tourism; local people's interest into tourism business; local people's main profession; the magnitude of tourism in local communities; how tourism is affecting patterns of development in local communities; the type and magnitude of local employment generated by tourism; the magnitude of local revenue generated by tourism; revenue distribution within the local economy; and the level of leakage from the local economy. All conversations were recorded through electronic voice recording device. The conversations lasted from 30 minutes to 1 hour.

Based on the information collected during the preliminary field survey and literature survey, the required variables were identified influencing tourism revenue, leaked revenue and retain revenue and four sets of semi structured interview schedules were developed, one each for the four types of service providers viz one for tour camps, one for Jeep Safari Association, one for Elephant Safari Association and the other for amusement park authority. Interview schedules were preferred because, in the pilot study, which used self administered questionnaires, it was seen that the respondents got difficulty to provide open-ended response related to revenue and expenditure and the spatial distributions of the expenditure.

In the interview schedules, there are two parts. In the first part, variables to find out the sources and amount of revenue

were included. In the second part, variables for measuring spatial distribution of expenditure were included.

Data collected through the interview schedules included location, year of establishment, and proprietor's place of origin, along with class and style of menu (for tour camps). There were also questions regarding the volume and frequency of tourist patronage, the proportion of those who were foreign, and estimates of total revenue. Supporting secondary sources (such as tour camp registration books and accounts) were examined wherever possible. Respondents were also asked about their staff. Data were collected for each employee regarding the type of job undertaken, monthly salary, age, sex, level of education, place of birth, and whether or not they were related to the proprietor.

To ensure that the variables covered all related issues, a content validity examination was conducted. A pilot survey was conducted covering all nine service providers to include uncovered variables and delete the repeated, vague or unnecessary variables. Besides, the in-depth interviews undertaken with 15 stakeholders also increased the content validity of the interview schedules.

Business owners or service providers were asked to estimate their total revenue from different sources related to tourism and summed up tourism revenue of all business owners in the park to get the total TR in MNP in line with the works of Walpole and Goodwin (2000), Sandbrook (2008) and Lacher and Nepal (2010a). To cross check this, the expenditure heads of a tourist have been identified first. These have been identified as expenditure on (a) accommodation (lodging and food), b) activity such as rafting, jeep safari, elephant safari and traditional and tribal dance (c) out of pocket spending such as tips and donation etc, (d) tour staff accompanied with tourists e.g. drivers etc if any and (e) entry permits. The spending by the tourists is the revenue of the concerned business in the study area. Though, Sandbrook (2008) did not consider entrance fees for measuring the economic impact on local economy, in the present study, it was considered since the park authority collects the same in the study area directly from the tourists or indirectly by the tour camps.

In the expenditure part of the tourism businesses, pattern of expenditure i.e. how much money, the businesses spent on local goods and services and people and how much money the same spent on imported goods and services and non-local

people. Expenditures of the service providers were categorized and the points of expenditure (within Local area or out of the study area) were recorded. The major categories of the expenditure spent by the tourism business were entrance fees paid to the government, expenditure on food items, expenditure on fuel, salaries paid to staff, expenses on house keeping goods, miscellaneous expenses including rent of Direct to Home TV, mobile and telephone bills, VAT etc. After quantifying the expenditure, it has been investigated to quantify how much of the expenditure is made to local actors and otherwise. Profits accruing to non-local owners of business activities were regarded as expenditure outside the destination thus calculated formed the LR and the rest, RR.

For this study, the operational definition of “local economy” was restricted to the village communities living in the fringe villages defined by the forest department. Local people has been defined as an individual resident in the study area who had lived there for at least three years with his dependent family members (Sandbrook 2008, 2009).

Data of one year’s tourism season i.e. data related to October, 2010 to April, 2011 were considered for the study. There were two reasons: First, in most of the previous studies such as undertaken by Sandbrook (2008, 2010) and Lacher and Nepal (2010a, 2010b) to calculate the amount of leakage, one year data were used. This approach was adopted in this study too. Secondly, through informal discussions with camp managers and activists of NGOs related to local tourism business, the authors got that the tour camps owned by non-local actors, usually purchase commodities from the rural gate-way i.e. from the nearby town. This implies that there is homogeneity regarding the data related to the spending pattern. Of course nominal price had changed in the last few years. This change is not significant from the point of view of the demand pattern of the tour camps. The employees, irrespective of local actors or non local actors, are being engaged since the last five years, commodities were purchased from the same sources. Therefore, one year data was looked to be representative and significant for calculation of revenue, expenditure and leakage and net revenue or retained revenue.

Though, macro-economic methods such as input-output analysis or multiplier analysis are used by number of authors like Kweka et al, (2003), Tyson (2005) and Kim and Kim (1998) to measure economic impact or quantifying leakage, Kottke (1998), Lacher and Nepal, (2010a) etc argued that the

techniques are not suited for most small study area due to data unavailability. However, when study area is small, as in this case, impacts can best be measured through primary data collection and cross-checking with local secondary sources (Walpole and Goodwin 2000; Sandbrook 2008). In case of MNP, all the private owned lodges or resorts are maintained by the appointed managers. They do not provide the actual data to the Chartered Accountants regarding number of visitors, number of Jeep Safari or number of Elephant Safari etc. but provide less than that so that they can keep the unaccounted amount in their own pockets. Therefore, the actual figure is higher than that is shown in the reports provided to Chartered Accountants. Besides, the Gypsy Safari Association and the Elephant Safari Association do not maintain any book keeping but the revenue collected by these two associations are very much significant as per the local economy is concerned. Under this situation, only primary data was considered for the study. For authenticity of the data, cross checking of data were made from different sources. The data related to the number of tourists available with the forest department, the tariff published in websites etc are examples of sources of cross checking.

2.4 Data Limitations:

Assessing economic transactions in peripheral areas of developing countries is very difficult due to poor record keeping by businesses and service providers (Walpole and Goodwin, 2000). Basically primary data were collected in this study, but it was often necessary to use recall, assumptions and estimates where reliable first-hand data could not be obtained. As suggested by Sandbrook (2008) and Walpole and Goodwin (2000), triangulation from different sources was used to improve the accuracy of data where possible. Therefore, values obtained from the study provide a general idea rather than precise indication of the role of tourism in the local economy at MNP.

3. Result and Discussion:

3.1 Structure of the Tourism Industry at MNP

The survey in the study area identified nine businesses which regularly sold goods or services to tourists as shown in Table 2. Of these, six were tour camps with catering, one was Gypsy Safari Association and one was Elephant Safari Association. These businesses provided a total of 98 jobs, 41 of which are

held by local people. Bansbari lodge, Birina Lodge and Manas View Jungle Resort are owned by non local actors, Mathan Guri tourism Bunglow is government owned. Manas Gypsy Safari Association is locally owned and Elephant Safari Association is run by an NGO, ANAJAREE, in which both local and non-local youths are involved. All these service providers are situated in the Bansbari Forest Range. In the Bhuyapara Forest Range, *Thobgang* Jungle Tourist Camp, is run by a local NGO, Manas Maozigendri Eco-tourism Society. It provides services like trekking, tribal village walk, Jeep Safari, Elephant Safari, tribal traditional dance etc. In Chowki, a local NGO, Manas Souchi Khungur Eco-tourism Society (MSKETS) is managing the tourist entry point and collects vehicle entry fees from the tourists with due permission of the forest department.

3.2 Tourism Revenue and Leakage and Retained Revenue:

The Tourism Revenue (TR), Leaked Revenue (LR) and Retained Revenue (RR) in MNP in the study year were INR 106.6 lakh, INR 59.3 lakh and INR 47.3 lakh respectively (**Table 3**). Thus leaked rate in MNP was 55.63 percent of the total tourism revenue. This leakage rate is significant compared to that of other nature based tourism destinations. It has been recorded as 60 percent in Komodo National Park, Indonesia (Walpole and Goodwin 2000) 48 percent in Kuhmo Municipality, Finland (Rinne and Saastamoinen, 2005), 50 percent in Komodo National Park, Indonesia (Goodwin, 2002) and 75 percent in Bwindi Impenetrable National Park, Uganda (Sandbrook, 2008).

Table 3: Tourism Revenue, Leaked Revenue and Retained Revenue in MNP

Background information	Types of visitor	Estimated tourist	Average spending	Estimated TR	Estimated LR	Estimated RR
ML#	Night stay	170(50)	1,788.24	3,04,000.00	2,27,500.00 (74.84)	76,500.00
MVJR	Night stay	300(0)	2,730.33	8,19,100.00	6,51,400.00(79.53)	1,67,700.00
BL	Night stay	456(0)	1,255.81	5,72,650.00	4,25,050.00(74.23)	1,47,600.00
BBL	Night stay	400(70)	7,755.5	31,02,200.00	27,49,100.00(88.62)	3,53,100.00
FC	Night stay	438(47)	2,715.56	11,89,415.00	2,55,695.00(21.49)	9,33,720.00
TJTC	Night stay	355(80)	3,833.80	13,61,000.00	90,445.00(6.65)	12,70,555.00
MGSA	Day visitor	5550(NA)	372.22	20,65,830.25	8,32,500.00(40.29)	12,33,330.25
MESA	Day visitor	462(124)	451.29	2,08,500.00	1,17,500.00(56.35)	91,000.00
MSKETS	Day visitor	27720(NA)	16.50	4,57,600.00	Nil	4,57,600.00
PA	-	36,732	15.90	5,84,250.00	5,84,250.00(100)	Nil
Total	-	36,732	290.33	106,64,545.25	59,33,440.00(55.64)	47,31,105.25

Source: Field survey

Note: Figures in the parentheses in column 3 indicates the number of foreign tourists and in column 6 indicate per cent leakage Currency exchange rate: \$US1= 48 (Indian Rupee)#ML= Mathanguri Lodge, MVJR= Manas view jungle resort, BL= Birina Lodge BBL=Bansbari Lodge, FC=Florican Cottage, TJTC=Thobgang Jungle Tourist Camp, MGSA= Manas Gypsy Safari Association, MESA= Manas Elephant Safari Association MSKETS=Manas Soucki Khungur Eco-tourism Society, PA= Park Authority

Out of total Tourism Revenue INR 106.6 lakh, tourism revenue from day visitors was INR 28.9 lakh and the tourism revenue from tourists that stayed overnight was INR 77.7 lakh. The leaked revenue from tourists that stayed overnight was INR 47.3 lakh (60.89 percent). In case of the tourism revenue collected from day visitors, the leaked revenue was INR 11.9 lakh (41.5 percent). This indicates that the leakage

rate is higher in case of the revenue collected from the tourists staying overnight compared to that of the revenue collected from day visitors in MNP. This is because; there are few non-local actors, except the government, to drain the tourism revenue from the day visitors. Out of the tourism revenue collected from the tourist staying overnight in camps, only INR 27.5 lakh (35.5 percent) was generated by the tour camps

owned by local actors and INR 50.1 lakh was generated by the tour camps owned by non-local actors.

During the tenure of the study, the tourism revenue generated in the study area was INR 106.6 lakh the contribution of service providers with local ownership to this is INR 52.8 lakh and that of service providers with non-local ownership is INR 53.8 lakh. Out of the total tourism revenue generated by the local tourism business, the amount of retained revenue is INR 39.8 lakh and amount of leaked revenue is INR 12.96 lakh (24.54 percent). But in case of the tourism revenue collected by the non-local tourism business, the amount of Retained Revenue is just INR 7.44 lakh and the Leaked Revenue is INR 46.37 lakh (86.16 percent). There are several reasons for that. First, the tourism business owned by the non-local actors engaged non-local skilled workers and purchased required food and house keeping items from the rural gateway. On the other hand, the tourism businesses owned by local-actors prefer local commodities and local people for their business for which tourism revenue retain within the host community. Hence, if the proportion of revenue generated by local versus non-local establishment can be changed favourably towards local establishment, tourism will be more sustainable in the study area.

3.3 Tourism Revenue Retention and Local NGOs:

There are three NGOs formed with local communities viz MMES, MEWS and MSKETS providing different kinds of services to the tourists as already mentioned. The leakage rate is minimum in case of local NGOs and it was INR 3.46 lakh out of total leaked amount INR 59.33 lakh (5.83 percent of the total leaked amount). No leaked amount is reported in the revenue collected by MSKETS. The leaked revenue was INR 90,445.00 (6.65 percent) and INR 2.55 lakh (21.49 percent) in Thobgang Jungle Tourist Camp run by MMES and Florican Cottage run by MEWS respectively. Out of the total retained revenue, the local NGOs were successive to retain INR 26.61 lakh out of INR 59.33 lakh which is more than 56 percent of the total retained revenue.

The NGO, MMES, was formed on 13th December, 2003 to look after Conservation and Ecotourism issues in and around MNP. MMES started reception of tourists from 2005. After then, flow of domestic as well as foreign tourists has been increasing. The MMES have taken number of strategies to capture tourists' revenue. The NGO has provided five cottages

built with locally available resources in the Thobgang Jungle Camp for the tourist. Though it has own vehicles for Jeep Safari during peak season, the NGO hires local youths and vehicles for Jeep Safari. The NGO provided alternative source of income to the people who were dependent on forest before. People are assisted in piggery farming, fishery, poultry farming and cultivating. During the peak season of the tourism, it purchases meat, fishes, cereals, rice, vegetable, milk, eggs and other day to day needed items from the local people. Before the establishment of the NGO, the site was not even identified as tourist entry point. The NGO has converted the site as popular tourists' entry point, succeeded to attract more than 1200 Indian and 200 foreign tourists and has kept significant amount of tourism revenue within the local community. In the study year the NGO collected INR 13.61 lakh from tourists out of which INR 12.7 lakh was retained revenue. The leaked revenue was just INR 90,445.00 (6.65 percent).

Manas Ever Welfare Society (MEWS) was established on the 3rd January-2006. It started tourism activity in December, 2009 by constructing five cottages made from locally available resources and raw materials. All the members of the NGO and employees are local. The NGO purchases all its necessary food grains, chicken, fish, eggs, vegetables, milk, fire wood etc. from the village people at reasonable rate. The NGO has provided Rs.15, 000 to 10 people with assistance of Bodoland Territorial Area District funds for dairy farming. With the financial assistance of WWF, the NGO has helped the local people for piggery farming, fishery, poultry farming and cultivating so that the local people can link their production to the tourism industry. The amount of TR, LR and RR were INR 11.89 lakh, INR 2.55 lakh (21.49 percent) and INR 9.33 lakh.

In the entire park, the NGO, Manas Souchi Khungur Ecotourism Society is most successful tourism service provider since there is no record of leakage of revenue of this NGO. In the study year the Tourism Revenue collected by the NGO was 4.57 lakh which has remained within the local community. Lacher and Nepal (2010a, 2010b) argued that this strategy is very effective in reducing leakage because the leakage from the entrance fees is very low. Though the strategy of entrance fees is very effective at minimizing leakage, it may not be suitable for other tourists' entry points or tourist destination. For the strategy to be effective, the host must be significantly unique and interesting enough to charge

entrance fees (Lacher and Nepal 2010a, 2010b). Chouki, a beautiful place in the Indo-Bhutan boarder, is situated in the Uttarkuchi under Bhyanpara Range of Mushalpur Sub-division of Baska district, Bodoland Territorial Area District. On 15th June, 2006, the NGO, Manas Sousi Khonkhor Eco-Tourism Society was formed by some local youths and extremists to protect flora and fauna of the area. The NGO motivated poachers and timber smugglers to surrender and converted them into volunteers of the NGO to involve them in protection and conservation. The volunteers prohibited destruction of forest resources and started reforestation for which the whole area is gradually covered by green trees. The NGO has been developing the Chouki area through construction of cottages and infrastructures for which the area is turned into a tourist entry point.

4. Suggestion and Conclusion

Previous leakage studies have been criticized for including questionable data in calculations and typically use a scale of analysis which is too broad to be useful in understanding the importance of leakage in areas visited by tourists. In this study, care was taken to ensure that only money spent at the destination was included in tourism revenue and the study area was kept small, focusing the analysis on the area at MNP, where tourism is intended to compensate for costs of conservation. This approach has shown that over 50 percent of tourism revenue to the study area was lost as leakage. The amount of leakage is significant compared to the contemporary studies accounting leakage rate in protected nature based tourism destinations.

However, several factors have influenced leakage at MNP. First, the tour camps in the study area were found to be dominated by external actors, resulting in a large proportion of revenue leakage. Second, significant percent of the skilled personals of tourism jobs were held by non-local staff, reflecting either a lack of local individuals with appropriate skills, or a reluctance to hire qualified local people. Third, a very small proportion of foods used by the tour camps were bought in the study area, suggesting a lack of linkages between tour camps and local farmers. The unnecessary leakages as mentioned in the study of Supradist (2004) can be removed through increasing linkages between tourism and the local economy. In contrast, tailored strategies which are compatible to the local economy can be adopted to minimise the amount of leakage.

This study suggests that in the peripheral and rural poor area, only the local level strategy can increase the economic impact. Since most of the people are unaware regarding the conservation, a few NGOs have been tried to retain tourism revenue in the local area by adopting unique strategy. In Bansbari Gate, among the five accommodation providers, only Florican Cottage has employed all local people. The members of the NGO are local and they distribute the profit among them. Since there is no employee from outside the area, there is no remittance. Even the NGO provide locally available food to the tourists. Only a negligible amount of revenue leaked out of the area for the purchase of house keeping items required for the maintenance of rooms. Accordingly, a small amount of revenue leaked due to purchase of raw food items such as packaged fruit juice, packaged butter, biscuits, chow, spices etc from outside the study area.

The important thing is that both the NGOs have converted ordinary sites into famous and popular tourists' entry points. Not only that, the NGOs explored the potential tourism industry in the host economy and created an opportunity for getting tourism as the alternative source of income for the local people. The benefit of the tourism to local economy depends upon how linkages are made between the potentialities of the local situation with the tourism sector. Since the Manas National Park is one of the largest parks in India, some new NGOs can be formed with local community in Panbari Range, can convert a place into tourist entry points and can provide the service of accommodation and Jeep safari. Since accommodation is being the largest leakage prone area, new accommodation facilities can be provided by the NGOs by constructing cottages following the model of MMES and MEWS. The local youths should be encouraged to the tourism by providing Jeep for Jeep Safari through the State Government Schemes like Assam Vikas Yojona under the State Tourism Department.

Moreover, as half of tourism jobs are captured by the non-local staff, reflecting a lack of local individuals with appropriate skills, NGOs can provide training programme for the local youth for positions like *mahut*, tour guide, rafting etc. NGOs can also take the initiatives to train up local people to grow such types of commodities that are demanded by the tour camps or tourists.

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Print Advertising : Consumer Behaviour

Sathya Swaroop Debasish and Mohan Muralidhar

A b s t r a c t

Promotion is one of the key 4Ps in the marketing mix. The objectives of Promotion are: increase sales, maintain or improve market share, create or improve brand recognition, create a favourable climate for future sales, Inform and educate the market, and Create a competitive advantage. The tools in the promotional mix are advertising, direct marketing, sales promotion, public relations and publicity, personal selling and online advertising. The present study aims to find out the effectiveness of print advertisings in consumer behaviour, in telecom sector in the state of Odisha, India . It also aims to find out the role of demographic variables in purchase intention due to attitude towards the communication tools. The survey was done and the data is analyzed through ANOVA. The results establish positive correlation between attitudes to the communication tools and purchase intention.

Key words: Consumer behavior, attitude, purchase intention, communication tools, print advertising, telecom sector.



Dr. Sathya Swaroop Debasish, *READER* ,
P.G.Dept. of Business Administration,
Utkal University, Vani Vihar ,
Bhubaneswar-4 , Orissa , INDIA
Email: sathyaswaroop2000@yahoo.com



Mohan Muralidhar, Senior Lecturer at Inter Science
Institute of Management & Technology, Bhubaneswar.

Behaviour is the response to the stimulus presented by the environment, individual as a consumer shows different behaviour under different circumstances and at different points of time. Due to this changing pattern of consumer behaviour, it is always a challenge for the companies in the telecom sector. The managers always try to justify their decisions regarding any planning from factual data. But in case of communication planning it becomes very difficult to quantify. Some argue sales return is the yardstick for measuring the effectiveness of communication tools. Some others say measuring the effectiveness of communication tools from sales point of view will be a conservative approach. They argue the process of decision making is not an instant or one day process rather there are many facets to be understood for analyzing the decision making process by the customer in purchasing a particular product or service. The communication tools may be able to persuade and convince the customer for a particular product but finally the customer may not buy the product because of economic constraints. So the study of effectiveness of communication tools should not

only include the purchase intention but also the attitude towards the advertisement/brand.

Allport (1935) views attitudes as “learned predispositions to respond to an object or class of objects in a consistently favorable or unfavorable way.” This definition of attitude indicates that it is the readiness to behave. Another definition of attitude popularized by cognitively oriented social psychologists Kretch and Crutchfield (1948) is “an enduring organization of motivational, emotional, perceptual, and cognitive process with respect to some aspect of the individual’s world.” This views attitude as being made up of three components: (1) the cognitive, or knowledge component, (2) the affective, or emotional component, and (3) the behavioural tendency component. The attitude formed due to cognitive process leads to outward activity, so it can be inferred that a positive attitude leads to positive purchase intention. Marketers try to influence attitude through advertisements. Advertising is any paid form of non personal presentation and promotion of ideas, goods, or services by an identified sponsor. Television is generally acknowledged as the most powerful advertising medium and reaches a broad spectrum of consumers. There are many set formats for advertising on television.

The present study tries to find out the effectiveness of online advertisement on consumer behaviour while purchasing the telecom service or handset in India. Due to the number of service providers increasing in each circle and the service providers finding it difficult to differentiate and position their service different from competitors, they are using communication as a tool to have an upper hand. Almost every company is using all the possible communication tools to influence the prospect. The communication tools have their own merits and demerits while fulfilling the objectives of the company. The messages through different media are perceived and conceived by different consumer in their own way. So this study will illustrate the effectiveness of print advertisements in terms of attitude formation and purchase intention. Also the study tries to analyze the role of demographic factors in attitude formation and purchase intention. The print advertisements are the advertisements given in News papers, Magazines etc.

2. OBJECTIVES

- To analyze the basic descriptive statistics with regard to attitude formation and purchase intention towards

the Print advertising, both for mobile handset buyers and service buyers,

- To investigate the presence of significant difference in attitude formation among the five response groups obtained out of Likert measurement scale,
- To analyze the relationship between attitude towards the online advertising and purchase intention of respondents through regression analysis,
- To understand the role of Demographic variables on attitude formation and purchase intention through ANCOVA analysis.

3. LITERATURE REVIEW

Lehmann (1977), Houston (1979), Beatty and Smith (1987) and Bloch et al (1986) in their studies write that level of involvement is believed to moderate the extent and nature of both information search and information processing with highly involved consumers likely to seek, pay attention to, and cognitively process detailed information. Petty and Cacioppo (1981, 1986); Gorn (1982); Petty et al (1983) on the other hand concluded that, consumers making decisions under conditions of low involvement lack the motivation to actively seek and process detailed issue-relevant information. Instead, they will rely on heuristics, such as imagery, music, endorser characteristics, etc. to arrive at their decision.

Anderson (1981) and Teng et al (2007) said that the cognition of the advertisement and feeling rise at the same time and thus the positive and negative affective reactions to the advertisement are transferred to the brand.

Goldsmith and Lafferty (2002) tested four hypotheses regarding the effects of viewing web sites on internet advertising. It surveyed 329 undergraduate students, asking them to recall brand names seen on the internet, to describe perceived advantages and disadvantages of online advertising, and to recall advertisements encountered in all media and whether they liked these or not. Visiting web sites appeared to increase aided recall of brands seen on the internet and improved consumers’ view of the brand. Consumers who felt that web sites improved their perceptions of brands saw more advantages in web advertising, but they perceived more disadvantages as well. Finally, the consumers appeared to like TV and magazine advertisements more than the ads they recalled seeing on the internet.

Coulter (2002) says that although findings have been inconsistent, there is some evidence from both experimental studies and field research that prices set just below the nearest round figure produce higher than expected demand at that level. Other research has demonstrated that the organization of verbal and/or pictorial elements of a print advertisement can influence the persuasive impact of that ad. The author combines these two streams of research in examining preference for brands associated with 0- versus 9-ending prices that are displayed in different advertising layouts. Results indicate that the higher than expected demand associated with 9-ending prices is more likely when prices are placed to the left of attended verbal information contained in an ad, due to the more positive evaluations of price that occur with more efficient subconscious processing.

Wolin and Korgaonkar (2003) conclude that males and females exhibit different beliefs about and attitude towards traditional media advertising along with different advertising stimulated consumer behaviour. Survey results indicate males and females differ significantly on several dimensions with males exhibiting more positive beliefs about web advertising and more positive attitude towards web advertising than females. Further, males are more likely to purchase from the web and surf the web for functional and entertainment reasons, whereas females are more likely to surf the web for shopping reasons.

Chan et al (2007) examined how Chinese and German consumers react to print advertisements that are potentially offensive. Findings on perceptions of the offensive advertisements among Chinese and German respondents were mixed. Overall, as expected, Chinese respondents were less accepting of offensive advertising, as they liked the advertisements less than German respondents. However, they were also more likely than German respondents to find the advertisements convincing and informative. Results showed that Chinese respondents and German respondents had different dimensions of advertising perceptions. The two print advertisements that received the most negative perceptions both contained sexually oriented body images. The study also found that advertising perceptions had a significant impact on consumers' intentions to reject the products and the brands.

The findings by Orth et.al. (2007) not only indicate different emotional, cognitive and attitudinal responses across countries, but additionally reveal that positively versus

negatively framed advertisements are being processed differently by consumers.

The paper by Sashikala (2007) focused on analyzing the effectiveness of advertisements targeting emotions of an individual and on sales. The findings reveal that majority of the surveyed group feel that television commercials have greater impact on their emotions. Print media occupies the second place followed by bill boards and internet. Out of the sampled population, 62% admitted that there is an emotional drive created by advertisement which leads them to purchase. The research reveals that 58% of the respondents feel that if they like an advertisement, they are quite excited to buy the product by virtue of the quality of its advertisement.

Pervan and Andrea (2008) explored how message framing is commonly used by magazine advertisers. Results suggest a lack of consistency between marketing practice and academic findings. Contrary to academic recommendations, advertisers used positive framing in almost all advertising messages. Further, the use of attribute framing and combined attribute and goal framing was more popular than pure goal framing.

Dianoux and Linhart (2010) in their paper attempted to gain a better understanding of the reasons for advertisers to use nudity in European advertising campaigns and, more precisely, whether a print ad that uses nudity is more or less effective than an ad without nudity in the Czech Republic, Spain, and France. The experiment carried out in three European countries (Czech Republic, Spain, France) exposes young consumers to an experimental magazine containing an advertisement that shows either a woman's face or her topless body. Nationality does not appear to influence preferences for advertisements with or without nudity. Although differences emerge among the three countries in attitudes toward the ad (Aad), they are independent of the ad type and consistently reflect the same trends within each country. Gender influences Aad, and women adopt more negative Aad when they see nudity compared with when they do not, in contrast with men, regardless of their country.

4. SAMPLE AND PERIOD OF STUDY

For the present study, the data was collected randomly from the population who bought the handset or the service (SIM) during June 2009 to June 2010. The data is collected with the help of a structured questionnaire. For service providers the questionnaire was administered to 675 samples, so for the

mobile service providers the sample size is 675. For handset consumers the questionnaire was administered to 657 buyers. So the sample size for mobile handsets is 657.

5. RESEARCH METHODOLOGY

For this study, Understandability of the message, Believability of the communication tool and/or message, Usefulness of the communication message and/or tool and the communication tool was better than the tools competitors have taken as the principal cognitive factors for attitude formation towards the communication tool. The participants were asked to choose the response from the Likert’s scale of strongly disagree, somewhat disagree, neither agree nor disagree, somewhat agree, strongly agree for the cognitive factors. The attitude i.e. whether they liked or disliked the whole communication message is measured through a rating scale ranging from 0 as “Not good” and 10 as “very good.” The purchase intention due to the communication tool was measured with a rating scale 0% to 100%. The participant has to indicate one of the responses from the options namely 0%, 10%, 25%, 50%, 75%, 90%, and 100%.

The different tools and techniques used are descriptive statistics, Regression analysis, Analysis of Variance (ANOVA), Analysis Of Co variance.

The descriptive statistics provide information about the distribution of the variable. The descriptive statistics used in the study are Mean, Median, Minimum, Maximum and range. The mean is the Average value of the distribution. Median is the middle value of the distribution. The minimum and maximum are the minimum and maximum values of the data analyzed.

Regression analysis proves linear or curvilinear relationship between the independent and dependent variables with the coefficient value to predict the dependent value.

Analysis of variance (ANOVA) is a procedure used for comparing sample. It means to see if there is a sufficient evidence to infer that the means of the corresponding population distributions also differ.

Analysis of Covariance is a procedure in which one of the independent variables is statistically controlled to find out the influence of another independent factor on the dependent variable.

6. ANALYSIS

6.1 Descriptive Statistics of Cognitive Factors for Attitude Formation Towards Print Advertising

Table 6.1 (A): Descriptive statistics of attitude for Mobile Service buyers towards Print advertising

Response Groups/Attitude Factors	Understandability				Usefulness				Believability				Better Than others			
	N	Min	Max	Mean	N	Min	Max	Mean	N	Min	Max	Mean	N	Min	Max	Mean
Strongly Agree	414	1	10	7.8986	330	5	10	8.1455	324	1	10	7.8056	354	1	10	8.0254
Somewhat Agree	102	4	9	6.1471	171	1	9	6.4737	150	1	9	6.5800	132	5	9	6.7273
Neither Agree nor Disagree	39	1	8	5.1538	42	1	9	5.2143	51	3	10	6.0000	63	1	8	5.3810
Somewhat Disagree	6	7	8	7.5000	18	7	8	7.5000	36	8	10	9.0000	6	5	6	5.5000
Strongly Disagree	6	1	8	4.5000	6	1	6	3.5000	6	1	7	4.0000	12	1	10	5.7500

Note: N denotes number of observations

It is observed from table 6.1 (A) that majority of the respondents ‘strongly agreed’ with each of the four cognitive factors, with 414 response in this category for ‘understandability,’ 330 for ‘usefulness,’ 324 for

‘believability,’ and 354 for ‘better than other’ cognitive factor. Further, it is found that all the cognitive factors have more number of people who said strongly agree or somewhat agree, and very less responses in other categories. Thus, the chosen

four cognitive factors help in positive attitude formation for the mobile handset buyers towards their purchase decision.

The attitude for the different groups of responses was also measured with the help of a scale of 1 to 10, where 1 means “not good” and 10 means “very good.” The minimum and maximum on the attitude scale for the ‘strongly agreed’ group is observed to be 1 and 10 (for ‘understandability’), 5 and 10 (for ‘usefulness’), 1 and 10 (for ‘believability’), and 1 and 10 (for ‘better than competitors, advertisement’), respectively. Similarly, the minimum and maximum observed on the attitude scale for the ‘somewhat agree’ group is 4,9 (understandability), 1,9 (usefulness), 1,9 (believability), and 5,9 (better than competitors advertisement). The minimum and maximum score found on the attitude scale for the ‘neither agree nor disagree’ group is 1, 8 (understandability), 1, 9 (usefulness), 3, 10 (believability), and 1, 8 (better than competitors advertisement). Further, the minimum and

maximum on the attitude scale for the ‘somewhat disagree’ group is 7,8 (understandability), 7,8 (usefulness), 8,10 (believability), and 5,6 (better than competitors advertisement); and the minimum and maximum mark on the attitude scale for the strongly disagree group is 1,8 (understandability), 1,6 (usefulness), 1,7 (believability), and 1,10 (better than competitor advertisement). With regard to the mean values of attitude for the mobile service buyers, the ‘strongly agree,’ ‘somewhat agree,’ ‘neither agree nor disagree,’ ‘somewhat disagree’ and ‘strongly disagree’ groups showed mean value of 7.8986, 6.1471, 5.1538, 7.5000, 4.5000 (for ‘understandability’), 8.1455, 6.4737, 5.2143, 7.5000, 3.5000 (for ‘usefulness’), 7.8056, 6.5800, 6.0000, 9.0000, 4.0000 (for ‘believability’) 8.0254, 6.7273, 5.3810, 5.5000, 5.7500, (for ‘better than others’), respectively. This indicates that the mean value for each of the four cognitive factors is maximum for the ‘strongly agree’ group and least for ‘strongly disagree’ group.

Table 6.1 (B): Descriptive statistics of attitude for Mobile handset buyers towards Print advertising

Response Groups/Attitude Factors	Understandability				Usefulness				Believability				Better Than others			
	N	Min	Max	Mean	N	Min	Max	Mean	N	Min	Max	Mean	N	Min	Max	Mean
Strongly Agree	414	3	10	7.3333	276	3	10	7.6630	309	3	10	7.5825	309	5	10	7.6602
Somewhat Agree	54	1	9	6.6667	186	3	10	6.7097	177	3	10	6.5085	159	1	9	6.4906
Neither Agree nor Disagree	96	3	7	5.5313	75	1	7	5.0800	63	3	10	5.4286	84	3	8	5.2500
Somewhat Disagree	6	6	7	6.5000	30	5	8	6.9000	21	1	8	6.1429	18	5	9	7.0000
Strongly Disagree	6	1	1	1.0000	9	1	5	2.3333	6	1	1	1.0000	6	1	1	1.0000

Table 6.1 (B) depicts the corresponding values for mobile hand set buyers with respect to each of the four cognitive factors for the five groups of responses. The findings are mostly similar with the observation that the maximum on the attitude scale for each of the four cognitive factors for the ‘strongly agree,’ ‘somewhat agree,’ and ‘neither agree nor disagree’ group is mostly 10 while the minimum is in range of 1 to 5. On the other hand, the maximum on the attitude scale for the four cognitive factors for the ‘somewhat disagree’ and

‘strongly disagree’ group is in range of 8 to 10 while the minimum is in the range 1 to 8. Thus, relatively higher values on the attitude scale is found for the ‘strongly agree’ and ‘somewhat agree’ group. Again with respect to mean values of attitude, relatively higher values for each of the four cognitive factor is observed for ‘strongly agree’ with values of 7.3333 (for ‘understandability’), 7.6630 (for ‘usefulness’), 7.5825 (for ‘believability’) and 7.6602 (for ‘better than others’), respectively.

Table 6.2 ANOVA Results for Factors of attitude for Mobile Service buyers and mobile handset buyers towards Print advertisement

Factors of attitude	Mobile Service buyers		Mobile Handset buyers	
	Between group Mean square	F-value (significance)	Between group Mean square	F-value (significance)
Understandability	42.428	17.843(.000)	39.195	21.486(.000)
Usefulness	51.752	23.792(.000)	50.295	31.696(.000)
Believability	34.538	13.547(.000)	44.031	25.587(.000)
Better than others	42.349	17.796 (.000)	53.579	35.328 (.000)

Note: The value in parenthesis under F-value column denotes the significance value for the ANOVA test.

6.2 ANOVA test for Attitude Formation towards online advertising

From the above discussion depicted in section 6.1, it is clear the attitude towards the television advertising is different for the five groups of respondents namely strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, strongly disagree and this is evident for each of the four factors of cognition- understandability, usefulness, believability and better than competitor. ANOVA test is done to find out whether there is statistically significant difference in mean attitude among the five groups of responses.

Table 6.2 presents the result of ANOVA test for mobile service buyers and mobile handset buyers with respect to the factors of attitude formation towards television advertisement. It is observed that the mean values of the five different response groups are significantly different (with significance value 0.00) for each of the cognitive factor namely 'understandability,' 'usefulness,' 'believability,' and 'better than other' with between group F-values of 17.843, 23.792, 13.547 and 17.796, respectively. The mean square value for the 'between groups' results is highest for 'usefulness' factor (51.752) and lowest for 'believability' (34.538).

In the case of mobile handset buyers, it is found that mean values of the five different response groups are also significantly different (with significance value 0.00) for each of the four cognitive factors towards attitude formation with

between group F-values of 21.486 ('understandability'), 31.696 ('usefulness'), 25.587 ('believability') and 35.328 ('better than other'). The mean square values for the 'between groups' results is highest for 'usefulness' factor (50.295) and lowest for 'understandability' (39.195).

The ANOVA tests from the table 6.2 suggested that there is difference between means of the attitude of groups- strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree and strongly disagree for the different factors which lead to positive attitude formation.

6.3 Results of Regression Analysis between Attitude towards Print advertising and Purchase Intention

Table 6.3 depicts the results of both linear regression and quadratic regression between attitude and purchase intention for mobile service buyers and mobile handset buyers with respect to print advertising. In the case of mobile service buyers, it is found that both the linear relation and quadratic relation between attitude and purchase intention are significant (value of 0.00). Further, the linear regression analysis indicates that 76.8% (R^2 value of 0.768) variation in the dependent variable (purchase intention) is explained by the attitude towards the print advertisement (independent variable), while the quadratic relation explains 77% variation in purchase intention. The coefficient equation of the quadratic relation is given as purchase intention = $-9.250 + 12.596(\text{attitude towards print advertising}) - 0.195(\text{attitude towards print advertising})^2$.

Table 6.3 : Regression analysis between Attitude and Purchase Intention for print advertising

Regression Method	Mobile Service buyers		Mobile Handset buyers	
	Linear	Quadratic	Linear	Quadratic
Constant	-1.556	-9.250	2.948	-13.011
Regression Coefficient	10.034	12.596	9.136	14.843
quadratic Coefficient		-.195		-.467
R square	.768	.770	.533	.543
Significance	.000	.000	.000	.000

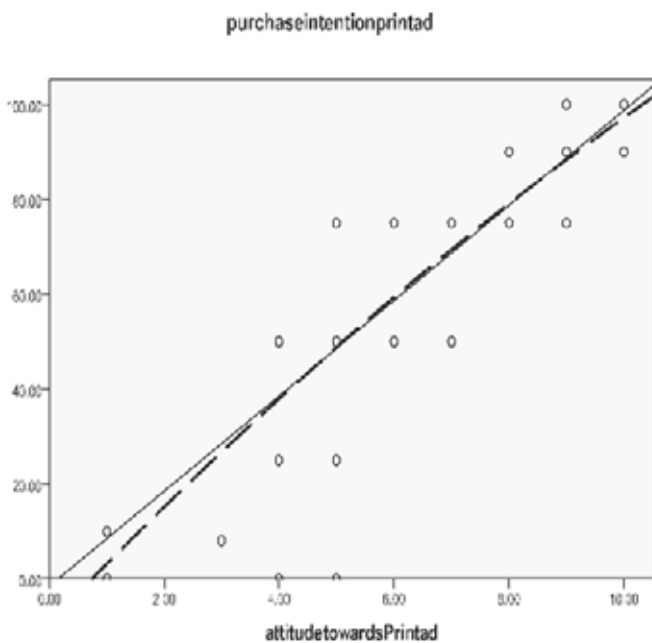
Similarly, for mobile handset buyers the results suggest that the quadratic relation predicts 54.3% (R² value of 0.543) variation in the purchase intention due to attitude towards print advertising, while for the linear relation the value of R² is 0.533 indicating that 53.3% variation in the dependent variable (purchase intention) is explained by the attitude towards the print advertisement (independent variable). The

quadratic equation for mobile handset buyers is given as purchase intention = -13.011+ 14.843 (attitude towards print advertising)+ -.467(attitude towards print advertising)².

This signifies that attitude has positive relation with purchase intention with respect to print advertising both for the mobile service buyers and handset buyers.

Figure 6.1: Linear and curvilinear relationship between attitude towards print advertising and purchase intention due to print advertising

(A) : Mobile service buyers



(B): Mobile handset buyers

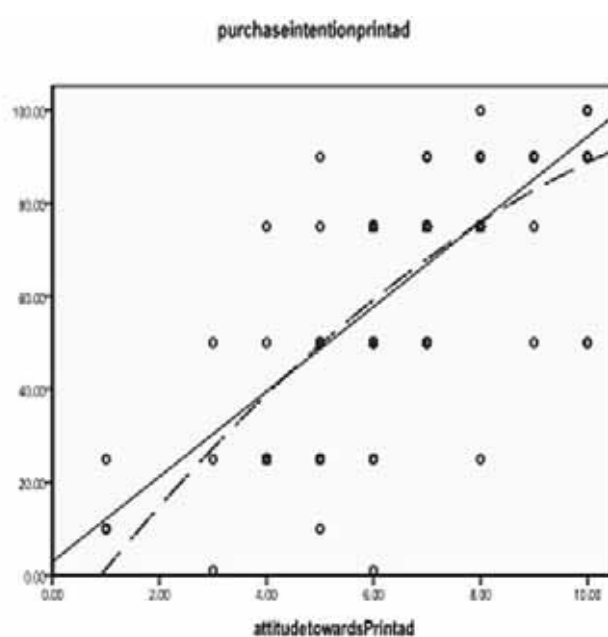


Figure 6.1 reflects the linear and curvilinear relationship between the attitude towards print advertising and purchase intention due to print advertising with graph-A for mobile service buyers and graph-B for mobile handset buyers. It is evident from figure 6.2 that the quadratic relation explains that the change in purchase intention happens with the change in attitude towards the print advertising but the purchase intention increases proportionately less to change in attitude towards the print advertisement in the beginning then it falls proportionately more with the increase in attitude after a certain stage.

6.4 ANCOVA Test For Demographic Variables And Factors Affecting Attitude Formation For Print Advertisement

The analysis of ANCOVA test is performed by taking attitude towards the print advertisement as dependent variable with the four covariates as Understandability, Usefulness, Believability and Better than others. The eight demographic variables are taken as the fixed factors. The results of the

ANCOVA analysis are presented in table 6.5. The ANCOVA tables produce significant values. If the significant value is less than 0.05 then, we accept that the demographic variable (fixed factor) is having a significant effect on attitude formation.

It is observed from table 6.5 that for service buyers with regard to 'understandability' of print advertisement, the demographic variables that evidenced significant effect on attitude formation, are age, occupation and area with significance value of 0.016, 0.002 and 0.000, respectively. With regard to 'usefulness' and 'believability' of print advertisement, only two demographic variables, namely occupation and area, showed significant effect on attitude formation with significance values of 0.002, 0.000 and 0.001, 0.000, respectively. For the cognitive factor 'better than others' with respect to print advertisement, it is observed that for the mobile service buyers the same demographic variables occupation and area (with significance value of 0.000) evidenced significant effect on attitude formation.

Table 6.5 : Results of ANCOVA test for the factors of attitude formation towards Print advertising

Demographic Variables	Understandability		Usefulness		Believability		Better Than others	
	Sig	Sig	Sig	Sig	Sig	Sig	Sig	Sig
	SER	HS	SER	HS	SER	HS	SER	HS
Age	.016	.080	.109	.050	.065	.040	.203	.121
Gender	.796	.395	.403	.553	.384	.594	.954	.965
Education	.096	.033	.203	.152	.121	.155	.412	.131
Marital status	.498	.035	.375	.029	.356	.001	.236	.004
Children	.171	.360	.109	.489	.293	.033	.224	.051
Occupation	.002	.451	.001	.027	.000	.059	.000	.220
Yearly income	.922	.889	.713	.080	.560	.131	.963	.276
Area	.000	.463	.000	.057	.000	.096	.000	.123

Note: HS Means Handset Buyers and SER Means Service Buyers.

From the analysis of table 6.5 it is found that for the mobile handset buyers with regard to 'understandability' of print advertisement, the demographic variables that evidenced significant effect on attitude formation, are education and marital status with significance value of 0.033 and 0.035. With regard to 'usefulness' of print advertisement, the demographic variables having significant influence on attitude

formation are age, marital status and occupation with significance value of 0.050, 0.029 and 0.027. For 'believability' of the print advertisement the demographic variables having significant influence are age, marital status and children (family life cycle) with significance value of 0.040, 0.001 and 0.033. With regard to 'better than others' print advertisement, only one demographic variable namely

marital status showed having significant effect on attitude formation with significance value 0.004. Thus, it may be concluded that the impact of demographic variables is more evident in mobile handset buyers than mobile service buyers with regard to attitude formation as a result of print advertisement.

6.5 ANCOVA Test for Demographic Variables and Purchase Intention due to Print Advertisement

ANCOVA analysis also attempts to find out the role of demographic factors in purchase intention due to attitude towards the print advertisement. Table 6.6 depicts

significance values for each of the eight demographic variables for both mobile service buyers and handset buyers with regard to purchase intention due to print advertisement. With a significance level of 0.05 (95 % confidence level), it is observed that both for the mobile service buyers and handset buyers none of the eight demographic variables showed any such significant impact towards purchase intention due to print advertisement as evidenced by the higher significance values (more than 0.05). Thus, there is no such impact of demographic variables on purchase intention due to attitude towards print advertisement for both mobile service buyers and mobile handset buyers.

Table 6.6 : ANCOVA test for demographic variables and purchase intention due to Print advertisement

Regression Method	Mobile Service buyers	Mobile Handset buyers
	Sig	Sig
Age	.148	.400
Gender	.488	.950
Education	.281	.236
Marital status	.106	.354
Children	.385	.268
Occupation	.277	.208
Yearly income	.209	.063
Area	.722	.239

4. CONCLUSION

The figures 7.1 and 7.2 indicate that cognitive factors contribute in attitude formation towards print advertisement for mobile service buyers as well as handset buyers. The figure 7.1 for mobile service buyers shows that the cognitive factors namely Understandability, Usefulness, Believability and Better than others lead to positive attitude formation. The cognitive factor “understandability” is significantly influenced by the demographic factors namely age, occupation and area in attitude formation. It is further noted that the cognitive factors “usefulness,” “believability,” and better than others” are significantly influenced by two demographic factors namely occupation and area while leading to positive attitude towards the print advertisement. The other demographic factors namely gender, education, marital status, children and yearly income do not influence the cognitive factors in forming attitude towards the print advertisement.

The figure 7.2 for mobile handset buyers indicate that the cognitive factor “understandability” is significantly influenced by the demographic factors namely education and marital status leading to attitude formation. The cognitive factor while leading to attitude formation is influenced by the demographic factors namely age, marital status and occupation. Similarly the cognitive factor “believability” is significantly influenced by age, marital status and children (family life cycle) while leading to attitude formation. The cognitive factor “better than others” is significantly influenced by the demographic factor marital status while leading to attitude formation. The other demographic variables namely gender, yearly income and area do not indicate having significant influence in attitude formation with the four cognitive factors.

Both for mobile service buyers and mobile handset buyers the demographic variables do not indicate having significant

influence on purchase intention due to attitude towards the print advertisement. However the results indicate that the attitude towards the print advertisement causes 0.77 (from regression analysis) purchase intention for mobile service

buyers is higher than the 0.543(from regression analysis) purchase intention caused by attitude towards print advertisement for mobile handset buyers.

Figure 7.1 Consumer Buying Model for Mobile Service Buyers for Print Advertisement

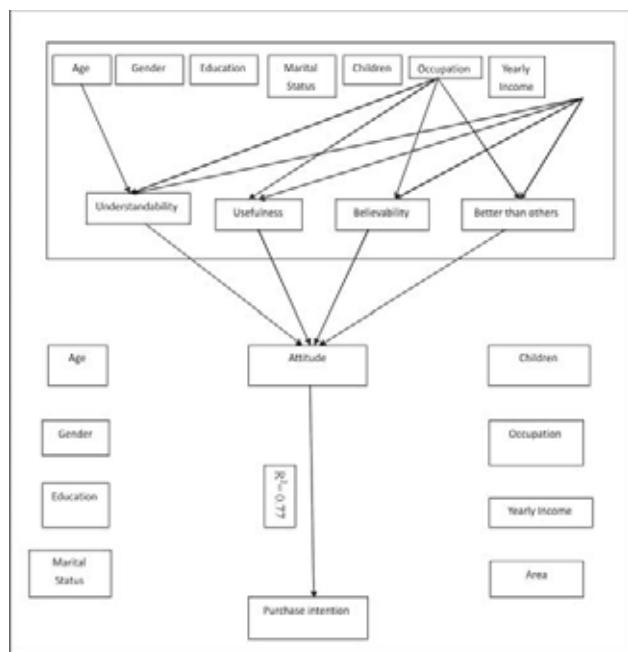


Figure 7.2 Consumer Buying Model for Mobile Handset Buyers for Print Advertisement



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Turnover Intentions : Iranian Employees

Seyed Mehdi Mousavi Davoudi and Kiarash Fartash

Abstract

The main aim of the current study is to determine the role of organizational justice and job satisfaction in turnover intentions of Iranian employees. Statistical population in this research includes 900 employees of 15 companies in Iran. Referring to Krejcie & Morgan (1970), the minimum number of sample size was determined as 269 respondents. After distribution of 300 questionnaires, 273 usable questionnaires were returned. The research method used for this study is descriptive-correlation and the analysis was carried out utilizing Structural Equation Modeling methodology. The factors analysis shows that organizational justice has a positive influence on employees' job satisfaction. Further, both organizational justice and job satisfaction negatively impact turnover intentions.

Key words: Turnover Intentions, Job Satisfaction, Organizational Justice.



*Seyed Mehdi Mousavi Davoudi,
Faculty of Management and Economics, Semnan
University, Semnan, Iran, +989113140696.
Email: mehdi_mousavi111@yahoo.com*



*Kiarash Fartash, Research Scholar in Technology
Management, Faculty of Management and Accounting,
Allameh Tabatabaie University, Tehran, Iran.
Email: kiarash.fartash@yahoo.com*

In today's business world, the importance of managing organizational resources is a crucial factor in the success of any organization. Among these resources, as Nadiri & Tanova (2010) state, human resources play a central role and demand special attention. Human resources are known as the major differentiating success factor for most organizations especially for service industry. Further, the challenge facing most organizations today is to recruit, retain, manage, and satisfy their human resources that can help to increase competitiveness of organizations.

Past studies found a significant positive relationship between employees' job satisfaction and customer perceptions of goods and services quality (Hartline & Keith, 1996; Yoon et al., 2001). According to Schmit & Allscheid (1995), satisfied employees deliver better goods and services which contribute to achieving customer loyalty. Consequently, according to Nadiri & Tanova (2010), having a loyal base of satisfied customers within such a competitive environment, increases revenues, decreases costs and builds market share. Moreover,

organizational justice has been shown to be related to employee outcomes such as job satisfaction (Fields et al., 2000), and employees' turnover intentions (Nadiri & Tanova, 2010). For employees, perceptions of justice are important determinants of their judgments about their organizations and will affect their intentions to leave the organization and seek other employments. There is little attention given to research on the relationships among organizational justice, job satisfaction, and turnover intentions especially in an Asian context. Thus, this paper attempts to propose a framework on the mentioned topic among employees of 15 companies in Iran.

Literature Review

Organizational Justice

According to Coetsee (2004), the description and explanation of fairness in the workplace is known as organizational justice. According to Piccolo et al (2008), perceptions of organizational justice are important determinants of employee judgments about the work environment.

Job Satisfaction

Job satisfaction is the degree to which people like their jobs (Spector, 1997, p. 7). Further, According to Pool et al (2006), it is an emotional response towards various facets. Moreover, Mottaz (1988) regarded job satisfaction as an effective response resulting from an evaluation of the work situation.

Turnover Intentions

According to Hellman (1997), turnover intentions are the behavioural intentions illuminating an individual's intention to leave the organization. Hom & Griffeth (1995) referred turnover intentions as a conscious and deliberate willfulness of an individual towards voluntary permanent withdrawal from the organization.

Relationship between Organizational Justice and Job Satisfaction

Previous studies on organizational justice demonstrated that justice perceptions have positive correlations with job satisfaction (Mossholder et al., 1998; Sweeney & McFarlin, 1993; Randall & Mueller, 1995; Lind & Tyler 1988; Lambert et al., 2005; Witt & Nye, 1992; Shokerkon & Neamei, 2003; Irving et al., 2004; Cedwyn & Awamleh, 2006; Zainalipour et

al., 2010, Choong et al., 2010). Further, individuals who perceive that they are receiving unfair treatment are more likely to feel angry, and dissatisfied (Eisenberger et al., 1986.)

Relationship between Organizational Justice and Turnover Intentions

Empirical evidence revealed that organizational justice has a significant influence on employees' work attitudes and behaviours (Colquitt et al., 2001; Kernan & Hanges, 2002; Shaw et al, 2003). In particular, previous studies showed that organizational justice negatively influence turnover intentions (e.g. Dailey & Kirk, 1992; Lee, 2000; Khatri et al., 2001; Aryee & Chay, 2001; Hubbell & Chory-Assad, 2005; Loi et al., 2006).

Relationship between Job Satisfaction and Turnover Intentions

Korunka et al. (2005) found a significant negative association between job satisfaction and turnover intentions. Further, Rahman et al (2008) found that job satisfaction has a negative effect on turnover intentions of IT professionals. Moreover, other studies conducted in different settings found a significant negative correlation between job satisfaction and turnover intentions (Shore & Martin, 1989; Mathieu & Zajac, 1990; Mannheim et al, 1997; Abraham, 1999).

Research Hypotheses and Model

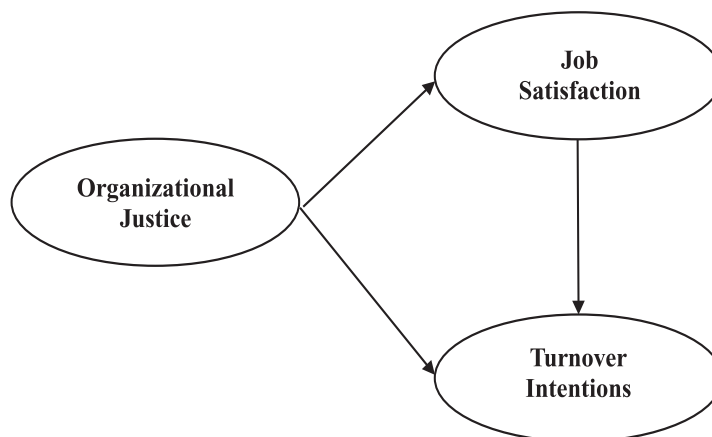
Taking into account the above mentioned literature and with regard to this fact that few researches have paid attention to the relations among organizational justice, job satisfaction and turnover intentions in service industry, especially in Iran, the following model and hypotheses are proposed. The model involved the relationship among organizational justice as independent variable, job satisfaction as mediating variable and turnover intentions of Iranian employees as dependent variable.

H₁: Organizational justice has a significant positive influence on job satisfaction.

H₂: Organizational justice has a significant negative influence on turnover intentions.

H₃: Job satisfaction has a significant negative influence on turnover intentions.

Figure 1: Research Proposed Model



Methodology

Statistical population

Statistical population in this research includes 900 employees of 15 companies in Mazandaran, a northern province of Iran. Referring to the Krejcie & Morgan (1970), the minimum

number of sample size was determined which was 269 respondents; the authors used random sampling for this research. After the distribution of 300 questionnaires, 273 usable questionnaires were returned. Table 1 illustrates the descriptive statistics of the respondents.

Table 1: Description of the Respondents

Item	Description	Frequency	Percentage
Gender	Male	192	70%
	Female	81	30%
Age	Below 30	84	31%
	31-50	180	66%
	Above 51	9	3%
Education	Diploma	110	40%
	STP	69	25%
	Bachelor	94	35%

Instrument

In order to collect the necessary data, a questionnaire was used to test the hypotheses of the study. The questionnaire consists of four sections. The first part includes 3 questions about demographic information of the respondents (table 1). In the second part, we used 5 questions to measure

organizational justice. These five questions were extracted from the questionnaire developed by Niehoff & Moorman (1993) which consists of 20 questions. Further, in the third part, we used 4 questions to measure job satisfaction. This scale included items previously used by Lucas et al (1990). Finally, the 3 items scale developed by Cammann et al (1979) was used to measure turnover intentions of employees. Each

item asked the respondents to indicate the degree of occurrence of thought of quitting, searching for another job, and actually intending to quit.

We used five-point Likert type scale for all the items. Response categories range from 1 (strongly disagree) to 5 (strongly agree).

Reliability & Validity

The summary statistics of formal survey are shown in Table 2. For reliability evaluation we utilized Cronbach's alpha. The Cronbach's alpha reliability of three scales is more than 0.7 ($\alpha > 0.7$), which indicates the scales demonstrate good reliability.

Table 2: The Summary Statistics of Formal Survey

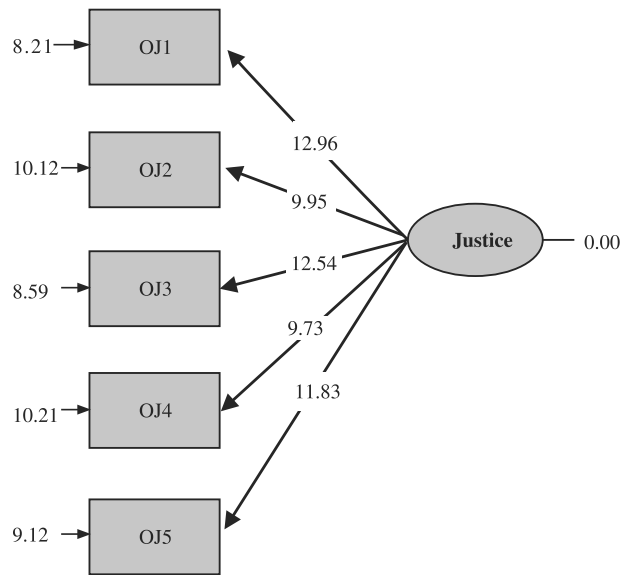
First section: Organizational Justice Questions Second section: Job Satisfaction Questions Third Section: Turnover Intentions Questions	Mean	Std. Deviation	α
OJ1. My organization uses fair rewards with regard to responsibility.	4.5495	.76115	
OJ2. My organization is neutral in decision making.	4.7509	.51828	
OJ3. My organization listens to employees before decision making.	4.5092	.75787	
OJ4. My organization gives importance to personal rights of employees.	4.2894	1.06436	
OJ5. My organization clearly explains the decisions related to my job.	4.4359	.92579	
Organizational Justice	0.786
JS1. I am satisfied with the amount of pay received for the job done.	4.5678	.74012	
JS2. I am satisfied with the working conditions.	4.6777	.61726	
JS3. I have the feeling of getting paid fairly in my organization.	4.5604	.76996	
JS4. I am relatively well rewarded financially for the work.	4.6044	.71557	
Job Satisfaction	0.793
TO1. I often think about quitting my organization.	1.8132	1.18736	
TO2. I sometimes look for a new job.	1.6593	1.00242	
TO3. I will leave my organization soon.	1.8388	1.18649	
Turnover Intentions	0.867

For evaluating the validity of the questionnaires, we used content validity and construct validity. In order to test the content validity after devising a framework for the questionnaire, we asked 10 experts to modify it if needed. These experts evaluated all the implemented criteria in the questionnaire and modified it. Further, in this research we used factor analysis for considering the structure of research. Confirmatory Factor Analysis was used to investigate the construction of the questionnaire.

Measurement model of Organizational Justice

In the initial step, we applied confirmatory factor analysis in Lisrel 8.8 and eventually conducted path diagram of X model as per Figure 2. We have tested relationship between organizational justice and its indicators. Fitness's indices also shows good fitness of our X model, proving selected indicator are good representative for each dimension of organizational justice.

Figure 2: T-Value Model of Organizational Justice (X Model)



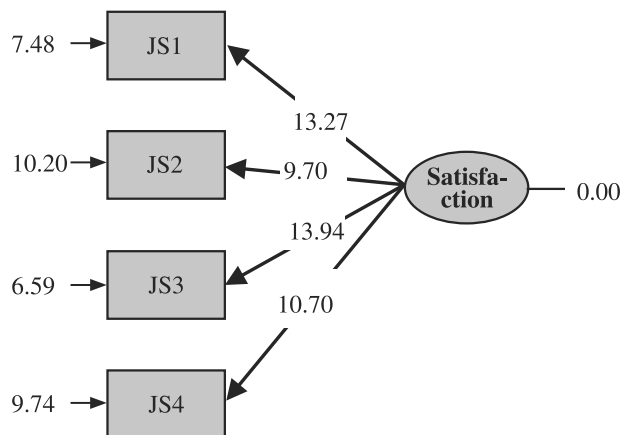
Chi- Square - 11.28, dt-5, F- Value - 0.00602, R<SEA - 0.068

Measurement model of Job Satisfaction (Y Model)

In the next step, we applied confirmatory factor analysis in Lisrel 8.8 and eventually conducted path diagram of Y model

as per Figure 3. We have tested relationship between job satisfaction and its indicators. Fitness's indices also shows good fitness of our Y model, proving selected indicator are good representative for each dimension of job satisfaction.

Figure 3: T-Value Model of Job Satisfaction



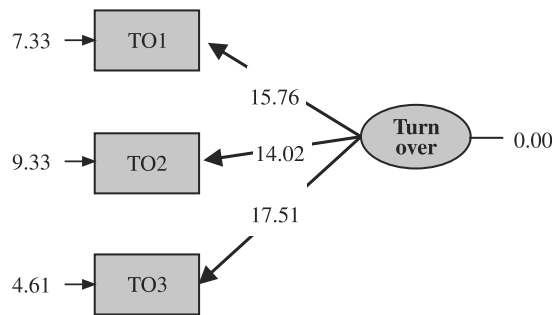
Chi - Square 1.30, dt-2, F-Value - 0.00087, RMSEA - 0.00

Measurement model of Turnover Intentions (Y Model)

Finally, we applied confirmatory factor analysis in Lisrel 8.8 and eventually conducted path diagram of Y model as per

Figure 4. We have tested relationship between turnover intentions and its indicators. Fitness's indices also shows good fitness of our Y model, proving selected indicator are good representative for each dimension of turnover intentions.

Figure 4: T-Value Model of Turnover Intentions



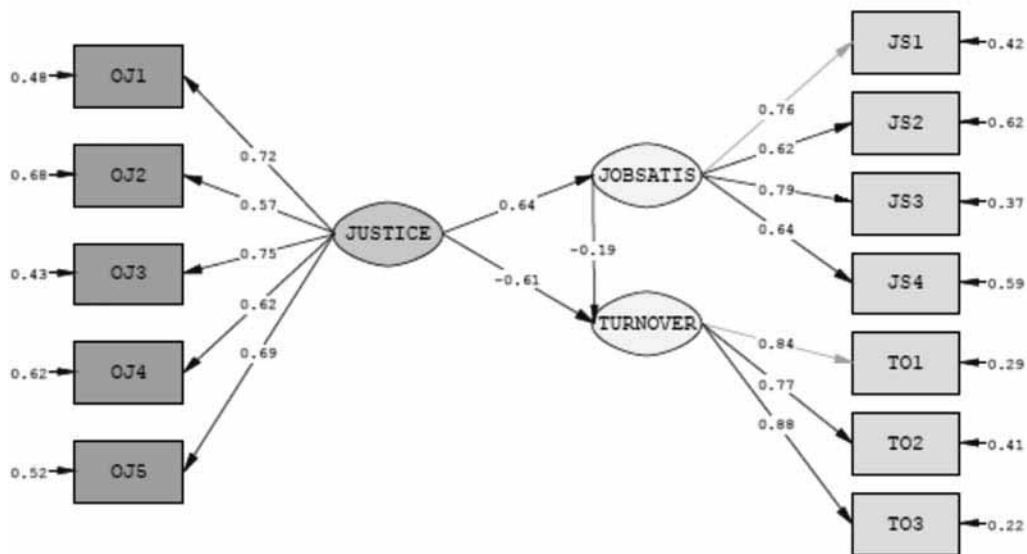
Chi - Square -0.00, dt-0, F-Value -1.00000, RMSEA - 0.000

Results

This study tends to investigate the relationship among organizational justice, job satisfaction and turnover intentions. The influences of these variables on each other were tested using the SEM technique that is explained below. For testing

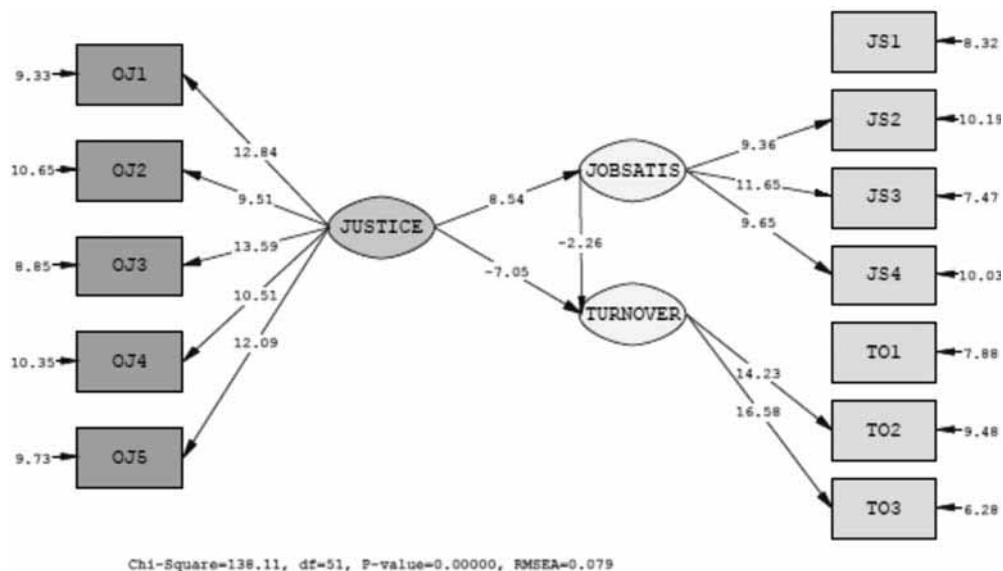
our hypotheses, we performed our structural model applying 5 questions of organizational justice, 4 questions of job satisfaction and 3 questions of turnover intentions. Figure 5 shows the results of the SEM analysis. Moreover, figure 6 shows the output of t-value analysis.

Figure 5: Structural Equation Model for Core Competencies



Chi-Square=138.11, df=51, P-value=0.00000, RMSEA=0.079

Figure 6: Output of T-value Test



Factor analysis depicted that all the mentioned criteria are measured in these questionnaires. Based on Joreskog & Sorbom (1989), Chi-Square/df≤3, RMSEA≤0.10, NFI, NNFI,

CFI, RFI, GFI> 0.9, and 0 <IFI< 1 show that the measurement model provides a reasonable fit to the data.

Table 3: The Structural Model Fitness Indices

Fitness Indices	Measure of Index
Chi-Square/df	2.7080
P-value	0.000
Root Mean Square Error of Approximation (RMSEA)	0.079
Normed Fit Index (NFI)	0.96
Non-Normed Fit Index (NNFI)	0.96
Comparative Fit Index (CFI)	0.97
Incremental Fit Index (IFI)	0.97
Relative Fit Index (RFI)	0.94
Goodness of Fit Index (GFI)	0.92

Table 4 summarizes the hypotheses test result in terms of path coefficient (standardized) and t-value. Based on the results of SEM analysis, and with regard to figure 7, all the

three hypotheses are confirmed (The hypotheses will be confirmed only when T-Values are more than 1.96 or less than -1.96).

Figure 7: Schematic Description of T-value Test

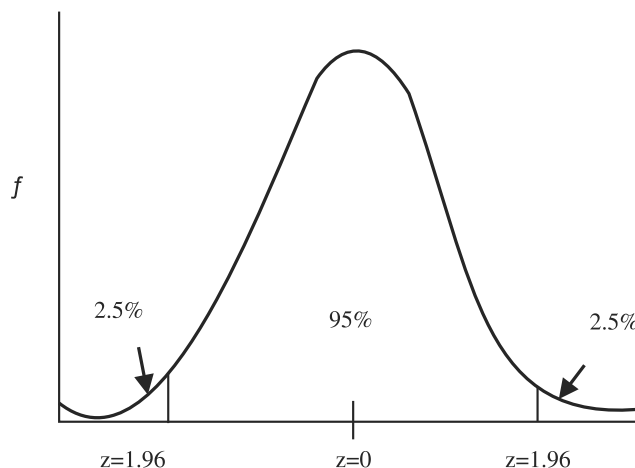


Table 4: The Results of the Hypotheses Test

No	Hypotheses	Path Coefficient	T-Value	Result
H ₁	Organizational Justice → Job Satisfaction	0.64	8.54	Accepted*
H ₂	Organizational Justice → Turnover Intentions	-0.61	-7.05	Accepted**
H ₃	Job Satisfaction → Turnover Intentions	-0.19	-2.26	Accepted**

*positive relationship; **Negative relationship

Discussion

The aim of the present study is to investigate the relationship among organizational justice, job satisfaction, and turnover intentions of employees in 15 companies of Mazandaran. Previous studies have examined the relationship between these variables with other variables; however, lack of sufficient research, studying the relationship among these three variables with each other was the reason this research was carried out. Further, because of the negative consequences of employees’ turnover intentions, examining factors lead to reducing the level of turnover intentions is an important issue for managers of organizations which was another reason this research was carried out.

The findings show that, in our context of Iranian employees, organizational justice has a positive influence on job satisfaction which confirms the findings of the previous

studies carried out in this field (e.g. Witt & Nye, 1992; Mossholder et al, 1998; Shokerkon & Neamei, 2003; Irving et al, 2004; Cedwyn & Awamleh, 2006; Zainalipour et al., 2010). Further, organizational justice has a significant negative influence on employees’ turnover intentions which confirms the findings of the previous studies (e.g. Dailey & Kirk, 1992; Lee, 2000; Khatri et al, 2001; Aryee & Chay, 2001; Hubbell & Chory-Assad, 2005; Loi et al, 2006). Moreover, the results also support the hypothesis of the study which states that job satisfaction will significantly impact negatively on employees’ turnover intentions which confirms the findings of the previous studies (e.g. Shore & Martin, 1989; Mathieu & Zajac, 1990; Mannheim et al., 1997; Abraham, 1999; Korunka et al., 2005; Rahman et al., 2008).

Taking into account the results of the current study, it can be concluded that perception of justice and employees’ job

satisfaction, prompt them to stay in their current workplace and do not have the intention of seeking a fairer alternative. The findings of the current study offer further insights into companies to better understand how they can retain their employees by reducing their turnover intentions.

From the managerial point of view, the findings suggest that, as all organizations, especially the relevant companies, concerned with reducing turnover intentions among their personnel, should focus their attention on providing adequate fairness in terms of reward allocation, organizational procedures, and interpersonal relationships. Further, managers should pay attention to various facets of employees' job such as wage, autonomy, interaction, professional status, task requirements, and organizational policies.

It is important to note that future research can examine other variables influencing the relationship among research variables such as organizational commitment, organizational culture, and leadership style to expand the model of this study.

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Critical Success Factors : Service Industries

Prasanna Raravi, Virupaxi Bagodi, and R.G. Mench

Abstract

The objective of this study was to investigate the critical success factors and their affect on organizational growth of mobile industry. Based on extensive literature survey and local survey several critical success factors were identified and their impacts were measured. Sample size survey was conducted in various mobile network units of Dharwal district in Karnataka. The data set resulted from the questionnaire survey were analyzed using statistical software IBM SPSS Statistics 19. Data analysis has been done in three stages. During the first stage reliability test was made (Cronbach's Alpha) to measure internal consistency or average correlation of items in a survey instrument. In the second stage Pearson correlation analysis has been applied to assess the strength of the relationship between dependent and independent variables. In third stage bivariate regression analysis is applied to check the association of variables with each other and also the extent of the variance, which is determined by the co-efficient of determination R^2 of the independent variable.

Key words: Critical success factors (CSF's), Perceived factor, Actual factor, dependent factor, independent factor, mobile network



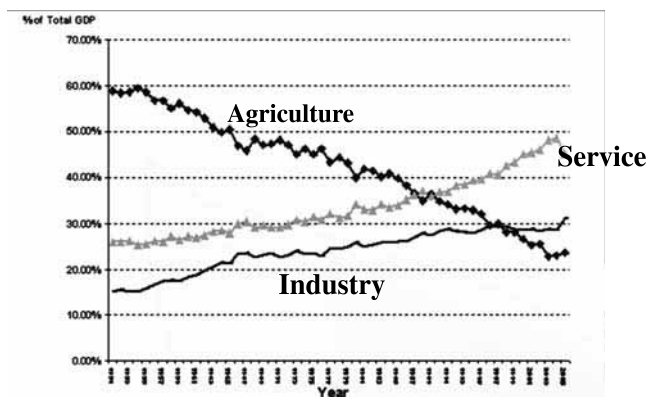
Prasanna Raravi, Assistant Professor,
Department of Industrial & Production Engineering,
BVB College of Engineering
& Technology, Vidya Nagar, Hubli, Karnataka, India
E-mail : prasanna_r@bvb.edu

Dr. Virupaxi Bagodi, Professor & Head, Department of
Mechanical Engineering, GEC, Haveri. Karnataka, India,
E-mail : virupaxibagodi@yahoo.com

Dr. R.G.Mench, Associate Professor, Department of Industrial
& Production Engg, BVB College of Engineering & Technology,
Vidya Nagar, Hubli, Karnataka, India
E-mail : mench@bvb.edu

S Service industry or sector involves-distribution, transport and sale of goods from producer to consumer. Principal characteristic of a service industry is people to people interaction. It is the lifeline for

Figure 1: Sectorial contribution to GDP



Source: Indian council for research of international economic relation, 2008

the social economic growth of a country. Largest and fastest growing sector is globally contributing more to the global output. Employing more people than any other sector, service Sector in India today accounts for more than half of India's GDP (about 55%).

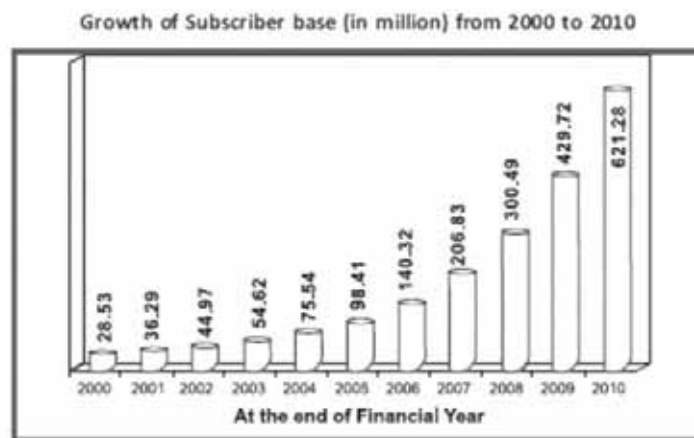
GDP by sector (estimate as per year 2010)

Agriculture: 17.2%

Industry: 29.1%

Services: 53.7%

Figure 2: Growth of subscribers in millions



Source – TRAI annual report 2009-10

Literature Review:

Literature survey is carried out by surveying numerous papers published in various sources like reputed international journals, conferences, dissertations etc uncovering the information about success factors, research and development, initiatives etc. *Rubina Verma (1991)* presents that post liberalization the Indian economy embarked on a path of rapid growth of aggregate output. There was a high growth rate of service sector output while that of industry was relatively muted. The growth in the service sector becomes more rapid. *Barry Eichengreen et al (2011)* shows that the rapid growth of the service sector is because of high-tech information technology, communication and business services. *Akoka et al (2012)* conducted a study on Nigerian telecommunication industry and proved that factors responsible for growth were System coverage, Voice quality, Customer service, and Subscriber base. *Victor Mbarika (2000)* infers that the 3 hypotheses like increased investment in telecommunication technologies are not a major determinant of growth of teledensity, A higher GDP per capita for an LDC will lead to a higher level of teledensity. A higher contribution of the

service sector share to GDP in the economy of LDCs will lead to a higher level of teledensity. A linear regression equation was developed to test the impact of the potential independent variables on teledensity and came up with the following form:

$$\text{Teledensity} = B_0 + B_1 (\text{TI}) + B_2 (\text{GDP/c}) + B_4 (\text{SSI}) + E$$

Where:

TI = Investment in telecommunications

GDP/c = Gross Domestic Product per capita

SSI = Size of the service sector contribution to GDP

All three hypotheses were supported.

Definition of CSF:

As a definition, critical success factors refer to “the limited number of areas in which satisfactory results will ensure successful competitive performance for the individual, department, or organization”. (Rockart and Bullen, 1981)

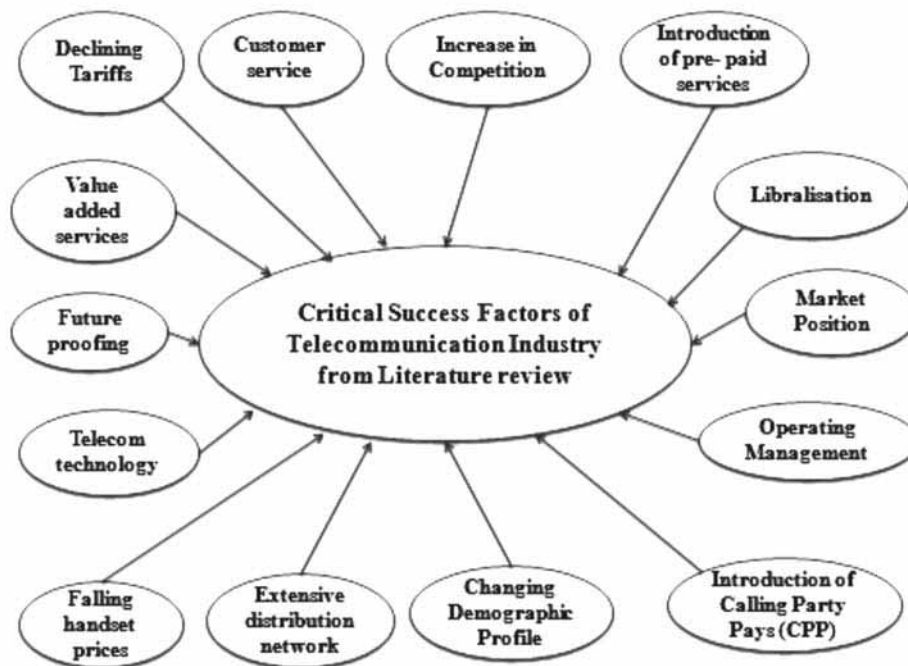
Definition 1: “critical” = important, key, determining, vital, strategic, etc.

Definition 2: “critical” = alarming, anxious, etc. (As shown within the diagram = top left):

Critical success factors are elements that are vital for a strategy to be successful. A critical success factor drives the strategy forward; it makes or breaks the success of the strategy, (hence “critical”). Therefore from the above said definition and

information from literature survey, following are the identified CSF’s for a given organization. From the initial survey in Hubli-Dharwad region few factors that were most important were considered, as others are likely to be negligible.

Figure 3: Identified CSF’s through literature survey



Following 7 hypotheses are formulated.

H1 = Customer service influences organizational growth of telecom company.

H2 = Buy-in & tariffs influences organizational growth of telecom company.

H3 = Value-added services influences organizational growth of telecom company.

H4= Future proofing influences organizational growth of telecom company.

H5= Telecom technology influences organizational growth of telecom company.

H6= Extensive distribution network influences organizational growth of telecom company.

H7= Falling handset prices influence organizational growth of telecom companies

Notation used:

cs-Customer service,

bt-Buy-in & tariffs,

va-Value added services,

fp-Future proofing,

tt-Telecom technology,

ed-Extensive distribution network,

fh-Falling handset prices.

The most commonly used technique is to present the participants, usually **top level managers** with the list of CSF’s and ask them to indicate whether and to what extent they believe each item on the list is important to the growth of their organization.

5 – Point Likert Scale is used for evaluation.

Software used: IBM SPSS Statistics 19

Reliability analysis – Internal consistency of data.
 Descriptive statistics – Mean.
 Relational statistics – Correlation.
 Inferential parametric tests for significance - Regression

Data Analysis, Results and Discussions

Reliability Analysis: Cronbach's Alpha is the coefficient of reliability to check the internal consistency of variables. The scale was tested for reliability by using Cronbach's Alpha.

Table 1: Reliability test

No	Path Coefficient	Result
Independent variables	29	.856
Dependent variables	12	.971

By referring table 1: it is clear that the overall values of Cronbach's alpha for independent variables & dependent variables is above the suggested cut-off value of 0.7 or higher (Nunnally and Bernstein, 1994) which means that the individual constructs were reliable to measure the parameters of growth.

Correlation Analysis: Correlation is a statistical technique that can show whether and how strongly pairs of variables are related. Correlation quantifies how well X and Y vary together. In linear correlation analysis, we identify the strength and direction of a linear relation between two random variables. Correlation refers to any of a broad class of statistical relationships involving dependence. Referring to

the Table 2 - it is clearly seen that the value of the correlation coefficient 'r' of dependent variable i.e Organizational growth (ogtl) with customer service (cs) is 0.564 which means both the variables have moderate positive correlation. Strong positive correlation is seen between buy-in & tariffs (bt), falling handset prices (fh) with Organizational growth. Moderate positive correlation is seen in between value added services (va), future proofing (fp), telecom technology (tt) respectively; whose values are 0.412, 0.435, 0.332. Similarly low degree negative correlation is seen between extensive distribution network(ed) 0.079 with Organizational growth respectively.

Table 1: Reliability test

Path Coefficient	Result
0.8 to 1.0	Very strong
0.6 to 0.8	Strong
0.4 to 0.6	Moderate
0.2 to 0.4	Weak
0.0 to 0.2	Very weak

Table 2: Karl Pearson's Correlation Analysis

	bt	va	fp	Tt	ed	fh	ogtl	ogtl
cs Pearson Correlation	1							
cs Sig. (2-tailed)		*	*	*	*	*	*	*
cs N	60							
bt Pearson Correlation	.710**	1						
bt Sig. (2-tailed)	.000		*	*	*	*	*	*
bt N	60	60						
va Pearson Correlation	.412**	.457**	1					
va Sig. (2-tailed)	.001			*	*	*	*	*
va N	60	60	60					
fp Pearson Correlation	.357**	.489**	.618**	1				
fp Sig. (2-tailed)	.005	.000			*	*	*	*
fp N	60	60	60	60				
tt Pearson Correlation	.387**	.467**	.549**	.612**	1			
tt Sig. (2-tailed)	.002	.000	.000			*	*	*
tt N	60	60	60	60	60			
ed Pearson Correlation	.184	.053	.571**	.158	.207	1		
ed Sig. (2-tailed)	.160	.688	.000	.228	.113		*	*
ed N	60	60	60	60	60	60		
fh Pearson Correlation	.611**	.663**	.594**	.643**	.526**	.105	1	
fh Sig. (2-tailed)	.000	.000	.000	.000	.426			*
fh N	60	60	60	60	60	60	60	
ogtl Pearson Correlation	.564**	.672**	.412**	.435**	.332**	.079	.829**	1
ogtl Sig. (2-tailed)	.000	.000	.001	.001	.009	.551	.000	
ogtl N	60	60	60	60	60	60	60	60

** Correlation is significant at the 0.01 level

Keys :- cs-Customer service, bt-Buy-in & tariffs, va-Value added services, fp-Future proofing, tt-Telecom technology, ed-Extensive distribution network, fh-Falling handset prices.

Bivariate Regression Analysis:

Regression between customer service & organizational growth shows that the model is significant as the p value is less than 0.01. The unstandardized coefficient of customer service is 1.893. The value of R² (Coefficient of determination) is .318 which means that 31.8% of variance in dependent variable is explained by customer service.

The regression equation is

OG = 12.226+1.893 cs + error. (The hypothesis H1 is accepted)

OG = 18.089 +1.66 bt + error (The hypothesis H2 is accepted)

OG = 45.116 + 0.748 va + error (The hypothesis H3 is accepted)

OG = 41.268+1.212 fp + error (The hypothesis H4 is accepted)

OG =48.307+0.561 tt + error (The hypothesis H5 is accepted)

OG= 7.561 + 2.652 fh + error (The hypothesis H7 is accepted)

(The hypothesis H6 is rejected)

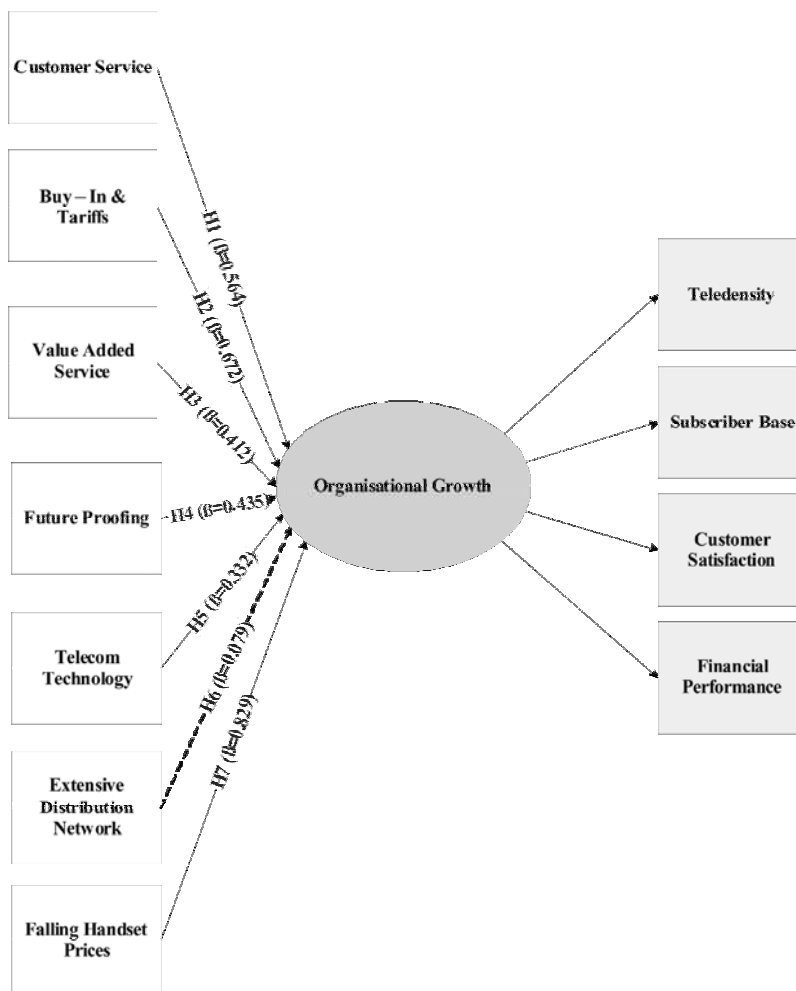
Table 3: Model summary

Sl. No.	Hypothesis	Links in	R	R Square	p- value	Result
1	H1	cs ogtl	.564	.318	0.000	Supported
2	H2	bt ogtl	.672	.452	0.000	Supported
3	H3	va ogtl	.412	.169	0.001	Supported
4	H4	fp ogtl	.435	.190	0.001	Supported
5	H5	tt ogtl	.332a	.110	0.009	Supported
6	H6	ed ogtl	.079	.006	0.551	Not supported
7	H7	fh ogtl	.829a	.688	0.00	Supported

Table 4: Regression Analysis

	Un standardized coefficients	Standardized coefficients	
Customer Service			
Model	B	Beta	Sig.
(Constant)	12.226		.166
cs	1.893	.564	.000
Buy-In & Tariffs			
Model	B	Beta	Sig.
(Constant)	18.089		.002
bt	1.665	.672	.000
Value Added Services			
Model	B	Beta	Sig.
(Constant)	45.116		.000
va	.748	.412	.001
Future Proofing			
Model	B	Beta	Sig.
(Constant)	41.268		.000
fp	1.212	.435	.001
Telecom Technology			
Model	B	Beta	Sig.
(Constant)	48.307		.000
tt	.561	.332	.009
Extensive Distribution Network			
Model	B	Beta	Sig.
(Constant)	55.161		.000
ed	.135	.079	.551
Falling Handset Prices			
Model	B	Beta	Sig.
(Constant)	7.561		.093
fh	2.652	.829	.000

Fig: 4: Research model



Conclusions:

From above study it is clear that falling handset prices were found to be the most significant contributor of organizational growth among all the critical success factors. The reason for this is the mobile prices are falling day by day and are affordable to low income & rural consumers who are extremely price conscious. The other reason is various reward schemes are introduced to encourage frequent top ups for prepaid consumers (Ex free sms after top up of certain amount/ full talk time). Hence it leads to increase in prepaid consumers, which further leads to increase in sales volume. Buy-In &

Tariffs were found to be the other most significant contributor of organizational growth among all the critical success factors. The reasons for this are the telecom companies are offering low buy-in (e.g. Cheap SIM cards, free credit) to the consumers which leads to increase in affordability to various low income & rural consumers. Telecom companies offer various attractive rates for different levels of usage (e.g. Student plans, corporate plans) which attracts a lot of students & even corporate people whose usage is abundant. Telecom companies are focusing more on college students/ youth generation & they provide useful add-on packages

(e.g. Bulk sms, friends and family offer, late night offer). Telecom companies are making it very easy for the consumers to get the new connection by widespread availability of SIM cards and recharge vouchers. The prepaid plans continued to grow in popularity and constitute about 96% of all subscribers. Future Proofing was found to be one of the significant determinants of organizational growth. The reason for this is the telecom companies are offering high-speed data services & broadband Internet over mobile. The telecom companies have 4G ready infrastructures & are offering applications such as using VoIP (voice over internet protocol) to enable cheaper mobile-to-mobile international calls. Insignificant entity & very weak determinant is Extensive Distribution Network. As per the surveyed officials the reason is lack of telecom infrastructure in semi-rural and rural areas and it is one of the major hindrances in tapping the huge rural potential market, going forward. As many rural areas lack basic infrastructure such as road and power, developing telecom infrastructure in these areas involves greater risks and also extends the time taken to roll out telecom services. The lack of trained personnel in the rural area to operate and maintain the cellular infrastructure, especially infrastructure such as towers, is also seen as a hurdle for extending telecom services to the under penetrated rural areas.

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Domestic LPG Hazards: A Safety Management Perspective

Ramesh V.M. and Sakthivel R.

Abstract

The paper discusses domestic LPG hazards in the wake of the recent LPG cylinder blasts in different parts of Kerala over the last 4 months views customer's perspectives and opinions on the issue. It begins with the milestones of history that mark the entry of Liquefied Petroleum Gas (LPG) into households. Later, there is a discussion on what makes LPG more popular than conventional fuels which made kitchen worse than a battlefield. Conventional fuels (firewood, charcoal, cow dung cakes) definitely did harm human life bringing in a mountain of health problems in various stages of human life. The paper also looks into the reasons behind the success of LPG in India, the top manufacturers and the customer base. The study includes a survey conducted in Cochin to 500 women respondents on five major aspects namely, LPG Safety awareness, Knowledge of safety mechanisms to be used in case of an LPG hazard, Impact of the recent LPG Accidents, Customer satisfaction and Impact of existing Training Mechanisms. Its main objective is to highlight the need of effective training and communication in this scenario. Comprehensive success-oriented training is all about learning and not mere understanding. It includes methodologies that can strike a chord with human brains. It involves learning without compromising on logic and reasoning. More than studying, the learner gets an experience of true learning.

Key words: Liquefied Petroleum Gas, training and communication, household fuel, safety



Ramesh. V. M., (Research Scholar, Bharathiar University),
Coimbatore-641046. Dy. Manager (Fire and Safety) BPCL,
Cochin Refinery, Ambalamugal - 682 302
rameshvmiyer@gmail.com



Dr. Sakthivel R., M.Tech., MBA., MSc., Ph.D.,
Department of Commerce and Management
Govt. Arts College (Autonomous) Coimbatore-641018
Email: sakthi19_69@yahoo.co.in

The multiple domestic cylinder explosions in and around Ernakulam in the recent past is the motivating factor behind the study. Ernakulam district, the business capital of Kerala known for its high literacy rate, is chosen for the study. The district was the first in the whole country to have 100% literacy in 1990. The district has the largest number of industrial installations in the State categorized as major accident hazard (MAH) dealing with hazardous chemicals. A UN assisted project has found Ernakulam among the six high risk industrial areas in the Country. The district also houses majority of Major Accident Hazard Industries of the State.

Tracing the past

For a long time, mankind was terrified of fire: He knew only the fires lit by nature, whenever nature lights a fire she does it on a grand scale. Erupting volcanoes spew forth sparks and molten lava. Lightning strikes a tree and starts a forest fire which destroys all before it dies out. Many times, the human family must have fled before such terrifying fires.

Table 1: High Risk Industrial Areas as taken from reference 8

Rank	Industrial Clusters	State
1	Manali-Ennore	Tamil Nadu
2	Thane-Belapur	Maharashtra
3	Ernakulam	Kerala
4	Kanpur	Uttar Pradesh
5	Haldia	West Bengal
6	Vadodara	Gujarat

But people were always curious. They went back to look over the charred forests. There they found roasted meat: Some bold fellows tasted it. Others copied them. Why, this was much better than raw meat, they thought, those terrible flames were good for something they could cook. Later the climate changed and the bitter Ice Ages came. Human beings remembered something else about the terrible fires. They gave off heat; certainly some of that heat would be welcomed in the bitter weather. If only nature would start a little fire: a small volcano, a small forest fire, well, mankind has never been one to sit around waiting for what he wants to happen. Early men figured out that fire fed on wood. Without wood it died. They knew then that if they had a little fire they could control it. All they had to do was to give it just enough wood to keep it alive. This same idea came to groups of early men in far scattered places; some solved it one way, some another. Around the Mediterranean there were smouldering volcanoes. In this region, early man most likely got his first fire from such a place.

Thus the discovery of fire or, more precisely, the controlled use of fire was, of necessity, one of the earliest and one of the most important human discoveries of the Early Stone Age that remains to be a turning point in the cultural aspect of human evolution. The ability to control fire was a dramatic change in the habits of early humans. Fire's functions are multiple, some of which are to add light and heat, to cook plants and animals, to clear forests for planting, to heat-treat stone for making stone tools, to burn clay for ceramic objects to generate heat and light for people to cook food, increasing the variety and availability of nutrients. The heat produced would also help people stay warm in cold weather, enabling them to live in cooler climates. Fire also kept nocturnal predators at bay. This was followed by Hearth Fire Construction, which was definitely a deliberate one that

further offered a safer opportunity to cook food. What followed this is part of our glorious history.

LPG: A path-breaking entry into households

Cooking is the process of preparing food, often with the use of heat. Cooking techniques and ingredients vary widely across the world, reflecting unique environmental, economic, and cultural traditions. Various fuels dominated to fulfill the household cooking needs as LPG was a late developer in the oil and gas business. The history of Liquefied Petroleum Gas (LPG), which is a by-product in the refining process, can be traced back to the beginning of the 20th Century. In 1911, an American chemist, Dr. Walter Snelling, identified that the propane and butane within gasoline caused its evaporation. He soon developed a practical method of removing these gases from the gasoline. This innovative invention proved its mettle years later and continues to play a key role in the making of the delicious dishes that we see today. LPG is a clean-burning, sustainable, non-renewable and efficient fuel and a vital source of energy for hundreds of millions of people throughout the world today. It is a multi-purpose energy with literally thousands of applications. Adding to all these it is portable, can be transported, stored and used virtually anywhere in the world and there are sufficient reserves to last for many decades.

LPG also shows lower greenhouse gas emissions than petrol, diesel, and electricity, on an energy-equivalent basis. LPG was found to have higher efficiency than natural gas-fuelled distributed power generation which makes it ideal for rural homes and businesses and it is a naturally occurring by-product of natural gas extraction (60%) and crude oil refining (40%) – therefore we either use it or it is wasted. LPG produces less air pollutants than diesel, oil, wood or coal and

Fig.1 : The uses of LPG

it emits about 20% less CO₂ than heating oil and 50% less than coal. LPG is among the two most efficient energy options across a wide variety of technology configurations. LPG is consistently among the most efficient water heating options across the regions examined. Over half of the world's population still relies on wood, crop waste, or even dried dung to provide the energy for cooking. LPG helps to reduce emissions of a typical house by 1.5 tonnes (around 25%) of CO₂ per year. LPG can be up to five times more efficient (high calorific value) than traditional fuels, resulting in less energy wastage and better use of our planet's resources. LPG is extremely versatile and portable. It can be transported using sea, rail or road transport. LPG is available in a wide variety of packaging and storage options and is available in even the remotest of areas. LPG also helps to reduce Black Carbon (BC) emissions, which are the second biggest contributor of global warming and which can cause serious health problems. Thus, it now stands out as a multi-purpose energy option which is even used to fuel the Olympic flames owing to its safety, environmental and practical characteristics.

Understanding LPG Hazards

LPG cylinders are safe when used correctly as per the instructions given by the Oil Marketing Companies (OMCs). Some of the properties of LPG that need special attention with regard to domestic safety are discussed below. We need to understand that LPG is a good slave and a bad master. LPG is a mixture of propane and butane with traces of propylene and butylenes. LPG is

colourless and has a distinctive odour due to the presence of ethyl mercaptan which can help to recognize any leak, if any, occurred in the cylinder valve or tube. If a welding torch or power cutter is used on an LPG cylinder, even if it appears to be empty, it can explode violently. LPG is a highly flammable material. LPG is heavier than air which enables the heavier gas to accumulate under low areas and can cause unconfined vapor cloud explosion even at far distance off. LPG is stored in liquid form under pressure (7 Kg/cm²). One drop of liquid LPG can expand to 250 times of gas which indicates the severity of the danger in case of LPG leak. 85% of the LPG cylinder is filled with liquid and the remaining portion with gas. It is safer to keep the LPG cylinder in vertical position and in ventilated area below the level of the LPG stove.

There is a minimum concentration of vapour in air below which the propagation of flame does not occur on contact with a source of ignition. There is also a maximum concentration of vapour in air above which propagation of flame does not occur. These limits of the mixture of vapour with air are known as the 'Lower and Higher of flammability or explosive limits and are usually expressed in terms of percentage of volume of vapour in air. The Lower and Higher flammability limits of LPG is very narrow and is between 1.9 and 9.5. Below the LEL (Lower explosive limit), it is too lean and above UEL (Upper explosive limit) it is too rich and hence chances of explosion can be ruled out on crossing the limits at both ends.

Fig-2 - Flammability limits of LPG



The range 1.9% to 9.5% represents the range of flammability of Liquid Petroleum Gas.

Advantages of LPG cooking gas over conventional fuel

Conventional Fuel	Safe fuel - LPG
Generation of toxic gas	Green fuel
Health effects due to the smoke generated	No health effects on use of LPG
Utensils used are with coke deposit	Utensils used are clean
Walls of the Kitchen coated with soot	Kitchen remain clean
Less energy efficient	More energy efficient
Deforestation for using wood as fuel	Environment friendly

Safety Precautions on LPG cylinders

LPG cylinders are governed by various regulations throughout its journey from Refinery to bottling plant. The LPG cylinders are manufactured at PESO (Petroleum and Explosives Safety Organisation) approved installations and the tests witnessed by the controller of explosives. The shell thickness is 3 mm and the domestic cylinder is of height 625 mm.

- **Static and mobile pressure vessels (Unfired) Rules 1981**

To regulate the construction, fitment, loading, transport and inspection of unfired vessels in service of compressed gas with capacity exceeding 1000 Litre.

- **Gas cylinder Rules 2004**

To regulate possession, delivery, storage, handling and examination/testing of cylinders limited up to capacity 1000 Litre.

- **Weights and Measures Rules:1987**

Weights and measure certificate for weigh bridge, filling machines and check scale.

- **Factories Act:1948**

Approval for drawings for construction of factory/ installation by Director, Department of Factories & Boilers. Monitor the adherence to Factories Act 1948 and State Factories Rules.

- **PESO Approval**

Prior approval from CCOE (Chief Controller of Explosives) before constructing any new facilities or altering the existing facilities for filling cylinders and storage area. PESO (Petroleum Explosives and Safety Organisation) license for filling of cylinders and storage of filled cylinders is essential.

- **The Motor Vehicles Act - 1988.**

To monitor the Safety codes and requirements to be followed in transportation of hazardous materials are laid down in Central Motor Vehicles Rules.

Various standards related to LPG cylinder

The various standards related to LPG cylinder are given hereunder:

- IS 3196 : LPG Cylinder
- IS 9798 : LPG Regulator

- IS 9573 : Connecting hose
- IS 4246 : Gas stove

The Visual inspection of the cylinder is carried out every time it reaches the bottling plant for refill. Hydrotest at 25 Kg/cm² is carried out on new cylinders as well as on existing cylinders as per the scheduled dates indicated on the stay plate of the cylinder. The date of previous test and test due date are indicated on the stay plate of the cylinder. For example, if the test due date shown is D-12, then it should to read as per the below given format.

Table-2: How to read the test due date

How to read the next test date
The alphabet in the code indicates:
A- the period in first quarter ending March
B- the period in second quarter ending June
C- the period in third quarter ending September
D- the period in fourth quarter ending December
The number following the alphabet represents the last two digits of the year
Code is NOT the date of expiry of physical life of the Cylinder

An example, D-12 : Indicates the next test due date as D - (last quarter) of the year 2012.

The LPG tube is to be changed at regular intervals as per the instruction given by the OMCs. A regular visual checking of rubber tube prior to opening of the cylinder is to be practised for safe cooking. Never leave the cylinder regulator open after use.

Few tips on the use of LPG Safety

If you smell LPG

- 1) Close the knob of the LPG appliance properly. Turn off the regulator
- 2) Keep open the windows and doors.
- 3) Do not switch “on” or “off” any electrical appliance at home.
- 4) Do not use electrical fan to dispel LPG.
- 5) Do not light any flame using matchbox/lighter to check for LPG Leakage.

Do’s and Dont’s in LPG Safety

Fig-3 : Do’s and Dont’s in LPG Safety



LPG In India

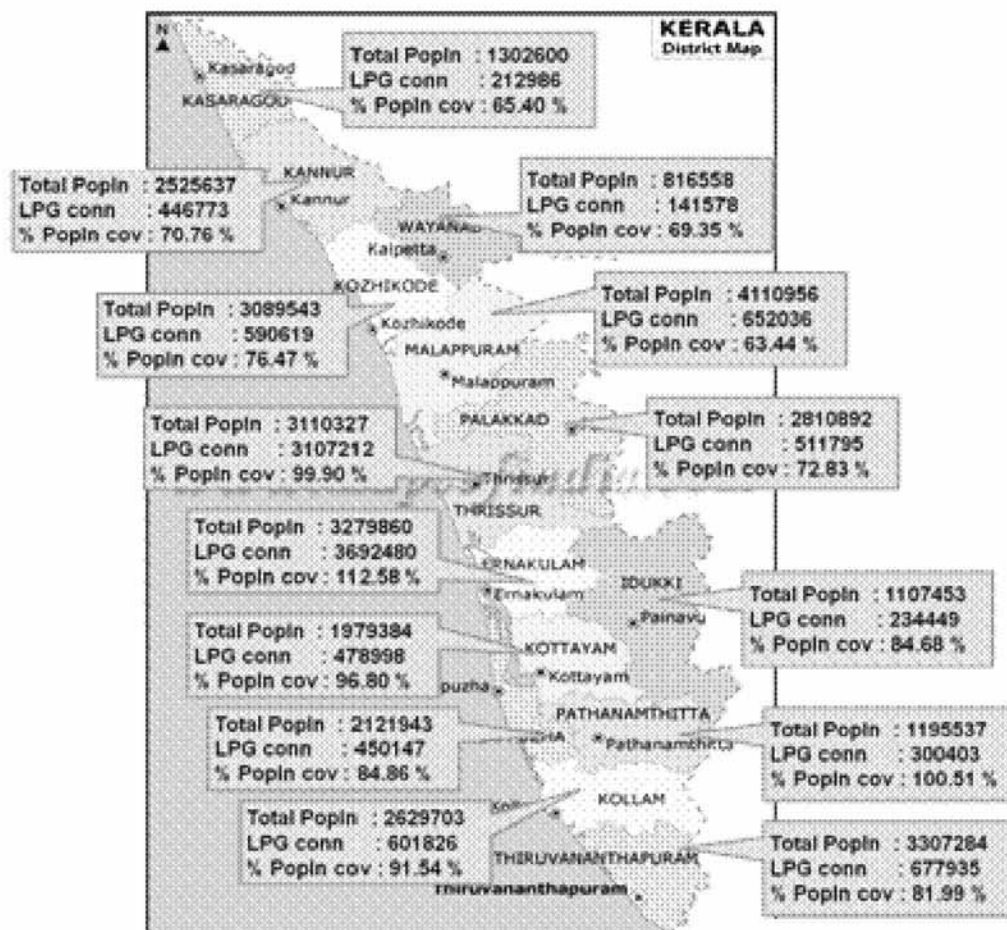
The marketing operations for LPG commenced in India in 1955 at Mumbai, under the Burmah Shell Oil Company under the name “Burshane.” This was followed by the entry of Indian Oil Corporation through its product “Indane” in mid-60s. Later, the nation witnessed the nationalization of the company Burmah Shell to become Bharat Petroleum which entered the market through its product “Bharatgas.” Other major player in the market is “HP Gas” from Hindustan Petroleum apart from a couple of private players like the Total Gas from ELF. Private players have a very limited share in the Indian Market which follows public distribution system. According to the data made available in 2009, though LPG is very popular in urban areas, people in rural areas

do prefer kerosene, firewood, cow dung cake, crop residue, coal and other options in their order of popularity.

LPG in Kerala

Kerala, one of the smallest states of our country, witnessed the entry of LPG in mid 1970s. Till then, firewood and kerosene remained the top fuels for household purposes. LPG invaded the urban life and now, as the trends say, rural areas of Kerala are also giving a warm welcome to this safe and eco-friendly fuel. In this study, we put our focus to the household (domestic) use of LPG. LPG covers 83.86% of the population in the state though rural areas continue to use kerosene and firewood as their alternative sources to fuel their kitchens.

Fig-4 The percentage of LPG connections in Kerala district-wise



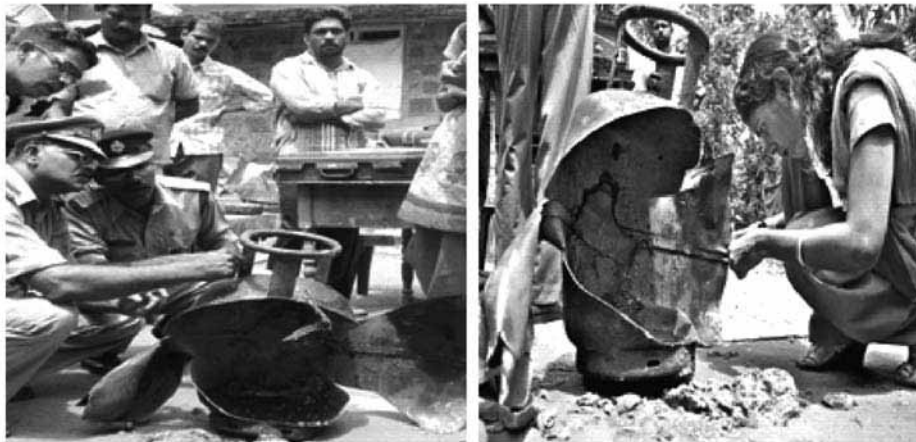
The major players in the market include Indian Oil Corporation with a domestic market share of 59.66% followed by Bharat Petroleum with 28.49% and Hindustan Petroleum Corporation with 11.83% and the remaining accounts for the private players. According to the statistics of the National Crime Records Bureau in 2011 for death due to LPG accidents, Kerala has witnessed 52 deaths due to such accidents, which is definitely a low value in comparison to 735 of Gujarat. The motivation for the study on LPG safety is the recent accidents in different parts of Kerala over the last 3-4 months. This has caused panic in the hearts of LPG users in the state. While we have witnessed accidents due to LPG leaks, problems to parts of LPG wherein the user had a major role to play in the accidents. This was mainly due to careless usage, mishandling and lack of awareness of the safety rules. We need to identify, evaluate and assess the problem and ensure minimization of accidents through efficient and effective problem solving methodologies. This forms the crux of the managerial problem.

The LPG Accidents

The National Crime Records Bureau (NCRB) in its statistics of death due to LPG accidents during 2011 tells that Gujarat (735) has recorded the highest number of deaths followed by Tamil Nadu (586). The recent LPG accidents are definitely a shock to the residents of Kerala who rely on LPG for domestic household uses. It is interesting to note that majority of these accidents take place in the morning hours. Also, majority of the cylinders that burst over the last few months belong to the Indian Oil Corporation. This might be a co-incidence, but of course! an interesting one. With the media, making this issue a big concern for months to come, this study attempts to assess the following:

- 1) LPG Safety awareness,
- 2) Knowledge of safety mechanisms to be used in case of an LPG hazard,
- 3) Impact of the recent LPG Accidents,
- 4) Customer satisfaction, and
- 5) Impact of existing Training Mechanisms.

Fig-5- Forensic experts checking the damaged LPG cylinder that caused a blast



While companies reveal that the test due date or the expiry date as commons know it isn't actually the date of expiry of physical life of the cylinder. Moreover, it can never be a reason for the cylinder to burst. Also the suppliers assure that no cylinder leaves its hands without passing proper tests in the right time. Therefore it rules out the probability of the expiry date being the reason for the recent accidents. Here, in this study we also try to understand what the customers feel about the same, what they think can be

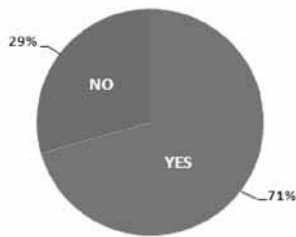
the reasons for the accidents and what are the preventive measures to be taken to tackle the problem, thus avoiding the recurrence of such incidents.

Study and its Interpretations

Ernakulam: - The business capital of Kerala was considered for the study which focused on the rural population to whom LPG was the sole source as fuel for household. The basic intention was

to understand the effectiveness of training and communication in the wake of the recent accidents in different parts of Kerala including Cochin. The study also aimed to understand the fears and worries of the LPG users in the city. The group considered for the study were household users of LPG mainly women as women and children are the victims of accidents related to LPG. An evidence for the same is the statistics presented by the National Crime Records Bureau in 2011 for death due to LPG accidents which tells us that 82% of the victims are women. A sample of 500 was randomly chosen for the study. All of them were women within the age-group of 30-50 years of age. The average number of cylinders used by them per year is 12 in number. It is interesting to note that all of them have been using LPG for over 10 years and none of them have attended any formal training session on safe use of LPG till date. Also, all of them were aware of alternative fuel for cooking options apart from LPG. Also, no participant was willing to opt for new alternative fuel sources like the piped LPG if it enters our state. 71 percent of the respondents felt that LPG is a safe fuel while the rest had doubts regarding how safe it is with regard to the accidents.

Is LPG a safe fuel ?



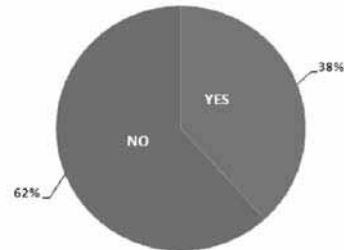
Despite, media putting the blame on the manufacturers and the LPG Cylinders, 65% of the respondents felt that accidents might have occurred as a result of mistake from the customer's side due to absence of maintenance and frequent check-up by trained personnel.

Do you think accidents occurred due to faulty cylinders ?



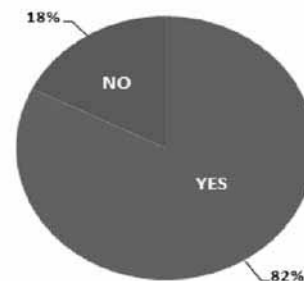
More than 98 percentages of the customers who participated in the study had trust on the supplier and possessed high customer satisfaction. Also, 50 percent of the respondents expressed a fear of using LPG in the wake of the twelve major LPG Household accidents in and around the city. An interesting observation that can be explicitly stated here is that all the respondents were aware of the first-aid safety measures to be taken in case of a hazard like gas leaks. They responded with options like opening all doors and windows, turning off the regulator, avoid switching on/off of any electronic device, keeping away all flammable substances and contacting emergency numbers for help. Also, despite frequent reminders to check the minute details given in the cylinder, 62 percent of the respondents ignore the test dates, the net weight, and other details that need to be looked into on delivery of a new cylinder.

Do you check for the test date/expiry date of LPG ?



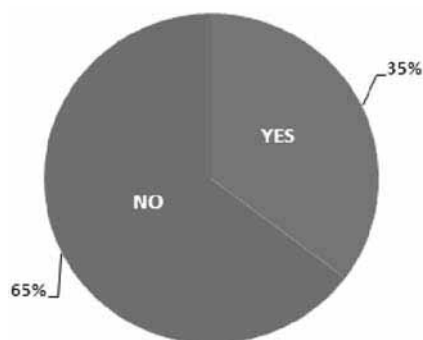
82% of the respondents accepted the fact that they followed safety rules including keeping the cylinder in vertical position when in use, storing the cylinder in a dry place away from heat, cold and dust, turning off regulator when not in use. They also used innovative modifications in cooking in order to efficiently utilize the cylinder in the best possible manner.

Do you follow the Basic Safety rules ?



Now, talking about the maintenance and checking of LPG with the aid of trained personnel. This refers to a check-up that a kitchen requires to make sure that the regulator/rubber tube hasn't worn out and to check the stoves efficiency. Among the respondents, only 35 percent perform these activities which are actually preventive measures for a safer tomorrow. Also, people are unaware that rubber tube needs to be changed every two years to ensure security.

Do you check the LPG cylinder accessories?



Also, the respondents explained that many of them receive theoretical training without looking into the practical aspects and logical reasoning. An example would be a case where you are asked not to do an act but the reason is not explained to you as to why you should not do it.

After this session, the respondents were given a 2 hour training session on LPG Safety which did bear fruits as the average rating was 9 on 10. A couple of weeks later, a change in their attitude towards LPG Safety was noticed as they realized the importance of Kitchen Safety.

Conclusions

Communication and training in the right direction will definitely play a major role in minimizing LPG accidents in the country on the whole. A statistical evidence for the same is the statistics presented by the National Crime Records Bureau in 2011 for death due to LPG accidents which lists the major causes for deaths due to LPG accidents in the country in the decreasing order of importance as listed below: Dowry deaths, Forced suicides, Sub standard cylinders, Old valves, Worn out regulators, Damaged/ leaky hose and Lack of awareness and efficient training can definitely play a key role in minimizing LPG accidents in the near future thus, ensuring home safety.

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2009



Book Title	:	<i>industrial relations A Contemporary Approach</i>
Author	:	Mark Bray, Stephen Deery, Janet Walsh Peter Waring
Edition	:	Third
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*Reviewed by Prof. P.C. Pillai, Group
Director, SCMS - Cochin, Pratap Nagar,
Muttom, Aluva - 683 106, Cochin, Kerala,
E-mail : pcpillai@scmsgroup.org*

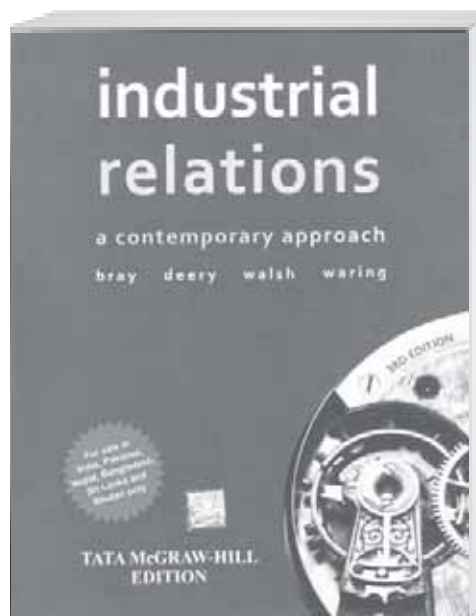


Industrial Relations – A Contemporary Approach the book under review, is the revised and updated edition of a popular text book, the predecessor of which was published in 1980 as *Australian Industrial Relations*. Four new chapters have been added while updating the book which have vastly improved the currency of the text. Although the book is constructed primarily and predominantly on the Australian context, thanks to the globalization and progressive integration of the world-economy since the 90's, the theoretical debates within the field of study that are exhaustively dealt with in the book, prove to be relevant and comprehensible to the reader, irrespective of the nationality. With the significant changes that have taken place in the Industrial Relations (IR) practices world-over due to a variety of factors relating to the changing nature of work and also employment and labour market restructuring, the reader may experience an overwhelming sense of

familiarity with the leaps of case studies, work-stories and IR news contained, notwithstanding their Australian connection.

The book is a 'high-level text' having the requisite approaches and pedagogy to guide readers through a learning process.

While the contents are covered quite comprehensively, it also provides for the 'perspective balance' inherently needed in any intellectual inquiry. The book is divided into three parts and ten chapters. The organization and sequence of elements within a chapter are well laid-out with introductory remarks, topics under short headings, boxed features of IR news and work-stories and chapter-end observations and summary notes. The pedagogy includes listing of the learning objectives at the beginning of each chapter, case-studies and discussion questions. Parenthetical source-citations, bibliography, references and separate author and subject indexes are also given to enhance the learning outcome.



Part I, as the caption indicates, deals with the nature and context of industrial relations and comprises two chapters. Chapter I covers the study of industrial relations. As distinct from the commonsense meaning of industrial relations associating the term with sensational events and dramatic incidents of conflict involving trade unions, it is comprehensively treated as the study of employment relationship. While the three different approaches to the study, viz, Pluralist, Unitarist and Radical approaches are discussed, together with their individual perspectives as well as the relevant analytical tools, the pluralist approach, more specifically described as the 'pluralist neo-institutionalism,' is the basic approach to the study of the employment relationship adopted in this book.

Chapter 2 deals with the changing nature of work and employment in Australia. Labour market restructuring has taken place due to (i) major sectoral shifts in employment (ii) decline in employment in the manufacturing industry and (iii) employment growth in the services sector. The necessary consequence has been the decline of permanent full-time work and growth of part-time job, with its debilitating effect on the long held view that 'any work that is not full time and not permanent is somehow illegitimate.' The downsizing and delaying exercises since 1990s have also hastened work force restructuring, leading to increase in self-employment and outsourcing. Although the changes caused significant negative impact on wage inequalities and higher levels of work-related stress, it also led to a shift in thinking from 'employment security' to a focus on 'employability.' Although the contents of the chapter are specifically drawn from the Australian context, they are not unique to Australia and have a wider and fairly universal application and appeal.

Part 2 of the book deals with the 'Parties' involved in and relevant to the practice of Industrial Relations, in Chapters 3 to 7. Chapter 3 is about the 'State'- a critical actor in IR whose functions are extensive. The State plays a substantial role both as an employer and in the determination of wages and other conditions of employment. From a 'Corporatist' State with focus on macro-economic matters and emphasis on micro-economic reforms, the State is adopting 'Managerialism,' embracing private sector management techniques and decentralization of decision making and 'Marketisation' where public sector is exposed to market competition and privatization. The State 'receding' in this manner has affected employment levels in the public sector

and the role of unions, resulting in erosion in job security and reduction in career opportunities in the government sector.

Chapter 4 deals with the Federal Tribunal, the mechanism established for resolution of industrial disputes in Australia. From the heydays in the past when the Tribunal enjoyed both 'arbitral' powers and 'judicial' powers, today the latter reside with the Court and Tribunal's arbitral powers and influence have declined. So is the case with similar structures elsewhere in the world, including in India.

Chapter 5 extensively covers Management. Management is important in defining and shaping the form of employment relationship. Goals and functions of Management are discussed in relation to ownership and control, power-shifts from owners to managers and role of 'constellation of interests' in decision making. As labour is the most difficult resource to manage effectively, overall business strategy and market conditions affect the management of IR. In assuming an assertive role of Management, 'managerial prerogatives' are widely exercised.

Chapter 6 deals with Employee Representation and Trade Unions. The discussions are essentially in the Australian context and based on historical development of Australian Unions. In recent years, substantial decline in Union density and membership is noticed, primarily due to changes in industry and employment structure and employment. Unions are engaged in evolving strategies to deal with the fall in membership.

Chapter 7 talks about Non-Union Employee Representation. Due to decline in Union density and the resultant 'representation gap' and also due to practice of progressive Human Resources Management (HRM) policies for employee empowerment, non-union forms of representation is gaining wider acceptance and practice. Whether it aims to improve employee voice and equity at work or to 'advance the commercial and efficiency interests of employers' is a major debating point. In Australia and may be elsewhere also, non-union representation is strengthened by Industrial Relations Reform Acts which among other things, enable Enterprise Flexibility Agreements and Individual Contracting. Nevertheless, the quality of State-sanctioned/ Management-initiated forms of representations are often reviewed as inferior to those provided by active independent unions.

In Part 3 of the Book the Processes and Change are discussed from Chapters 8 to 10.

Chapter 8 covers the Bargaining Structures and Processes. The rules that regulate the employment relations and the various dimensions of bargaining structure are detailed here. The rules governing Managerial Prerogatives, Individual Contracting, Collective Bargaining and Award Making are discussed at length. Award Making is a uniquely Australian regulatory instrument. Also the law provides considerable support for managerial prerogatives in Australia.

Chapter 9 deals with Conflict and Co-operation in work place. It is generally conceded that work place relationships involve conflict. Conflict can be either overt or covert, individual or collective, pro-active or defensive. Alongside conflict, co-operation also is an acknowledged feature of employment. 'High Commitment' or 'High Involvement' work systems are desirable ways of managing conflict rather than escaping conflict.

Chapter 10 describes Industrial Relations, HRM and Performance. Comparative assessment of the impact of select IR practices in Germany, UK and US is made in this Chapter. While centralized system of IR and strong trade unions are found to be detrimental on labour-market performance in Germany, tighter restrictions on trade unions and erosion of regulations in the labour market have resulted in faster rates

of productivity and employment in UK and US. Nevertheless, a co-operative IR climate generally results in improved employee outcomes and better economic performance. Similarly, high performance work systems improve organizational performance, although it may affect employees' work-life balance at times.

Industrial Relations as a management thought and practice is in crisis today, especially with the emergence and dominance of other areas like Organizational Behaviour and Human Resources Management. Its traditional position in academia is threatened and in policy making emphasis on free market economy is gaining importance. Nevertheless, work remains as important as ever and the lessons of IR, learned over the years, remain vital. While the book will be quite useful for a serious student of IR, for a passionate IR practitioner who is interested to pursue the challenge of reestablishing the traditional connections of IR with the broader academic, policy and business worlds, the Book will be of greater use and relevance.

The Book, as already mentioned, is a High-level Text satisfying the various hall-marks for the same. Nevertheless, the difficulty level and readability of the book may pose a few problems for the average user and being still a text book, it may fail to shake up the mind set and promote critical thinking in well initiated and discernible readers.





Book Title : *Supply Chain Management*
Author(s) : N.V.Badi.
Edition : Reprint Edn-2011 with CD.
ISBN : 978-81-8281-334-2
Pages : 522
Publisher : Vrinda Publications (P) Ltd.
 Delhi

*Reviewed by Dr.C.Sengottuvelu
 Professor and Head-Consultancy
 SCMS-Cochin, Prathap Nagar,
 Muttom, Aluva-683 106, Cochin, Kerala.
 Email Id; sengottuvelu@scmsgroup.org.*



The book on “Supply Chain Management Authored by N.V.Badi is well known among the MBA students and its readers. The author was formerly Executive Director, NALCO worked for more than 40 years both in industries and academics. He has put his rich practical experience in the Industry and teaching to explain the concepts in lucid manner.

This book is considered and prescribed as one of the text books on Supply Chain Management. The reprint edition of this book is divided into 20 chapters and chapter 20 exclusively deals with 10 case studies.. The cases are drawn from focused companies and services including retails, manufacturing, technology, and vendor development and diversified activities.

Chapter-1 Supply Chain Management: This chapter deals with various definitions of SCM, objectives, key issues and complexities, legal aspects and strategies of SCM.

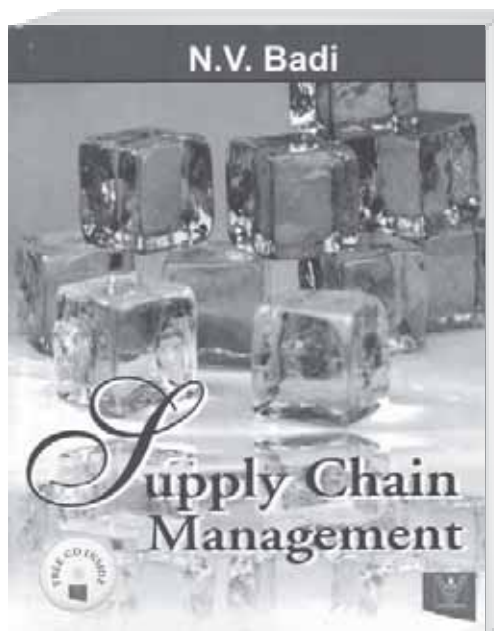
Chapter-2 Logistics Network: This chapter mainly deals with logistics and its importance in SCM, centralized & decentralized SCM, MRP&ERP system, demand forecasting methods, warehousing location and management etc.

Chapter-3 Inventory Management: This chapter concentrates on concepts of material management, Inventory management and practices, inventory costs, risk management etc.

Chapter-4 Procurement Logistics: This chapter deals with procurement and its importance, global sourcing, ethical and current issues in procurement, e-Procurement etc.

Chapter-5 Vendor Management: This chapter deals with vendors and their importance, vendor performance measurements, vendor rating methods, importance of negotiations, outsourcing etc.

Chapter-6 Warehousing Management: This chapter deals with



warehousing and its importance in the organization, warehouse layout, different layouts of warehousing and working procedures, functions of warehousing, management of scrap etc.

Chapter-7 Value of Information: This chapter critically deals with information flows and its usage in SCM, lead time management, supply chain as competitive focus, SCM integration and resolving conflicts etc.

Chapter-8 MIS & SCM: This chapter focuses on MIS flows in SCM, role of IT in SCM, IT frame work for SCM, E-Commerce, partnerships between IT and SCM, information sharing etc.

Chapter-9 Material Handling: This chapter deals with material movement, and handling, considerations in material handling, material handling systems, planning for material handling, material handling costs and issues, special handling issues like project materials

Chapter-10 Packaging: This chapter defines packaging and its importance, essentials in packaging, consumer and industrial packaging, essential features of packaging, new trends and materials in packaging.

Chapter-11 Distribution Management; This Chapter deals with role and factors of distribution, distribution strategies and network, pipeline inventories and treatments, cross-docking operations, push and pull types of SCM.

Chapter-12 Strategic Alliances: This Chapter deals with 3rd Party Logistics (3PL,) bar coding and tracking of material, RFID, distribution integrations, functions of distributions etc.

Chapter-13 Decision Support System: This Chapter emphasizes the decision tools for SCM, Presentation tools, Analytical tools in DSS, current issues and future challenges in the area.

Chapter-14 Organization for SCM; This Chapter focuses on the organization requirements of SCM, Co-ordination in SCM and importance of SCM organization plans, Building Strategic

trust and partnerships, regular reviews for organizational effectiveness.

Chapter-15 Benchmarking in SCM: This Chapter deals with bench marking practices and its advantages, process mapping, bench marking of vendors, performance measurement tools, supply chain audit, bench marking of distributors etc.

Chapter-16 Just-in-Time SCM: This chapter emphasizes on JIT SCM, Vendor Managed Inventories (VMI), lead time management, operational strategies for JIT SCM Practices.

Chapter-17 Measuring Logistics Costs and Performance: This Chapter includes Costs in SCM, Performance miles stones in SCM, Strategic performance measures, evaluation and reviews, bench marking etc,

Chapter-18 Managing global SCM: This Chapter deals with challenges in global SCM, logistics critical areas, planning global logistics, product recalls, communication and co-ordination, working of stateless enterprise etc.

Chapter-19 Current Issues in SCM; This Chapter includes SCM Audit, Value Analysis, CRM, 4th Party Logistics (4PL,) rural supply chain management, ethics and its importance in SCM etc.

Chapter-20 Case Studies: This Chapter exclusively deals with case studies. 10 case studies have been included covering vendor development and rating, lead time management, logistics in retail sector, supply chain security measures in Indian Ports, Tender Negotiation etc.

This edition includes several upgrades designed to incorporate major development from both academic and business press. This edition also includes the cutting edge concepts; more than 50 cases leaf taken from various business news papers and journals.

This book (Reprint Edition 2011 with CD) will certainly meet the changing needs to its readers considering the global scenario on Supply Chain Management





Book Title : *Customer Relationship Management*
Authors : Nisha Bansal, Preeti Chauhan
Edition : First
ISBN-13 : 978-81-8281-415-8
Pages : 293
Publisher : Vrinda Publications (P) Ltd., Delhi

Reviewed by Sudheer Sudhakaran, Associate Professor in Marketing Department, SCMS- COCHIN, Pratap Nagar, Muttom, Aluva - 683 106, Ernakulam Dist., Kerala. Email : sudheer@scmsgroup.org



This first edition of *Customer Relationship Management* will be long remembered for all the wrong reasons! In marketing classes students have been exposed to the concept of segmentation. This book is clearly targeted for students who have been exposed to similar books where grammatical and spelling mistakes are a welcome part of the family!

For those readers who are particular about syntax and diction the concept of figure and ground reversal will apply to them. Concepts will be relegated to the background as the sheer number of mistakes made makes it hard to focus on the subject.

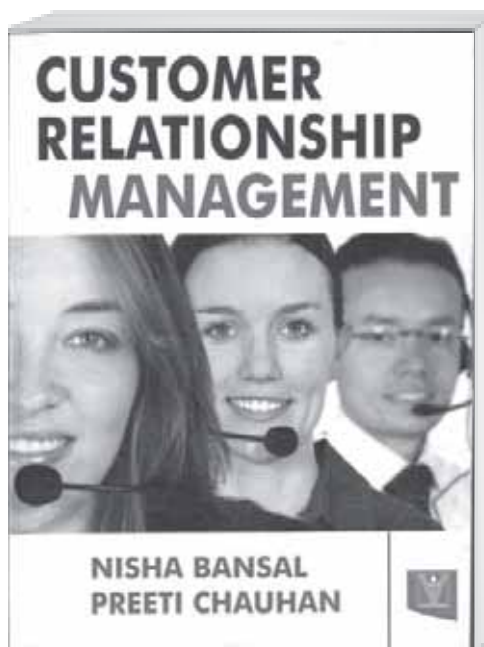
If one is able to heavily discount the errors committed then the mind is able to absorb the various concepts covered.

The authors have traced the evolution and process of CRM in the first unit of the book covering four chapters. The second unit consisting of five chapters covers the application of CRM for Sales Force, Marketing, E-

Business and other areas along with various tools to choose from. The third unit of three chapters is customer focused looking at issues of data to be collected and mined for usage. The final unit of three chapters looks at CRM along the value chain and the different issues to be taken care of by the company when implementing the same. Five small case studies

are given at the end of the book. One would have expected at least the case studies – borrowed as they are – to be free from spelling mistakes but the authors have ensured that these too should be treated with a few errors.

For those students who wish to read a decently written text – they would have to wait for the second edition to materialize. Hopefully the authors and/or publisher would have the good sense to engage a good proof reader to clear the mountain of mistakes made. The only sensible way for the authors to practise customer relationship management would be to reward those readers who give correct feedback to them. As of now this is one book strongly recommended to be removed from any good library.

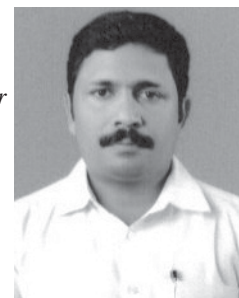




Two Books to empower Business Executives

Book Title	:	Brand Management
Author	:	Kisholoy Roy
Edition	:	First
ISBN-13	:	978-81-8281-409-7
Pages	:	585
Publisher	:	Vrinda Publications (P) Ltd., Delhi

Reviewed by Mr. Vilas Nair, Assistant Professor
- Marketing (Retail),
SCMS School of Technology and Management
(SSTM), Prathap Nagar, Muttom,
Aluva-683106, Ernakulam, Kerala
Email: vilas@scmsgroup.org



Harley-Davidson President John Russell sees a deep tie between the brand and its customers, *“The more you engage with customers the clearer things become and the easier it is to determine what you should be doing.”*

There are certain brands in the market place that have stood the test of time and have emerged as winners in the perception of consumers. When a brand is talked about it is not just about having a suitable and appealing name for a product.

The book Brand management an Indian perspective by Kisholoy Roy is first edition which is printed by Vrinda Publication (P) Ltd. The book explores the process of brand management

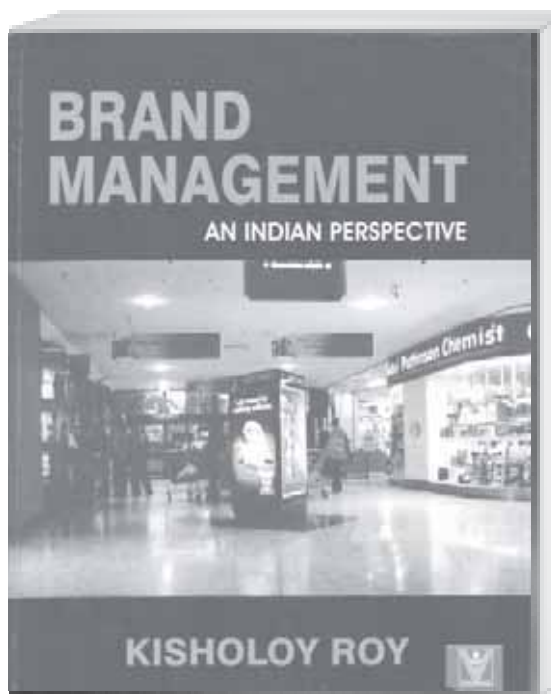
The presentation

Kisholoy Roy’s style of presentation is simple. The book

is completely based on Indian perspective. The examples and the cases are all related to Indian scenario. Each chapter starts with a narration of learning objectives and concludes with summary objective type, short and long type questions. The

author has made sure that he gives the reader a complete overview about the brand quoting examples from the Indian market. The book covers the designing, brand identity, line extension, brand extension etc. Few chapters are appended with detailed process and illustration, formulas & tables. Most of the chapters are supported by print advertisement. They complement the subject discussed.

The brand insight theme of book envelops the stages of various brands in the Indian market scenario. The Hutch pug to Vodafone zoo- zoo - a story of successful brand transition shows how Vodafone sustained challenges in the telecom industry. Brand insight also covers the live cases



in the market Eg Nano, Hawkins etc. Chapter 19 highlights the concept of destination brands, the process, tools and steps taken by the government for branding India.

The chapters 21& 22 cover two different aspects of branding in Indian context: the retail branding and rural branding. Retail being at the growing stage a good insight is given in for retail store branding, the role of store brands in branding. The book also reveals the importance of rural branding as 72% of the Indian consumers live in villages. This chapter covers the major brands for rural India, The coca cola rural strategy is the highlight of this chapter. The author has made sure that he gives the reader a complete overview about the category in which the brand functions, the supplementary section of the book speaks about twenty different cases. The book ends with another interesting insight titled a technical note which adds more value to the learning process.

The case of health drink war between Horlicks and Complain throws light on what made brand face challenge that came into being due to the coming in of player like Bournvita. The Axe effects, Cadbury dairy milk, de bears, Hero Honda are the other highlights of this section.

The main limitation to mention is the black and white print. As Brand always is a subject of interest to all, colour photos would have made a great impression. An addition of practical assignment for studying & experiencing the brand would have covered the practical approach to branding.

This book proves the point that it is not just about having suitable and appealing name for a product but the mental association held by the consumer. A successful brand is an outcome of effective blending of various brand building aspects. It is a good pick for both student and academicians, also for brand managers and practitioners.





Book Title	:	Marketing Management
Authors	:	Debraj Datta, Mahua Datta
Edition	:	Third
ISBN 13	:	978-81-8281-447-9
Pages	:	886 pages
Publisher	:	Vrinda Publications (P) Ltd

*Reviewed by Jayakrishnan S.,
Assistant Professor, SCMS School of
Technology and Management (SSTM),
Prathap Nagar, Muttom,
Aluva-683106, Ernakulam, Kerala
Email: jayakrishnan@scmsgroup.org*



T Marketing plays a vital role in success of any organization. Over the years marketing conditions and strategies changed depending on the transformations in micro and macro environment. The book titled *Marketing Management* by Datta and Datta focuses on marketing discipline with respect to Indian markets.

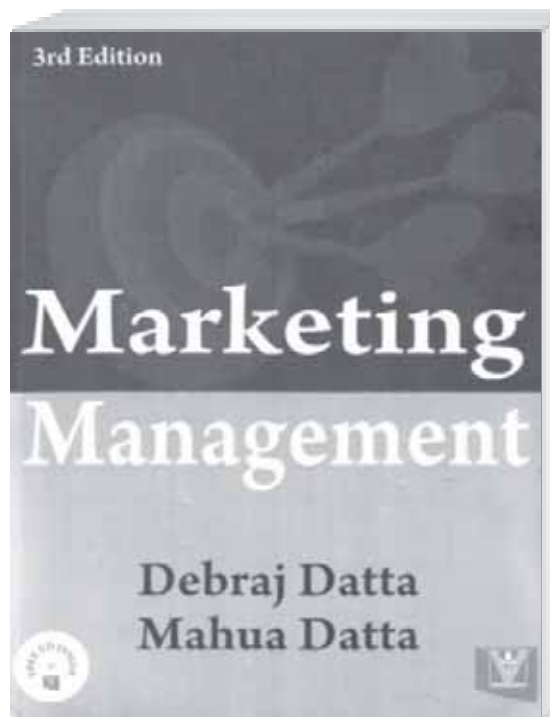
The Introductory chapter provides insights into marketing. The author tried to explain the importance and requirement of marketing as a function and how it is defined by professional bodies like CIM (Chartered Institute of Marketing) and AMA (American Marketing Association). It also provides insights into the evolution of marketing as a discipline.

This chapter is followed by the concepts of strategy, marketing audit and tasks involved in the formulation of marketing strategy. This chapter is inevitable in understanding the strategic aspects of marketing function. The author has taken an effort in providing an outlook about the Indian marketing environment

which focuses socio-cultural, political and economic aspects which are the major determinants of any market.

Competition is a necessary evil in any industry. The book also discusses competition analysis and porter's model. In the succeeding chapters author tried to explain the importance of Marketing Information system (MIS) and Marketing research which are vital for the success of any organization. In any industry, consumer determines the success and failure of any product or service. So understanding consumer is a primary requirement. Understanding the consumer preferences, buying patterns and motives can be crucial for any company. The author also covered these aspects.

Segmentation, Targeting and Positioning (STP) are three important marketing steps which are important for any product or service. The Author has briefed about these concepts. Product and brand management plays an important role



in determining the success of any product. Companies consider these as key functions. The book provides relevant insights into these functions.

Pricing is an important aspect in any marketing effort. Consumers always look at fair prices and value for money. So pricing is always a strategic decision. The author has discussed about the factors, pricing of the products and new product pricing strategies.

Distribution determines the product access and availability to the end consumers. Effective and economical distribution can affect the success of products and services. Communication is a means by which organizations connect with the consumers or target audience through a media. Author has taken an effort to provide critical aspects of distribution and communication management in this book. He has focused on public relations, media planning which is relevant.

Marketing as a discipline has different types of marketing depending on the industry. The author has discussed the different aspects of services marketing, international marketing, industrial marketing and retail marketing. Sales management is a key function which cannot be neglected. The author has provided relevant information about concepts like personal selling, sales budgets and sales quotas etc. In the concluding chapter author has tried to discuss contemporary trends in marketing like e-marketing, ambush marketing and green marketing.

The author's effort is commendable in providing different aspects and contemporary developments in marketing. The book also has cases which can help in understanding the concepts in a better manner. The contents are presented in a simple and comprehensive manner and so this book can be a supplementary reference material for educators and students.



SCMS JOURNAL OF INDIAN MANAGEMENT

Aims and Scope

The *SCMS Journal of Indian Management* is a **blind peer-reviewed Journal**. The Journal deems it its mission to submit to the readers fresh fruit of management thoughts and rich cream of current innovative research. The format of the Journal is designed reader-friendly. The academia and the corporates have an easy access to the Journal.

The Journal looks for articles conceptually sound, at once methodologically rigorous. The Journal loves to deal knowledge in management theory and practice individually and in unison. We wish our effort would bear fruit. We hope the Journal will have a long life in the shelves catering to the needs of b-students and b-faculty.

- § Proposals for articles that demonstrate clear and bold thinking, fresh and useful ideas, accessible and jargon-free expression, and unambiguous authority are invited. The following may be noted while articles are prepared.
- § What is the central message of the article you propose to write? Moreover, what is new, useful, counterintuitive, or important about your idea?
- § What are the real-world implications of the proposed article? Can the central message be applied in businesses today, and if so, how?
- § Who is the audience for your article? Why should a busy manager stop and read it?
- § What kind of research have you conducted to support the argument or logic in your article?
- § What academic, professional, or personal experience will you draw on to make the argument convincing? In other words, what is the source of your authority?
- § The manuscript of reasonable length shall be sent to the Editor—*SCMS Journal of India Management* (Both for postal and electronic submission details are given here under).

The manuscript should accompany the following separately:

- § An abstract (about 100 words), a brief biographical sketch of above 100 words for authors describing designation, affiliation, specialization, number of books and articles published in the referee journals, membership on editorial boards and companies etc.
- § The declaration to the effect that the work is original and it has not been published earlier shall be sent.
- § Tables, charts and graphs should be typed in separate sheets. They should be numbered as Table 1, Graph 1 etc.
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