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1. To fight against injustice, corruption, illiteracy, unemployment, poverty and social evils.
2. Economic, social, cultural, physical, educational and intellectual development of the society.
3. To work towards the development of the Scheduled Caste, Scheduled Tribe, Other Backward Class and the Minority Communities.
4. To deliver health facilities to the common people especially the underprivileged.
5. To make the unemployed aware about the various Governmental and Non Governmental Schemes and train them in vocational courses like stitching etc.
6. To remove various obstacles and hindrances in the social welfare schemes of the administration and offer suggestion to the public to avail them.
7. To organize games, competition, educational tours and libraries for the mental and physical development of individuals and promote scope of intellectual debates in them.
8. Promote the main element of our constitution i.e., Equality. Liberty. Fraternity and Justice and Aware to respect our national flag, national symbol etc
9. To protect our animals, birds, rivers and forests etc,

ABOUT THE JOURNAL

Business Voice is a quarterly publication of Gautam Buddha Kalyan Sansthan, Deoria, India, through its especially created research wing of **Jawaharlal Nehru University, New Delhi** and **Banaras Hindu University, Varanasi**. Business Voice is devoted to professional and academic articles in the Commerce, Management, and Economics related issues. The journal further strives to the development of marginalized and downtrodden people of the society.

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Editorial

After the warm welcome that our first venture, *The Voice* received from researchers, readers and peer groups, it gives the *Gautam Buddha Kalyan Sansthan* family immense pleasure to bring forth to the reader's attention the first edition of *Business Voice*, a quarterly journal of Business and Economics. The international peer reviewed journal is intended to provide a platform to the young researchers and budding thinkers on bring out their articles pregnant with new ideas and new kind of critical analysis. We pledge to work enthusiastically towards the development of the journal to make it one of the most competitive fronts for readers, researchers and thinkers to exchange views and generate new thoughts on Business and Economics. While the organization of Gautam Buddha Kalyan Sansthan has taken up steps for academic development of the weaker section of the society, its research and publication wing has taken vow to honestly and enthusiastically promote the cause of research across disciplines giving impetus to interdisciplinary approach to various polemical and analytical questions.

The current issue of *Business Voice* has housed six numbers of articles all focused towards the various aspects of Business, Economics, Commerce and Management. The essay in the volume has addressed unique issues pertaining to the subject matter of Business, Economics, Commerce and Management which is intrinsically related to the former two. Happy Agrawal's essay *Growth Analysis of State Bank of India* has focused on the growth parameters of the oldest bank of India, SBI in the last decade and a half. Laying special emphasis on the technological knowhow of the bank and incorporation of various other instruments of growth and expansion has not only made SBI the most successful and large bank, it had also helped the development of India's economy by mobilizing huge savings for dynamic and sustainable development of India.

The combined paper by Saurabh Kumar and Ashish Gupta on *Corporate Social Responsibility and Human Resource Disclosure: A comparative study on the selected public and Private Companies in India* is an investigation into the extent to which companies in India disclose information about human resource in their annual reports. The essay has also evaluated the resultant effect of it in their sustainability and effectiveness and profitability. Mahendra and Bhawna Maheshwari Daiya's joint

effort *Social Media Marketing: A New Trend in E-Marketing – A Demographic Investigation of Youth's Attitude* has tried to evaluate and locate the attitude of the youth of India towards Social media which is a relatively new aspect of E-marketing to tap potential customers for the purpose of marketing.

Sofia Khan in her essay had examined and analyzed various aspect of consumer satisfaction in reference to LIC of India in the city of Varanasi. The paper has potentialities to give some new inputs to the LIC in respect of Customer satisfaction. Besides, two other influential essays herein have addressed some small but significant aspect of Commerce, Business and Management.

It is hoped that the journal will be well received in the various fields. We welcome comments and reviews. Book reviews and reviews on articles are welcomed. Kind co-operation, healthy criticisms and comments will help our endeavor attain new vistas of opportunities. We thank our editors and readers for their support.

Dr. Sandeep Kumar

Consumer Satisfaction with Special Reference to LIC of India in Varanasi

Ms. Sofia Khan^{1}*

ABSTRACT

In a competitive market place where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. The present research paper tries to examine the level of consumer's satisfaction towards Life Insurance Corporation of India. The paper has been divided into eight sections: the first section outlays the literature review. The second section deals with the objectives of the research paper. The third section deals with the hypotheses statements that are formulated to achieve the objectives. The fourth section explains the detailed Research Methodology adopted to carry out the study. The study is descriptive in nature and the researcher has used various statistical tools for the analysis of primary data using SPSS package v/s20.0. The fifth section deals with the analysis of primary data collected from the Varanasi district of Uttar Pradesh, which examine the demographic profile of LIC policyholder; identifies the level of consumers' satisfaction towards LIC of India in Varanasi district and identifies the relationship between the level of consumer's satisfaction and their economic condition. The sixth section presents the findings of the research paper attempted for the study. The seventh section deals with the suggestions and concluding remarks and would enlighten us to understand the reality of the initiatives. The final section deals with the limitation of the study.

Keywords: Consumer Satisfaction, LIC of India, Insurance policy, Insurance Plan, e.t.c.

^{1*} Research Scholar, Faculty of Management Studies, Banaras Hindu University, Varanasi

INTRODUCTION

In a competitive market place where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Customers' satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products.

The argument for customer retention is relatively straightforward. It is more economical to keep customers than to acquire new ones. The costs of acquiring customers to "replace" those who have been lost are high. This is because the expense of acquiring customers is incurred only in the beginning stages of the commercial relationship. In addition, longer-term customers buy more and, if satisfied, may generate positive word-of mouth promotion for the company. Additionally, and are less sensitive to price changes. These findings highlight the opportunity for management to acquire referral business, as it is often of superior quality and inexpensive to obtain. Thus, it is believed that reducing customer defections by as little as five percent can double the profits

LITERATURE REVIEW

Dr.B.M.Ghodeswar(2006) in his article, explained the customer sensitivity as the customers were sensitive to many factors which affect their choice of buying an insurance product from a company. Those aspects were studied by the author in terms of demographic background, innovativeness, product service offering, price perception, and the level of customer satisfaction in their past experience.

Jagannath and Santhosh Singh Bais (2006) analysed that customer satisfaction is of paramount importance to all the insurance companies in general and life insurance companies in particular. The authors have identified and discussed the issues and challenges such as the regulatory framework, simplification and rationalization of insurance laws. They concluded that the success would depend on the LIC of India's ability to understand the customer needs and offer the services at the lowest prices with best quality.

The American Customer Satisfaction Index (ACSI) uses two primary criteria such as customization, the degree to which service fulfills the customer's key requirements and the reliability, how requirements are delivered. Data derived from the interviews with the customers were used as inputs to the

ACSI's econometric model, which combines numerous proxy measures to arrive at an index number on a 0 to 100 scale. They explained that, determination of quality is a complex and subjective calculus which involve the simultaneous processing of many factors inside the mind of the consumer but can be quantified. The proven ACSI finding was that the stock of companies with higher customer satisfaction scores outperforms the stock of companies in the same industry, with lower customer satisfaction scores.

Prof. Amita Fatterpekar (2007), in her article explained the three behavioral measures of loyalty as, customer's recent purchase, frequency of customer's purchases of different plan over a specified time interval and customer's lifetime volume of purchases. Three attitudinal measures of loyalty measure are likelihood of continuing to do business, of repurchasing, willingness to recommend or serve as a reference. Unlike data-mining of RFM (Recency, Frequency, Monetary value), this analysis was based on a complex nonlinear mathematical model of a company's customers.

J. Dhaene Leuven and M.J. Goovaerts (2004) explained several types of dependencies between the different risks of a life insurance portfolio. Each

policy was assumed to have a positive face amount during a certain reference period.

OBJECTIVES OF STUDY-

1. To identify the level of consumers satisfaction towards LIC of India in Varanasi district.
2. To study the relationship between the levels of consumers satisfaction and their economic condition.

HYPOTHESIS FORMULATION

In order to achieve the above mention objectives, following hypothesis were formulated-

H1: There is no significant association between age of the respondents and the level of consumer's satisfaction towards LIC of India.

H2: There is no significant association between income of the respondents and the level of consumer's satisfaction towards LIC of India.

H3: There is no significant association between occupation of the respondents and the level of consumer's satisfaction towards LIC of India.

METHODOLOGY

- **Research design:** Descriptive and research design
- **Sampling design:** Convenience sampling was used.
- **Coverage:** The study is conducted in Varanasi district of eastern U.P. Customers of Life Insurance Corporation of India those already purchased the various Products(Policy) of Life Insurance Corporation of India were considered as universe for the study.
- **Reliability of data-** The reliability of scale items was found to be 0.912 (it's very good).

Cronbach's Alpha	N of Items
.912	4

- **Sample Size:** 120 consumers of Life Insurance Corporation of India were selected for collecting primary data.

After preliminary examination, 100 consumers of LIC out of 110 consumers were found completed and valid. Thus 100 consumers were selected for collecting primary data

- **Data analysis Tools**

A pre-structured and pre-tested interview schedule was used for data collection, keeping the objectives of the study in the mind. The various statistical tools are used depending upon the data and requirement for the analysis like Percentage, Mean, Standard Deviation, and Chi - square test.

In order to identify the level of consumer's satisfaction total score of all 4 independent variables were split into two groups – High and Low with reference to median of the variable score in question. The relationship is identified on the basis of these computed levels of consumer satisfaction.

- **Data Analysis**

Obtained responses were coded, tabulated and then percentages were drawn and content analysis was done and data was converted into coded form and transferred on to computer software (Excel). The analysis had been done with SPSS 20.0 v/s. The chi-square test (cross tabulation) has been used to test the significance of association between the different variables of the study.

RESULT AND DISCUSSION

1. Demographic profile of respondents

Sr. No	Characteristics	Categories	Frequency
1	Age of Respondents (In Years)	25-35	12
		36-45	44
		46-60	40
		Above 60	4

		Total	100
2	Gender	Male	76
		Female	24
		Total	100
		Total	80
3	Occupational Status of Husband	Employed	22
		Business	19
		Self employed	41
		Household	18
		Total	100
4	Income of respondents (Monthly in rupees)	<10000	39
		10001-25000	26
		25001-50000	28
		50001-1 Lakh	7
		Total	100

Source: Primary Data; Table 1: Demographic profile of Sample women

As per table -1, this data reveals that 44% of LIC policyholders falls between the age group of 36 – 45 years, 40% and 12% belongs to 46-60 years and 25-35 years of age group respectively, and rest 4% comes under above 60 years of age. 76% of respondents are males and 24% of them are females. 39% respondents says that their monthly income was less than `10000, 26% & 28% of them says it lies between `10001-`25000 and `25001-`50000 respectively and 7% says it is ranges between `50001-`1 lakh.

2.	LIC Plan	Insurance Plan	49%
		Pension Plan	24%
		Unit linked Insurance Plan	13%
		Term Assurance Plan	5%
		Whole Life Plan	9%
		Total	100%

Source: Primary Data; Table 2

As per table 2 - 49% of LIC policyholders have made their investments in insurance plan, 24% in pension plan, 13% in ULIP plan, 9% in whole life plan and rest 5% in term assurance plan.

3.	Insurance policy	Money back	32%
		Children Policy	22%
		BimaKiran	8%
		Money Plus	7%
		Jeevananand	7%
		Jeevansathi	4%
		JeevanSaral	2%
		KomalJeevan	3%
		JeevanChhaya	7%
		Endowment Plus	2%
		Market Plus	3%
		Pension Plus	3%
		Total	100%

Source: Primary Data; Table 3

As per table 3 - 32% of policyholders have money back insurance policy and 22% had made investment for their kids in children policy.8% in bimakiran and money plus, jeevananand and jeevanchhaya equally distributed with 7% each.

4	Premium Type	Monthly	12%
		Quarterly	23%
		Half Yearly	43%
		Yearly	22%
		Total	100%

Source: Primary Data; Table 4

As per table 4 - 43% of respondents prefer half yearly payment, 23% respondents prefer quarterly premium payment and 22% respondents prefer yearly premium payment.

5	Premium Payment Mode Option	On Line	21%
		Physically	28%
		Through agents	51%
		Total	100%

Source: Primary Data; Table 5

As per table 5 - 51% of respondents prefer to make their premium payment through agents, 28% of them prefers physically mode option and rest 21% prefer online payment.

6	Parameters Inspired for Investment in Life Insurance Corporation of India	Trust	45%
		Good Return and Dividends	13%
		Higher return at the end of Maturity	14%
		Good service from Agents	28%
		Total	100%

Source: Primary Data; Table 6

As per table 6 - 45% of respondents are inspired to invest in Life Insurance Corporation of India due to the trust on Life Insurance Corporation of India and 28% of them choose just because of good service delivery by agents.

7	The Objective of Respondents while Purchasing Insurance Policy	Future Investment	32%
		To cover Risk	48%
		Long Term Benefits	20%
		Total	100%

Source: Primary Data; Table 7

As per table 7 - 48% and 32% of respondent's objective for purchasing the insurance policy was to cover risk and Future Investment respectively.

8	Familiarity of Respondents with reference to Products of Life Insurance Corporation	Strongly Disagree	9%
		Disagree	13%
		Moderately Agree	7%
		Agree	34%
		Strongly Agree	37%
		Total	100%

Source: Primary Data; Table 8

As per table 8 - The 78% of consumers of the Life Insurance Corporation of India were familiar with the Products and Services of Life Insurance Corporation of India.

- 37% of respondents are strongly agree
- 34% of respondents are agreeing.
- 07% of respondents are moderately agreed.
- 13% of respondents are disagreeing.
- 09% of respondents are strongly disagree

9	Thinking of Respondents with reference to necessity of Life Insurance	Strongly Disagree	4%
		Disagree	7%
		Moderately Agree	13%
		Agree	24%
		Strongly Agree	52%
		Total	100%

Source: Primary Data; Table 9

As per table 9 - The 89% of consumers of the Life Insurance Corporation of India were agreed with the statement that insurance is essential for life.

- 52% of respondents are strongly agree
- 24% of respondents are agreeing.
- 13% of respondents are moderately agreed.
- 7% of respondents are disagreeing.
- 4% of respondents are strongly disagree

10	Satisfaction of Respondents with reference to existing Insurance Policy	Very Dissatisfied	7%
		Dissatisfied	23%
		Moderately Satisfied	12%
		Satisfied	27%
		Highly Satisfied	31%
		Total	100%

Source: Primary Data; Table 10

As per table 10 - The 70% of consumers of the Life Insurance Corporation of India were satisfied with reference to existing Insurance Policy

- 31% of respondents are highly satisfied
- 27% of respondents are satisfied
- 12% of respondents are moderately satisfied
- 23% of respondents are dissatisfied
- 7% of respondents are very dissatisfied

11	Satisfaction of Respondents with reference to service delivery	Highly Dissatisfied	17%
		Dissatisfied	14%
		Moderately Satisfied	10%
		Satisfied	29%
		Highly Satisfied	30%
		Total	100%

Source: Primary Data; Table 11

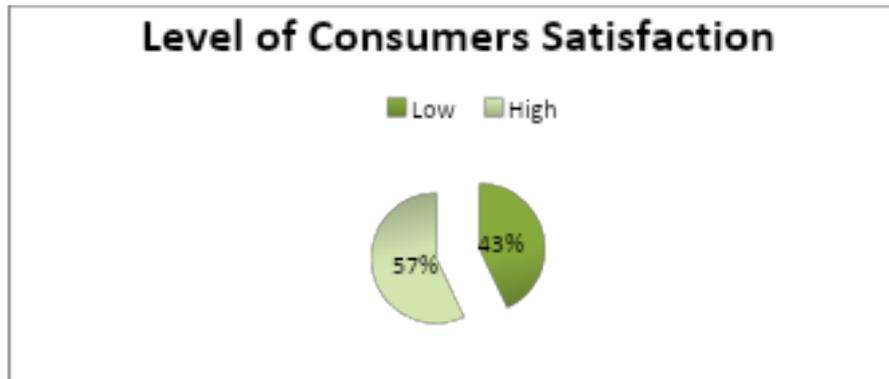
As per table 11 - The 69% of consumers of the Life Insurance Corporation of India were satisfied with reference to service delivery

- 30% of respondents are highly satisfied
- 29% of respondents are satisfied
- 10% of respondents are moderately satisfied
- 14% of respondents are dissatisfied
- 17% of respondents are very dissatisfied

Objective 1 -To identify the level of consumers' satisfaction towards LIC of India in Varanasi district

12	Level of satisfaction	Low	43%
		High	57%
		Total	100%

Source: Primary Data; Table 12 through compilation



Source: Primary Data; Graph1

Above Graph 1 shows that, 57% of respondents are highly satisfied and 43% of respondents are less satisfied with the products and service delivery of LIC of India.

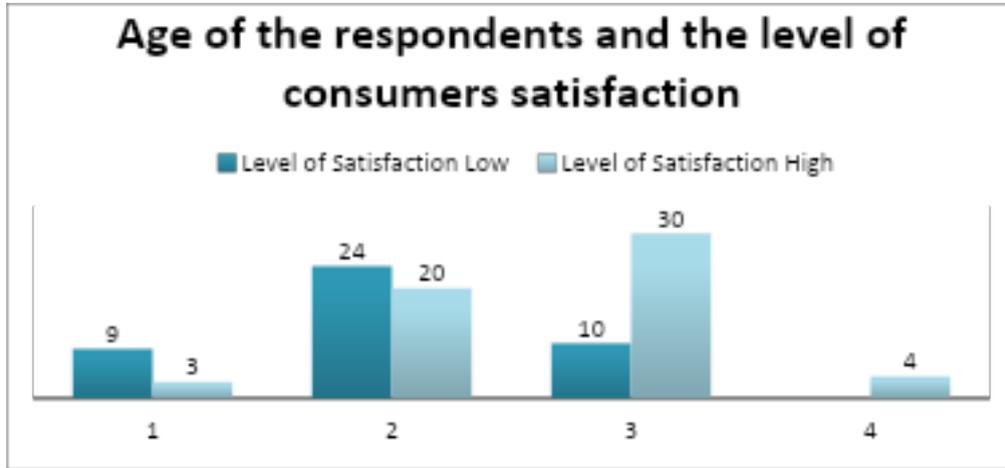
Objective 2 - To study the relationship between the levels of consumers' satisfaction with their economic condition

Hypothesis Testing

H1: There is no significant association between age of the respondents and the level of consumer's satisfaction towards LIC of India.

		Level of Satisfaction		Total	Value	df	Asymp. Sig. (2-sided)	Statistical Inference
		Low	High					Accept/Reject (H1)
Age	25-35	9	3	12	15.712 ^a	3	.001	P- Value < χ^2 Value H1 is rejected
	36-45	24	20	44				
	46-60	10	30	40				
	Above 60	0	4	4				
Total		43	57	100				

Table 13: Age of the respondents and the level of consumer's satisfaction towards LIC of India



Source: Primary Data; Graph2

It is seen from graph 2 that the association between age of the respondents and the level of consumer's satisfaction fall under the high level of consumers'satisfaction (57)with the LIC of India. Further, majority of sample members were in the age group of below 36-45 and 46 – 60.

H2- There is no significant association between income of the respondents and the level of consumer's satisfaction towards LIC of India.

		Level of Satisfaction		Total	Value	df	Asymp. Sig. (2-sided)	Statistical Inference
		Low	High					Accept/Reject (H2)
Monthly Income of respondents	<10000	12	27	39	12.034 _a	3	.007	P- Value χ^2 Value H2 is rejected
	10001-25000	18	8	26				
	25001-50000	12	16	28				
	50001-1 Lakh	1	6	7				
Total		43	57	100				

Table 14: Income of the respondents and the level of consumer's satisfaction towards LIC of India



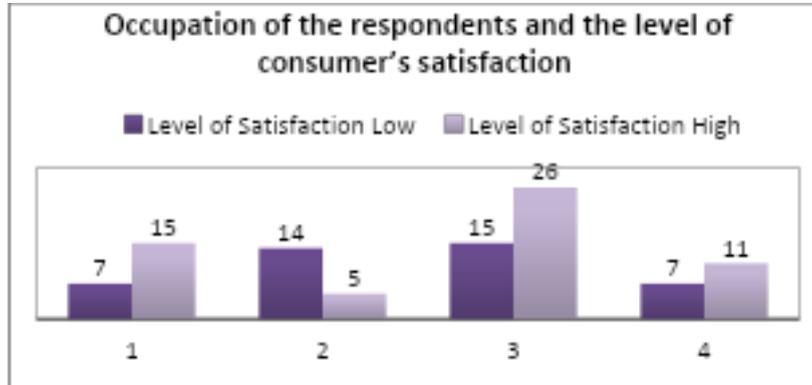
Source: Primary Data; Graph3

It is evident from Graph 3 that more sample members were in the high level of consumer satisfaction(57) Maximum number of members fall under the monthly income category of <10000` and `25001-r`50000.

H3: There is no significant association between occupation of the respondents and the level of consumer's satisfaction towards LIC of India.

		Level of Satisfaction		Total	Value	df	Asymp . Sig. (2-sided)	Statistical Inference
		Low	High					Accept/Reject (H3)
Occupational Status of Respondents	Employed	7	15	22	9.233 ^a	3	.026	P- Value < χ^2 Value H3 is rejected
	Business	14	5	19				
	Self employed	15	26	41				
	Household	7	11	18				
Total		43	57	100				

Table 15: Occupation of the respondents and the level of consumer's satisfaction towards LIC of India



Source: Primary Data; Graph4

It is clear from Graph 4 that more than 55 percent of members were in high level of consumers' satisfaction towards LIC of India, and shows the high relationship between occupational pattern and overall level of consumers' satisfaction. Among the high level, 26 policyholders belongs to self employed category and 15 respondents belong to employed category.

FINDINGS

1. 49% of LIC policyholders have made their investments in insurance plan, 24% in pension plan, 13% in ULIP plan, 9% in whole life plan and rest 5% in term assurance plan.
2. 32% of policyholders have money back insurance policy and 22% had made investment for their kids in children policy.8% in bimakiran and money plus, jeevananand and jeevanchhaya equally distributed with 7% each.
3. 43% of respondents prefer half yearly payment, 23% respondents prefer quarterly premium payment and 22% respondents prefer yearly premium payment.

4. 51% of respondents prefer to make their premium payment through agents, 28% of them prefers physically mode option and rest 21% prefer online payment.
5. 45% of respondents are inspired to invest in Life Insurance Corporation of India due to the trust on Life Insurance Corporation of India and 28% of them choose just because of good service delivery by agents.
6. 48% and 32% of respondent's objective for purchasing the insurance policy was to cover risk and Future Investment respectively.
7. The 78% of consumers of the Life Insurance Corporation of India were familiar with the Products and Services of Life Insurance Corporation of India.
8. The 89% of consumers of the Life Insurance Corporation of India were agreed with the statement that insurance is essential for life.
9. The 70% of consumers of the Life Insurance Corporation of India were satisfied with reference to existing Insurance Policy.
10. The 69% of consumers of the Life Insurance Corporation of India were satisfied with reference to service delivery.
11. 57% of respondents are highly satisfied and 43% of respondents are less satisfied with the products and service delivery of LIC of India.
12. Majority of highly satisfied consumers or sample members with the products of LIC of India were in the age group of below 36-45 and 46 – 60.
13. Highly satisfied consumers fall under the monthly income category of <10000` and `25001-r`50000.
14. Among the high level, 26 policyholders belongs to self employed category and 15 respondents belong to employed category.

RESULTS OF TEST OF HYPOTHESES:

1. Finding-
In Table : 13 calculated P- Value is less than α (0.05) i.e. P- value < 0.05
We Reject the H₁
Therefore, There is significant association between age of the respondents and the level of consumer's satisfaction towards LIC of India.

2. Finding-
In Table : 14 calculated P- Value is less than α (0.05) i.e. P- value < 0.05
We Reject the H₂
Therefore, There is significant association between income of the respondents and the level of consumer's satisfaction towards LIC of India..

3. Finding-
In Table : 15 calculated P- Value is less than α (0.05) i.e. P- value < 0.05
We Reject the H₃
Therefore, There is significant association between occupation of the respondents and the level of consumer's satisfaction towards LIC of India

CONCLUSIONS

The study reveals that the consumers have greater awareness towards the LIC insurance plan and they are more aware about the Money back policies and Children policies in the study area. LIC has to create awareness among female policy holders about the Women policies. In the era of technology driven country, Online payment are gaining less importance as a mode of premium payments. The agents help in marketing LIC policies by spreading the message of life insurance among the masses and the respondents depend on the agents for their insurance needs. Majority of the policy holders are satisfied with the LIC's services. As women constitute half of the total

population of the world. Similarly, in India also, women constitute 50% of the total population. The progress of the nation not only depends on men performance and but also depends on female and in the present study female have not understood clearly about the insurance and its utility. So it is suggested that the life insurance company should conduct insurance awareness campaign with the help of advertisements and social groups and should target the rest 50% of the nation population by covering women consumers also into their industry.

RECOMMENDATIONS/SUGGESTIONS TO LIC OF INDIA-

1. The saving and Investment awareness was very less in the young age i.e. 25 to 35 years mainly in income group of Rs.10000 to 25000 and female. So Life Insurance Corporation of India should design and launch products suitable to these groups and increase the awareness as well as Investment.
2. The response to the other Plans of Life Insurance Corporation of India was low as compared with Insurance Plan. It is necessary to promote the Whole Life Plan, Pension Plan and Unit Linked Insurance Plan.
3. Most of the respondents still paying their Premium through Agents. But with new technology Online Premium Payment is more easy and faithful than Agents, so Life Insurance Corporation of India should give the knowledge and trust about this payment mode.
4. Most of the customer's objective behind purchasing Insurance Policies of Life Insurance Corporation of India was To Cover Risk. So Life Insurance Corporation of India tries to change that objective and attitude of customers toward Insurance Policies as a Future Investment & Long Term Benefit.
5. Most of the customers of Life Insurance Corporation of India expect better service and good benefits on their Investment. So Life Insurance

Corporation of India should try to give good service and benefit to the customers in long term.

LIMITATIONS

- The study is only confined to Varanasi districts belonging to consumers of LIC of India specially and hence cannot be generalized for others.
- Unwillingness of respondents
- Time and budget constraint
- The above analyzed data is not sufficient to study about the Customer Satisfaction with reference to insurance industry in Varanasi districts.

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Role of Entrepreneurial Orientation and Competitive Advantage in Firm's Performance

Ms. Stanzin Mantok^{2*}

ABSTRACT

Entrepreneurship serves as a growth engine for the rapid development of the country where entrepreneurs play a vital role providing more employment opportunities and improving the standard of living of the people to a great extent. To encourage the entrepreneurs it is important that there should be higher level of business performance. In this regard, entrepreneurial orientation and competitive advantage play important role in ensuring sound business performance. Entrepreneurial orientation plays an important role in influencing business performance through its three dimensions, which significantly predict an organization's performance. In this regard, the present study examines the effect of three components of entrepreneurial orientation on business performance through firm's competitive advantage of small scale industries (SSIs) in Ludhiana. Based upon a sample of 192 manufacturing industries, the study found that among the three dimensions of entrepreneurial orientation, proactiveness has a greater positive and significant impact on firm's competitive advantage. However, this relationship is not so strong. Thus, SSIs should lay more emphasis on proactiveness. In order to be more proactive, SSIs should give greater emphasis on forward-thinking strategic planning, anticipate the future problems, needs and changes. Further, competitive advantage has a positive impact on organizational performance.

^{2*} PhD Research Scholar, University of Jammu, Jammu,
stanzinjune21@gmail.com

Key words: *Entrepreneurial Orientation, Competitive Advantage and Business Performance.*

INTRODUCTION

A good number of research works have been done in the arena of entrepreneurial orientation, yet not much attention has been paid to understand the both the entrepreneurial orientation and competitive advantage on business performance. This piece of research work strives to comprehend the role of entrepreneurial orientation and competitive advantage on firm's performance. Entrepreneurial orientation and competitive advantage play important role in ensuring sound business performance. Entrepreneurship has been regarded as an important ingredient in acknowledging innovation (McGrath, 2001), which corroborates firm's initiatives toward achieving competitive advantage (Lumpkin & Dess, 1996) that improves the firm's performance. There is a positive and significant relationship between entrepreneurial orientation and business performance (Saeed, Yousafzai, & Engelen, 2014). Competitive advantage plays an important role in the market-place that leads a firm to outperform its rivals (Porter, 1985). Alalak & Tarabieh, (2011) also investigated that competitive advantage leads to superior organizational performance. Thus, entrepreneurial orientation and competitive advantage play important role in improving business performance.

Studying the importance of entrepreneurial orientation and competitive advantage, the present study strives to examine the role of entrepreneurial orientation and competitive advantage on firm's performance in context to SSIs.

LITERATURE REVIEW

According to Hult, Hurley, & Knight, (2004), entrepreneurial orientation is a vital driver of firm's innovativeness, while market and learning orientations

may help managers to create superior products, processes and ideas and it is likely that entrepreneurial orientation provides the stimulus for driving such activities because entrepreneurial orientation captures the qualities of proactiveness, aggressiveness, and initiative. Wang, (2008) revealed that entrepreneurial orientation is important for performance in medium-to-large sized firms. Lin, Peng&Kao, (2008) proposed a quantitative analysis in which innovativeness were key success factors in technology intensive firms and indicated that firms should strengthen innovativeness and avoid interfering in the organizational structure to improve business performance. Brettel & Rottenberger, (2013) found that entrepreneurial orientation positively influences individual-level learning, team-level learning and organizational-level learning. However, the influence of entrepreneurial orientation on team-level learning process is more significant than its influence on individual or organizational-level learning. Brettel, Chomik, & Flatten, (2014) investigated the role being played by organizational culture in determining the level of three dimensions of entrepreneurial orientation, (innovativeness, proactiveness and risk-taking) in SMEs. Cheng & Huizingh, (2014) revealed that entrepreneurial orientation is related to risk tolerance, which helps to overcome some barriers in performing open innovation and fosters the effect of open innovation on innovation performance. On the other hand, Kollmann & Stockmann, (2012) investigated that the three dimensions of entrepreneurial orientation are positively associated with exploration and also innovativeness and proactiveness positively influence exploitation. Wales, Parida, & Patel,(2013) found that with higher entrepreneurial orientation, higher absorptive capacity can be achieved before financial returns diminish. Entrepreneurial orientation captures a firm-level strategic posture toward the pursuit of new opportunities for organizational growth and renewal (Covin & Wales, 2012).Entrepreneurial firms are prone to regular and bold innovations, assuming risks in their product and market strategies (Miller & Friesen, 1982). Along with others (Khandwalla, 1977; Mintzberg, 1973), Miller and Friesen

argued that entrepreneurial firms tend to take more risks than non-entrepreneurial firms and proactively seek out new business opportunities. Thus, entrepreneurially oriented firms may be perceived as innovative, proactive and revealing a high tolerance for risk. Avlonitis & Salavou, (2007) observed that the firms which are proactiveness and risk-taker can produce new products and lead to overall performance. They also found that proactiveness directly influences new product performance whereas risk-taking does not. Miller, (2011) suggested that researcher should not only focus on entrepreneurial orientation as a unified construct but also emphasise on the separate sub-components of entrepreneurial orientation, i.e., innovativeness, proactiveness and risk-taking.

RESEARCH GAPS AND OBJECTIVE OF THE STUDY

Hence, most of the previous research studies focused on entrepreneurial orientation and learning on firm's performance. There is an abundant scope of research in the field of entrepreneurial orientation and competitive advantage and its impact on firm's performance. The study like, Brettel, Chomik, & Flatten, (2014); Cheng & Huizingh, (2014); Kollmann & Stockmann, (2012); Wales, Parida, & Patel, (2013); Covin & Wales, (2012) and Saeed, Yousafzai, & Engelen, (2014) focused on individual effect of entrepreneurial orientation on firm's performance and thus, ignored competitive advantage which plays important to edge over competitors. The studies examining the role of individual dimensions of entrepreneurial orientation on competitive advantage and further on business performance could not be traced. Therefore, the present study examines, (a) the impact of innovativeness on competitive advantage (b) proactiveness on competitive advantage (c) risk-taking on competitive advantage and (d) further, competitive advantage on business performance.

The study contributes to the existing literature in different ways; (i) the study examines the individual impact of each dimensions of entrepreneurial

orientation on firm's performance through competitive advantage and (ii) which dimension of entrepreneurial orientation has more impact on competitive advantage.

HYPOTHESES FORMULATION

Product innovativeness comprises of product design, market research, and advertising and promotion (Miller & Friesen, 1978; Schere, 1980). Numerous studies have examined positive significant relationship between innovativeness and performance, thus innovativeness has a critical role to play in the success and survival of a firm in reaping sustainable competitive advantages. Introduction of new processes, products or ideas in the firm is of high significance for the firms to engage in innovation (Hurley, Hult, & Knight, 2003) and this innovation capacity is one of the core competencies that help in generating a strong influence on business performance (Burns & Stalker, 1961; Hurley & Hult, 1998). Owing to the greater relevance of innovativeness, recently many studies have analyzed the contribution of firm's innovative assets and action toward its performance (Sorescu & Spanjol, 2008; Srinivasan & Dominique, 2009). Firms with greater capacity to innovate will be more successful in responding to their competitors and satisfy customer needs. In the marketing literature, innovativeness has been considered as an indispensable asset that creates value in the market (Rust et al., 2004) and thus, compete the competitors. A firm with innovative product generates superior market offerings to meet the changing needs of its customers and improve its positional advantage over competitors. The present study proposes the significant impact of innovativeness on competitive advantage based on this discussion, we present our first hypothesis:

***H1:** Innovativeness has a positive and significant impact on competitive advantage.*

Proactiveness is the emphasis on being the first to take action. The ability and willingness of leaders to conceptualize and implement a plan for opportunistic expansion provides a first mover advantage to help capitalize on a market opportunity (Lieberman & Montgomery,1988). On the other hand, proactiveness emphasises aligning services and products with the perceived emerging market rather than exploiting the existing market. The impact of proactiveness on performance for commercial organizations is positive when it leads to a beneficial first-mover advantage. Proactiveness implies searching for opportunities, future oriented perspective accompanied by launching of novel products or services in the hope of creating potential demand and gaining competitive edge over the rivals in the market, which leads to high business performance. Such a behaviour of searching for and availing those opportunities is referred to as strategic ability (Bullinger, 1999), which resembles Teece's, (2007) concept of dynamic capabilities that enable an organization to know the loopholes and to take advantage of them through entrepreneurial efforts. Therefore, on the basis of above discussion, we can set up the second hypothesis:

H2: Proactiveness has a positive and significant impact on competitive advantage.

Entrepreneurial firms are prone to regular and bold innovations, assuming risks in their product and market strategies (Miller & Friesen, 1982). Along with others Khandwalla,(1977); Mintzberg,(1973), Miller and Friesen argued that entrepreneurial firms tend to take more risks than non-entrepreneurial firms and proactively seek out new business opportunities. Further, risk taking is the willingness to take risks and to act outside of accepted practices and norms. Risk-taking behaviour has the potential to facilitate exceptional results, especially in a setting where predictable behaviour is characteristically high (Gill, 1995; Kohl, 1984). Previous researchers depict that risk-taking is a primary prerequisite for generating innovative concepts and discovering novel

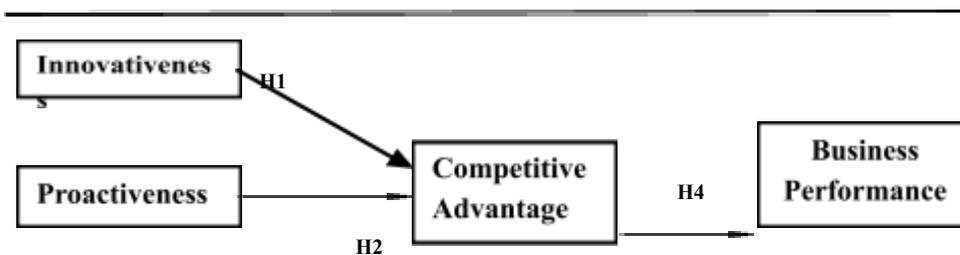
linkages among diverse ideas and perspectives (Slater & Narver, 1995) and thus, lead to competitive advantage. Nystrom, (1990) suggested an increase in organizational innovativeness when risk taking is promoted within an organization. Similarly, Shalley & Gilson, (2004) argued that risk taking fosters creativity. Firms with higher risk-taker are able to create more innovative product and lead to firm's competitive advantage. Based on these premise, we develop our third hypothesis:

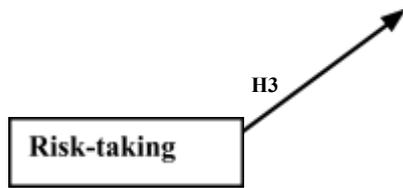
H3: *Risk-taking has a positive and significant impact on competitive advantage.*

Competitive advantage plays an important role in the market-place that leads a firm to outperform its rivals (Porter, 1985). Zhou, Brown, & Dev, (2009) analyzed that firm's innovation differentiation and market differentiation advantages are positively related to market performance. In industries business performance and success depend critically on the interaction between employees and customers (Anderson, Fornell, & Rust, 1997), making service quality and customer satisfaction a key link between competitive advantage and business performance. Thus, differentiation advantage enhances business performance indirectly through fostering market performance. Recently, Alalak & Tarabieh, (2011) generalized that innovation and market differentiation have significant and direct influence on the organizational performance. It leads to the setting up of the following hypothesis:

H4: *Competitive Advantage has significant positive impact on Firm's Performance.*

Figure 1: Proposed Conceptual Model





RESEARCH METHODOLOGY

Sample

The research design employed in this study is descriptive in nature. Data were obtained personally from the owners/managers of SSIs located in Industrial Area 'A' and 'B' of Ludhiana city of Punjab (Industrial Hub of Northern India). For contacting the respondents, a list of industries was procured from the District Industrial Centre (DIC) Ludhiana. As majority of the old industries are located in Industrial Area 'A' and 'B' of Ludhiana, we decided to confine our study population to these two areas only. There were 41,385 SSIs as on 31st March 2012 in Ludhiana and out of these; there are approximately 3,000 SSIs located in Industrial Area 'A' and 'B'. Initially we conducted pilot survey by contacting ten SSIs each from these two areas purely on convenience basis. After obtaining descriptive statistics, we applied the formula given by Malhotra, (2007, p. 364) and determined the sample size. Considering 5% level of confidence, the sample size arrived at 211. We obtained a list of industries in Industrial Area 'A' and 'B' from DIC Ludhiana and arranged them in an alphabetical order. We employed systematic sampling technique to contact the respondents. First respondent was blindly selected and there after leaving 15 SSIs in between, we contacted every 16th SSIs. Out of 211 owners/managers of these SSIs, 204 owners/managers of SSIs gave complete information pertaining to the questionnaire. These contacted industries were textile and hosiery (31.25%), auto and cycle parts (27.08%), agriculture

equipments and oil expeller (21.88%), casting (6.25%), iron and steel (7.29%) and sewing machine (6.25%) (Table 1).

Table 1: Profile of Sampled Firms

Manufacturing Industries	No. of Firms	Percentage
1. Agriculture equipments and oil expeller	42	21.88%
2. Auto and cycle parts	52	27.08%
3. Casting	12	6.25%
4. Hosiery and Textile	60	31.25%
5. Iron and steel	14	7.29%
6. Sewing machine	12	6.25%
Total	192	100

Measures

Relevant literature has been reviewed extensively to generate items pertaining to different dimensions of entrepreneurial orientation, competitive advantage and business performance. A well structured questionnaire was developed to gather required information.

Entrepreneurial Orientation: In order to investigate the level of entrepreneurial orientation, the study utilized a widely used instrument developed by Covin & Slevin, (1989). The study used three dimensions of entrepreneurial orientation, i.e., innovativeness, proactiveness and risk-taking, which consisted of nine items, three each for innovativeness, proactiveness and risk-taking. In numerous studies, example, Kreiser, Marino, & Weaver, (2002); Barringer & Bluedorn, (1999) & Knight, (1997), innovativeness, proactiveness and risk-taking dimensions have been reported as possessing adequate levels of reliability and validity. The study used second-order construct to capture entrepreneurial orientation. This second-order construct

comprised of three reflective first-order constructs of innovativeness, proactiveness and risk-taking.

Competitive Advantage: It comprised of six self-developed items and used first-order reflective construct to confirm these items.

Business Performance: Business performance of SSIs consisting of twelve items adapted from Moorman & Rust, (1999). First-order construct was used to capture business performance.

The instrument comprised of total 48 items, out of which 12 pertained to organizational demographics, 9 to personal demographics and remaining items belonged to three major constructs of the study. A 7-point Likert scale was employed ranging from “strongly disagree” (1) to “strongly agree” (7) for entrepreneurial orientation, “not at all” (1) to “really high” (7) for competitive advantage; and “worst” (1) to “best” (7) for business performance.

Analytical procedure

Before applying any multi-variate research technique, data have to be screened and normalcy has to be verified. Outliers were checked item-wise through box plots (Grubbs, 1969). There were 204 subjects out of whom we observed 12 outliers, finally deleted from the data set and thus, the usable sample arrived at 192. After outliers normality was checked through histogram, Box plot and Q-Q plot (Park, 2008) and we also used Skewness and Kurtosis to check the normality of the data (Mardia, 1970) and the data are normal when its Skewness and Kurtosis have value between -1 and +1 or closer to zero (Gao, Mokhtarian, and Johnston, 2008). Through SPSS (17.0 version) Skewness and Kurtosis values were observed and the value of Skewness was -.31 and Kurtosis was -.10 respectively. Thus, the data were found to be normally distributed.

Confirmatory Factor Analysis (CFA) was performed to assess fitness, reliability and validity of latent constructs. Reliability of the data has been

evaluated through Cronbach's alpha. In order to improve scale consistency, item-to-item correlation has been computed to determine whether each item of a scale predominately correlates positively with other items (Kennedy, Lassk, & Goolsby, 2002) (**Table 2**). Alternative way of testing reliability is through composite reliability and in the present study, the value of composite reliability of all the latent constructs is above .90, which indicates internal consistency of the data. The dimension-wise composite reliability is shown in **Table 2 and 3**. On the other hand, validity of scale has been established through construct validity, which include convergent validity (Lim & Ployhart, 2006) and content, convergent, and discriminant validity (Fornell & Larcker, 1981). Convergent validity has been established through factor loading and average variance extracted and in the present study convergent validity gets established as majority of factor loading and average variance extracted are either closer to or above .50 (**Table 2 and 3**). Discriminant validity analysis is estimated to examine the degree to which a variable is distinct from other variables (Hair et al., 2009). **Table 4** shows that each explained variance estimate on the diagonal is greater than the corresponding inter-factor squared correlation estimates below the diagonal (Malhotra, 2007). Thus, discriminant validity gets established, there by implying that major constructs are unique.

Table 2: Descriptive Statistics of Measurement Models

CONSTRUCT	MEAN	S.D	F.L	C. R	C. A	AVE
ENTREPRENEURIAL ORIENTATION						
EO11: Emphasis on the marketing of tried and true products and services, R & D, technological leadership, and innovations.	3.23	2.2 5	.33	.57	.61	.48
EO12: Marketed very many new product lines or services.	4.62	1.7 1	.65			
EO13: Changes in product or service lines have been quite dramatic	3.70	2.4 5	.72			

EOP1: Initiate action which the competition then responds.	3.52	2.7 9	.65	.92	.86	.69
EOP2: Strong tendency to “follow the leader” in introducing new products or ideas	4.81	1.1 9	.94			
EOP3: First business to introduce new products/services, administrative techniques and operating technologies	3.64	1.8 6	.87			
EOR1: Strong proclivity for high risk projects	4.51	1.9 7	.53	.89	.84	.68
EOR2: Explore the environment gradually via careful, incremental behaviour	3.07	2.1 4	.96			
EOR3: Wait-and-see posture in order to minimize the probability of making costly decisions.	3.01	2.1 6	.91			
COMPETITIVE ADVANTAGE						
CA1: Competitive advantage in marketing and sales.	4.07	0.8 2	.77	.93	.75	.48
CA2: Competitive advantage in supply chain.	3.33	1.5 4	.42			
CA3: competitive advantage in introduction of new products and service.	4.22	0.9 1	.78			
CA4: competitive advantage in production and distribution of products.	4.17	0.8 8	.89			
CA5: competitive advantage in human resource.	4.59	1.2 1	.57			
BUSINESS PERFORMANCE						
BP1: Revenue growth in last three years	4.54	.71	.72	.99	.89	.63
BP2: Market share growth in last three years	4.62	.70	.75			
BP3: Net profits in last three years	4.41	.66	.88			
BP4: Return on Assets (ROA) in last three years	4.25	.62	.78			
BP5: Profit to revenue ratio in last three years	4.42	.67	.80			
S.D- Standard Deviation; F.L- Factor Loading; CR-Composite Reliability; CA- Cronbach’s Alpha and AVE- Average Variance Explained.						

Table 3: Reliability and Validity of Latent Constructs

Constructs	AVE	Composite Reliability	Cronbach's Alpha
Entrepreneurial Orientation	.64	.93	.79
Competitive Advantage	.48	.93	.75
Business Performance	.63	.99	.89
AVE= Average Variance Explained			

Table 4: Discriminant Validity of Latent Constructs

AVE	Entrepreneurial Orientation	Competitive Advantage	Business Performance
Entrepreneurial Orientation	(.64)		
Competitive Advantage	0.10	(0.48)	
Business Performance	0.07	0.01	(0.63)
AVE= Average Variance Explained			

The results of measurement models reveal that goodness-of-fit (GFI), adjusted goodness-of-fit (AGFI), normed fit index (NFI), Tucker-Lewis index (TLI) and comparative fit index (CFI) exceeded the recommended value of .90 and Chi-square statistics is less than recommended 5.0 level (Inman, Sale, & Green, 2009; Hoe, 2008) (Table 5 and 6).

Table 5: Results of CFA Fit Indices

CONSTRUCT	CMIN/DF	GFI	AGFI	CFI	NFI	TLI	RMSEA
Entrepreneurial Orientation	1.44	.97	.94	.99	.97	.98	.04
Competitive Advantage	1.28	.99	.96	.99	.99	.99	.03

Business Performance	2.46	.98	.92	.99	.98	.97	.08
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Table 6: Multi-modelling Approach

Models	CMIN/df	GFI	AGFI	NFI	TLI	CFI	RMSEA
Alternative Models							
INNOV→CA→BP	1.48	.93	.95	.95	.93	.94	.05
PROV→CA→BP	1.13	.98	.99	.99	.98	.97	.02
RSKT→CA→BP	3.12	.90	.91	.93	.91	.92	.08
Proposed Model/ Structural Model							
PROV/RSKT/INNOV→CA →BP	1.34	.99	.95	.96	.96	.98	.04
INNOV- Innovativeness; PROV- Proactiveness; RSKT- Risk-taking; CA- Competitive Advantage and BP- Business Performance							

After applying CFA, Structural Equation Modeling (SEM) was conducted by using AMOS 17.0 to assess fitness of the structural model (**Table6**). With the help of SEM, the data were analyzed and hypotheses were tested.

RESULTS

The entrepreneurial orientation construct under the study has been analyzed as reflective and multi-dimensional. After applying CFA, one item of competitive advantage and seven items of subjective performance got deleted, as the standardized regression weight (SRW) was below the acceptable criterion of .50. These models have been found to be valid and reliable after deleting insignificant items and reliability also gets confirmed through Cronbach's alpha and composite reliability (**Table 2**). The remaining indicators predict a good fit model in terms of CMIN/df, GFI, AGFI, NFI, TLI, CFI and RMSEA (**Table 5and6**).

On the basis of SEM, the framed hypotheses (**Figure 1**) have been tested. It becomes evident from the SEM results that the three dimensions of entrepreneurial orientation, viz., innovativeness, proactiveness and risk-taking

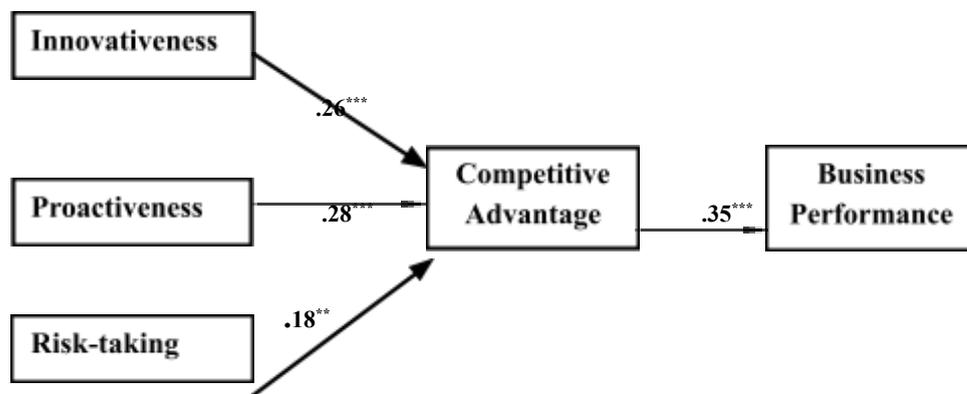
have significant impact on competitive advantage and further, competitive advantage significantly lead to business performance(**Figure 2**).

The data indicate that innovativeness, proactiveness and risk-taking play an important role in leading the enterprises effectively. Among the three dimensions of entrepreneurial orientation, proactiveness is greatly influenced on competitive advantage than innovativeness and risk-taking. In this regard, Tang et al., (2009) also observed the same results, i.e., the more proactive the firm, the more likely it is to perceive higher levels of environmental opportunities. Fang, Yuli, & Hongzhi, (2009) also reported the same finding and indicated that innovativeness dimension is uncertain in formal organizations while proactiveness plays an important and significant role in formal organizations. On the contrary, Hult, Hurley, & Knight, (2004); Helen & Lioukas, (2003); Avlonitis & Salavou, (2007); Baker & Sinkula, (2009) and Atuahene-Gima & Ko, (2001) found out that innovativeness has greater prediction for entrepreneurial orientation. The probable reasons could be different environmental conditions, state of the economy (developed countries, different sectors/context) and even different types of industries.

Competitive advantage in production and distribution of products and introduction of new products and services significantly contribute toward building sustainable competitive edge over rivals. SSIs were found to have paid more attention toward the introduction of new products and their distribution to increase market share by attracting potential customers and retaining existing customers through delivering greater value constantly. In building competitive advantage, supply chain also plays a pivotal role but in the present study competitive advantage is least influenced by supply chain, as its SRW falls below the expectable limit of .50 (i.e., .42). Still the study retained this manifest variable because it helps in creating competitive advantage through ensuring regular interaction with immediate customers.

Structural model depicts that net profit and profit to revenue ratio significantly influence business performance. In addition, return on assets (ROA), market share growth and revenue growth also have significant and positive impact on business performance of firms, as their SRWs are above .70. However, as compared to net profit and profit to revenue ratio, the contribution of remaining three indicators toward business performance is low.

Figure 2: Structural Model



Hypotheses Testing

The proposed model (**Figure 1**) reveals that the three dimensions of entrepreneurial orientation, i.e., innovativeness, proactiveness and risk-taking have positively and significantly related to competitive advantage, i.e., ($\beta=.26$, $p<.05$; $\beta.28$, $p<.05$ and $\beta=.18$, $p<.05$) respectively. Thus, supported H1, H2 and H3. Further, it depicts that the competitive advantage has also significant impact on firm's performance. Thus, supported H4(**figure 2**).

MANAGERIAL IMPLICATIONS

SSIs in India seem to be contended with the daily routines of manufacturing their products and with the help of limited market information; these firms innovate or introduce new products, processes and technology. These firms do not follow the leader in order to introduce new products or ideas. Even they do not intend to be the leader in the market by introducing new products or ideas for the first time. In order to become innovative, these SSIs should try for substantial modifications and improvements in their market offerings at

regular intervals to search for and exploit untapped potential market. Hence, these SSIs should conduct market surveys on continuous basis so as to extract information regarding the changes likely to take place in the customers' needs pertaining to the firm's offering. This market information shall help the SSIs in introducing new products, processes and technologies to fulfil latent needs of the market. Even Rauch et al., (2009) stated that proactiveness, which is an opportunity-seeking perspective, results in the introduction of new offerings ahead of the competition. SSIs should lay more emphasis on proactiveness. In order to be more proactive, SSIs should give greater emphasis on forward-thinking strategic planning, anticipate the future problems, needs and changes.

Gaining competitive advantage has been one of the prime focuses of all the entrepreneurs since time immemorial and is emerging as a tool to survive and grow in today's highly competitive market scenario. SSIs in Ludhiana are found to have competitive advantage in launching new products and services, distribution of product and also in human resources. However, they are lacking in marketing and sales areas and further they do not have strong supply chain management. Therefore, SSIs ought to build competency in marketing and sales of products and services. Moreover, they should try to establish efficient and strong bond with concerned suppliers, which eventually go a long way in carving an edge over competitors.

CONCLUSION

Previous literature in context to SMEs has either examined the effect of entrepreneurial orientation on firm's performance or analyzed the effect of entrepreneurial orientation on organizational learning. There is dearth of research work exploring the role of entrepreneurial orientation on business performance through competitive advantage. Also, most of the research work focusing on entrepreneurial orientation and business performance has been conducted in the developed nations, where the economic growth, institutional

environment, market turbulence and technological advancement have significant impact on the firm's performance. Hence, there is a dire need to explore entrepreneurial orientation and competitive advantage on business performance in context to emerging markets where economic development and prevalent environment is not stable in terms of market turbulence, competitive intensity and technology turbulence. *First*, which dimension of entrepreneurial orientation has greater influence on competitive advantage? The study found that proactiveness has greater prediction for competitive advantage as compared to innovativeness and risk-taking in context to SSIs. *Second*, whether all the dimension of entrepreneurial orientation significantly predicts competitive advantage? The study depicts that all the three dimension of entrepreneurial orientation significantly leads to competitive advantage. *Third*, whether competitive advantage has significant impact on business performance? The findings reveal that competitive advantage has significant impact on business performance. Thus, the three components of entrepreneurial orientation play a significant role in firm's success.

LIMITATIONS AND FUTURE AGENDA

All the possible efforts have been made to maintain objectivity, validity and reliability of the study, yet certain limitations have emerged, which restrict its applicability. First, other strategic orientations like market orientation, technology orientation, production orientation, selling orientation etc have not been included in the present study. Second, few other constructs having significant relationship with entrepreneurial orientation and competitive advantage like market orientation, organizational capabilities and social context have also not been considered. Third, the present study is confined to small scale industries (SSIs) located in Ludhiana city of Punjab, India. Fourth, being industry sector-specific, it did not cover other sectors, which also play vital role in the economic development like services sector. Fifth, the study contacted only managers/owners of SSIs. Therefore, future research can

examine other strategic orientations like market orientation, technology orientation, production orientation and selling orientation and their effect on firm's performance can also be considered for future studies. Beside these, the employees and industrial customers can also be contacted to measure competitive advantage.

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Social Media Marketing: A New Trend in E-Marketing- A Demographic Investigation of Youth's Attitude

Mr. Mahendra Daiya^{3*}

Mrs. Bhawana Maheshwari Daiya^{4**}

ABSTRACT

Social media is in the trend and paved opportunity for corporate to connect directly with their potential customers and market their products & services in a personalized way. Social media, especially social networking sites (SNS), enable users to present themselves, establish and maintain social connections with others, and articulate their own social networks (Ellison, Steinfield, and Lampe 2007). Social networking site satisfy social needs of people by sharing social interactions, social ties as well as common space, which provides sociability support, information and sense of belonging. This is

^{3*} Dy. Head & Assistant Professor, Department of Management Studies, JIET Group of Institutions, Jodhpur (Rajasthan), email: mahendradaiya@gmail.com, +91 97856 88044

^{4**} Research Scholar, Department of Management Studies, Jai Narain Vyas University, Jodhpur (Rajasthan), email: bhawana.maheshwari1@gmail.com, +91 97856 70199

the reason Social networks, like Facebook and Twitter have witnessed a rapid growth in their membership. "The Internet in India took more than a decade to move from 10 million to 100 million and 3 years from 100 million to 200 million. However, it took only a year to move from 200 to 300 million users. Clearly, Internet is mainstream in India today," IMAI-IMRB said in a statement. The increasing online users provide opportunity for the marketers to make use of internet as a marketing medium. Global marketers have recognized its potential as a marketing platform and utilized them with innovations to create awareness and to promote their product and brand. Past studies revealed that Social media has contributed significantly in changing customer's attitude toward a brand.

This paper intends to provide insight on the attitudes of youth of Jodhpur city demographically towards social media marketing. A total of 100 respondents participated in the study. due to time constraint, A Structured & close ended questionnaire is used to collect the primary data. The results suggest consumers' favourable attitudes towards social media marketing.

Keywords: Social Media, Social Media Marketing.

INTRODUCTION

Social media is in the trend and paved opportunity for corporate to connect directly with their potential customers and market their products & services in a personalized way. The growing popularity of social media leads advertisers to invest more effort into communicating with consumers through online social networking. Global marketers have recognized its potential as a marketing platform and utilized them with innovations to create awareness and to promote their product and brand. Social networking site is a platform which can be accessed easily from anywhere in the world, to satisfy social

needs of people by sharing social interactions, social ties as well as common space which provides sociability support, information and sense of belonging.

LITERATURE REVIEW

The growth of social media is chiefly attributed to the desires for connectedness, social interaction, entertainment, convenience, information and in some cases professional advancement. The rapid growth of online social networking communities has caught the attention of advertisers that hope to find new ways to harness these communities for their advertising purposes (Hart 2007). Little academic research addresses the concerns held by community organizers about how to convince users to be more receptive to advertising in online social communities (Zeng et al., 2009).

Kenneth C.C Yang (2006) wrote an article on how humanlike navigation interface affects attitudes towards internet advertising. He found out the result to be positive: When humanlike interface was introduced, it increased users' immersive feeling when navigating. When again clicking advertisements on web pages was investigated in "Internet advertising: Is anybody watching?" (Drèze&Hussherr, 2003). They used an eye-tracking device to see how online surfers pay attention on advertising. They found out that surfers do not click the banners, but still notice them. This, according to them, indicates that companies should rely more on the traditional brand equity measures, to create repetition to awaken unaided advertising recall, brand awareness and brand recognition. Zafar and Khan (Shandana Zafar, 2011) were examining the attitude towards social network advertising among young consumers. They found out that young consumers have overall positive attitude towards virtual community advertising. They concluded that "The social networks can be therefore considered to be an effective advertising medium for targeting young consumers".

Another one was made in Finland by Virkkala (2009). She was studying the consumer attitude towards Facebook advertising in Finland. She found out that consumers are reluctant to receive advertising within their communities in Finland. Advertisements were experienced more disturbing than useful among Finnish Facebook users. She also found out that some people even avoid advertisements in as many ways as they can. If there is a potential cue, it should have the ability to affect attitudes in the absence of any arguments. For example, a message could come from an attractive source or an unattractive source and a person would be more likely to go for the attractive source (Petty, 1986) (Mary J. Bitner, 1985) (Jagpal, 1999) (Birks, 2006) (Chang, 2006) (Virkkala, 2009). Thus those advertisements that are personalized or recommended by a friend will be more attractive to users resulting in more positive attitudes towards advertising. According to Lenhart, Purcell, Smith and Zickuhr (2010), the use of online social networks among teens and young adults has exploded during the last few years.

Today's youth is one of the market's most powerful consumer groups. Young people are nowadays progressively able to affect the purchase and decision making of others (Loudon and Bitta, 1983; Zollo, 1995). Young consumers also are able to act independently and they have consumption sophistication. The youth market can be seen as an indicator of social change in terms of their impact on society and surrounding culture (Widdicombe and Woffitt, 1995).

RESEARCH METHODOLOGY

The purpose of this paper is to examine young consumers' attitudes demographically towards social marketing practices. In order to investigate the research objectives, both secondary and primary data have been collected and analyzed. Secondary data was an extensive search of articles, reports using the internet and primary data collected from 100 respondents

using convenient sampling via a self-administered questionnaire. The statistical methods used to interpret the data to analyze the difference in the attitude of male and female toward social media marketing were Chi-square test.

H₀: There is no difference in the attitude of male and female customers (youth) towards social media advertising.

H₁: There is difference in the attitude of male and female customers (youth) towards social media advertising.

DATA ANALYSIS AND INTERPRETATION

Descriptive Statistics

Descriptive Statistics		N	Mean	Std. Deviation	Variance
Gender	Male	60	1.40	.492	.242
	Female	40			
Age		100	17.98	.791	.626

Customers (youth) attitude towards social media advertising:

Question	Responses	Male	Female	Mean	S.D.	Chi-Square	Interpretation
The Aims of the Using Social Media Tools	Education	10	4	3.44	1.258	7.490	No Significant difference in the opinion of male and female toward aims of using social media tools
	Shopping	8	0				
	Entertainment	8	6				
	Communicate with others	26	22				
	To get information	8	8				
Experience of the respondent	Perceived usefulness	18	14	2.08	.961	.345	No significant difference in

with Social Networking Web Sites	Perceive ease of use	24	14				the experience of male and female with Social Networking Web Sites
	Perceive enjoyment	12	8				
	Perceived security	6	4				
Advertisements in social media like Facebook catch my attention among other content.	Strongly Agree	10	4	2.72	1.190	4.600	No significant difference in the opinion of male and female
	Agree	22	14				
	Neutral	16	8				
	Disagree	6	10				
	Strongly Disagree	6	4				
Advertisement on social media tailored as per your interests.	Strongly Agree	18	6	2.72	1.349	7.639	No significant difference in the opinion of male and female.
	Agree	12	12				
	Neutral	14	6				
	Disagree	8	12				
	Strongly Disagree	8	4				
Advertising on social media provide accurate information about product and services	Strongly Agree	22	14	2.26	1.151	3.280	No Significant difference in the opinion of male and female about the credibility of social media advertising
	Agree	12	8				
	Neutral	18	10				
	Disagree	6	8				
	Strongly Disagree	2	0				

Question	Responses	Male	Female	Mean	S.D.	Chi-Square	Interpretation
Facebook advertising is a valuable source of information about latest fashion	Yes	32	30	1.38	.488	4.782	Significant difference exist in the opinion of male and female
	No	28	10				
Social media advertising helps in purchase decision	Yes	38	20	1.42	.496	1.752	No Significant difference in the opinion of male and female
	No	22	20				

Social media advertising results in lower price products.	Yes	52	30	1.18	.386	2.213	No Significant difference in the opinion of male and female
	No	8	10				
Social media advertising is disturbing and misleading.	Agree	2	12	3.42	.878	23.512	Significant difference in the opinion of male and female
	Neutral	22	20				
	Disagree	28	4				
	Strongly Disagree	8	4				

MEANING AND DEFINITION

Social media is engaging with consumers online. According to Wikipedia, social media is internet-based tools for sharing and discussing information among human beings. Any website, which allows user to share their content, opinions, views and encourages interaction and community building can be classified as a social media. Facebook, YouTube, Twitter, MySpace, Scribd, LinkedIn, Google+, etc. are some popular social media sites have reached a vast popularity, especially among young adults.

The term 'social media' comprises two words social and media. *Social* implies the interaction of individuals within a group or community and *Media* refers to communication of ideas or information through publications/channels. Taken together, *social media* simply refers to communication/publication platforms which are generated and sustained by the interpersonal interaction of individuals through the specific medium or tool. Social media can take many different forms, including Internet forums, social networks, message boards, microblogging, weblogs, wikis, podcasts, pictures, and video.

Social media is best understood as a group of new kinds of online media, Social media is an online media, which possesses participation to encourages contributions and feedback from everyone who is interested,

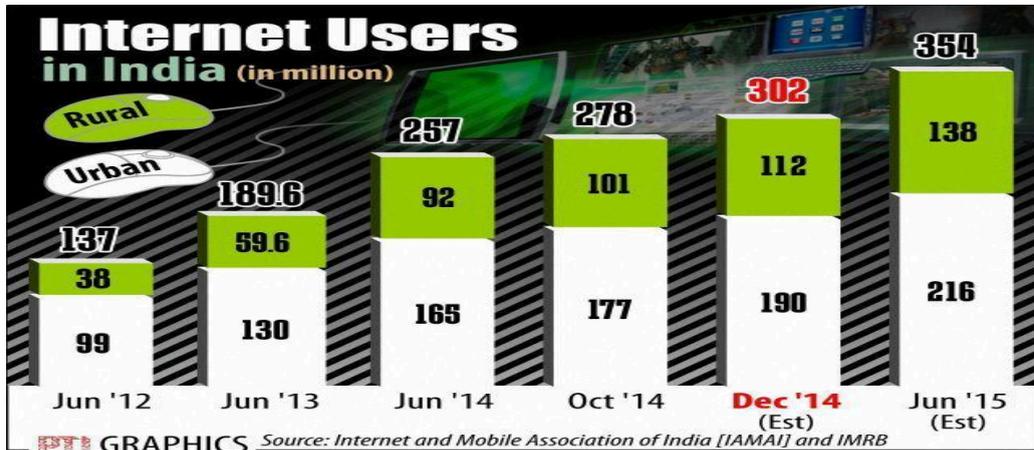
Openness to encourage voting, comments and the sharing of information for better two-way conversation. It allows communities to form quickly and communicate effectively. They can share common interests, such as a love of photography, a political issue or a favorite TV show. Social media represents low-cost tools that are used to combine technology and social interaction with the use of words.

Social media, especially social networking sites (SNS), enable users to present themselves, establish and maintain social connections with others, and articulate their own social networks. This is the reason Social networks, like Facebook and Friendster have witnessed a rapid growth in their membership. On a daily basis in present-day, 100,000 tweets are sent, 684,478 pieces of content are shared on Facebook, 2 million search queries are made on Google, 48 hours of video are uploaded to youtube, 3,600 photos are shared on Instagram, and 571 websites are created (James 2012).

The number of Internet users in India is expected to cross the 354 million mark by the end of year 2015, overtaking the US as world's second-largest Internet market. According to a report by the Internet and Mobile Association of India (IAMAI) and IMRB International, the number of Internet users in India is expected to grow 354 million this year from 278 million at the end of October 2014. Presently, India has the third-largest Internet user after U. S. and China in the world. The user base in India is further estimated to grow to 354 million by June 2015.

"The Internet in India took more than a decade to move from 10 million to 100 million and 3 years from 100 million to 200 million. However, it took only a year to move from 200 to 300 million users. Clearly, Internet is mainstream in India today," IAMAI-IMRB said in a statement.

The report said of the 278 million users Indian had in October 2014, 177 million are in urban India, in rural India, the number of Internet users is 101 million in October 2014.



The increasing online users provide opportunity for the marketers to make use of internet as a marketing medium. Social networking has become popular and internet users spend a major chunk of the time with it. This makes advertisers tempted to explore & utilize social networking sites as a new advertising vehicle. Even, advertisers have recognized the potential of social networking sites in terms of interactivity which includes shopping experiences, personalized selections, wide information search, greater convenience, etc..

These social networking sites offer marketers to market their product in a customized way. These virtual communities enable marketers to customize their advertisements to fit certain groups of individuals. This can be done according to their demographic features or by their interests, and all marketers have to do is to choose which factors they are going to target their advertisements towards. Marketers can reach their potential and prospective customer with certain income and interests, who falls into their target group easily. Instead of spending money on trying to reach these people

the traditional way, Social networking sites offer the better option. New “smart advertising” with data mining technologies enable advertisers to customize everything in their ad to correspond to the viewer. These new ways to reach consumers helped Hewlett Packard to reach twenty times the ROI (Return On Investment), it would have reached with traditional advertising methods (Mathieson, 2010).

Social Media, today, is among the ‘best opportunities available’ to a brand for connecting with prospective consumers. Social media is the medium to socialize. These new media win the trust of consumers by connecting with them at a deeper level. The usage of this is the reason that almost every business on the planet—from giants to the local shop—are exploring social media marketing initiatives. It is used by marketers to reach and communicate their users and potential customers about their products and keeping in touch with their customers. Advertisements that are successful in delivering its messages to its audiences can help to promote and build awareness on the company’s offerings.

There are two benefits associated with social media that are important to businesses:

- ✓ Cost reduction by decreasing staff time.
- ✓ Increase of probability of revenue generation.

Social media enables companies to:

- ✓ Share their expertise and knowledge.
- ✓ Tap into the wisdom of their consumers.
- ✓ Enables customers helping customers.
- ✓ Engages prospects through customer evangelism.

Thus the benefits of social media include: brand reach and awareness, consumer interaction through transactions, referrals and reputation management.

SOCIAL MEDIA MARKETING

Marketing is the process of determining what products or services can be of interest to customer and tailor the product as per the need of the customer. Social media marketing is the process of gaining website traffic or attention through social media sites. Social media marketing consists of the attempt to use social media to persuade consumers that one's company, products and/or services are worthwhile. Social media marketing is marketing using online communities, social networks, blog marketing and more. Social networks help the organization to improve the marketing of organizations to create new insights about the brand. It offers innovative ways to implement the basic marketing programs, as well as new methods to win this cut-throat competition and to survive in the market. They can use these new opportunities by monitor conversations across the Internet and participate effectively by linking activities in social networks with marketing programs and processes. Social media marketing programs usually center on efforts to create content that attracts attention and encourages readers to share it across their social networks. The resulting electronic word of mouth (eWoM) refers to any statement consumers share via the Internet (e.g., web sites, social networks, instant messages, news feeds) about an event, product, service, brand or company. Global companies have recognized social media marketing as a potential marketing platform, utilized them with innovations to power their advertising campaign with social media marketing. "Social

marketing is a popular and effective way of getting vital information which is essential to the success of an organization."

Lazer and Kelly's (1973) define social marketing as "concerned with the application of marketing knowledge, concepts, and techniques to enhance social as well as economic ends. It is also concerned with the analysis of the social consequences of marketing policies, decisions and activities."

Social media marketing is the latest "buzz" in marketing. India is probably among the first proponents of social media marketing. Social media marketing strategies permits interaction, connection, conversation, belonging and a sense of community among its members. These people trust their online network of friends for sharing, advice and socializing.

One of the main purposes in employing social media in marketing, as a communications tool is that makes the companies accessible to those interested in their product and makes them visible to those who have no knowledge of their products. Companies use social media to create buzz, learn from and target customers. It's the only form of marketing that can finger consumers at each and every stage of the consumer decision journey. Companies make use of platforms such as Facebook, Twitter, YouTube and Instagram in order to reach audiences much wider than using traditional print/TV/radio advertisements alone at a fraction of the cost, as most social networking sites have zero cost. This has changed the ways that companies approach interact with customers, as a substantial percentage of consumer interactions are now being carried out over online platforms with much higher visibility. Customers can now post reviews of products and services, rate customer service and ask questions or voice concerns directly to companies through social media platforms. Businesses are using social media marketing to build relationships of trust with consumers. To this aim, companies may also hire personnel to specifically handle these social media

interactions, who usually report under the title of Online community managers. Handling these interactions in a satisfactory manner can result in an increase of consumer trust. Social media is crucial right now, with the largest user demographic within the 18-24 age brackets. In fact, there are many sport brands in the marketplace are taking social media marketing as a vital component in their businesses, in which they look at effective ways to gain a more detailed understanding of their social media fanbase. Nike has been putting more marketing muscle behind its digital initiatives, for instance by taking social media marketing in-house, claiming that online channels are more valuable to its business strategy than traditional advertising. (Joseph 2013.) Brands like Weight Watchers and Nike Women have demonstrated how valuable social networking sites can be for bridging people who are facing similar daily obstacles (Young Entrepreneur Council 2012).

FINDINGS

1. Youth (male as well as female) are using social networks more for communicate with others, male have used it for shopping purpose also.
2. Youth perceive social media marketing useful, easy to use, even feel enjoyment but feel less secure on social media. Male perceive it easier to use than the female.
3. Marketing plays a crucial role to create consumer awareness. Mostly respondent said that advertisements in social media is that much effective to catch attention i.e. now should try to tailor ads to create the desire in customer.
4. Both male as well as female believes that Advertising on social media provide accurate information about product and services, i.e. they feel social media ads credible.
5. There is difference in the opinion of male and female respondents

regarding Facebook advertising as a source of information about latest fashion, female believe more on it than the male. This speaks the gap in marketing effort put by the marketers to target male.

6. Social media advertising plays a vital role in making purchase decision and also results in lower price products.
7. There is significant difference exist in the opinion of male and female respondents regarding social media advertising is disturbing and misleading. Although most of the respondents are neutral i.e. they are not able to decide about it but most of the males are disagree with this statement.

CONCLUSION

Social media has changed marketing drastically and is playing a crucial role day by day. It is true especially for youngsters who are today able to affect the purchase and decision making of others. Young people are participating actively on social media even have created their own online journal or blog and keeping interacting with others' blogs. Youngster think social media advertising is useful to promote products and services and believe it as most credible form of advertising. Companies not engaging in the social media marketing have big deficiency. Social media have exponential potential and an ever-growing online network of people who discuss, comment, participate, share and create. Whether an individual, a startup, small business or a large corporation, online presence and an ongoing conversation is a baseline requirement. It is high time that every business adopts social media.

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Growth Analysis of State Bank of India (SBI)

Happy Agrawal^{5}*

ABSTRACT

Banks play a very important role in the economic development of every modern state. Banks play an important role in mobilizing of savings. Economic development depends on the available savings and investment in the economy. Banks operate at the heart of the modern economy. The scenario has changed since 1990. The decade of 90s witnessed a sea change in the working of banking in India. Technology made tremendous impact by introducing 'anywhere banking' and 'anytime banking'. The financial sector now operates in a more competitive environment than before. State bank of India (SBI) is the oldest bank in India. The research paper is an effort to study the Growth of SBI as a oldest bank, so a study of Growth analysis of the bank for a period of 12 years, i.e. from 2005 to 2013 is made. The main parameters of growth in banks are No. of offices, No. of employees, Capital and Reserves & Surplus, Deposits, Investments, Advances, Interest income, Other income and Interest expended and the results reveal that in terms of the parameters defined SBI's growth is increasing year by year.

Keywords:- Analysis, Growth, SBI and RBI.

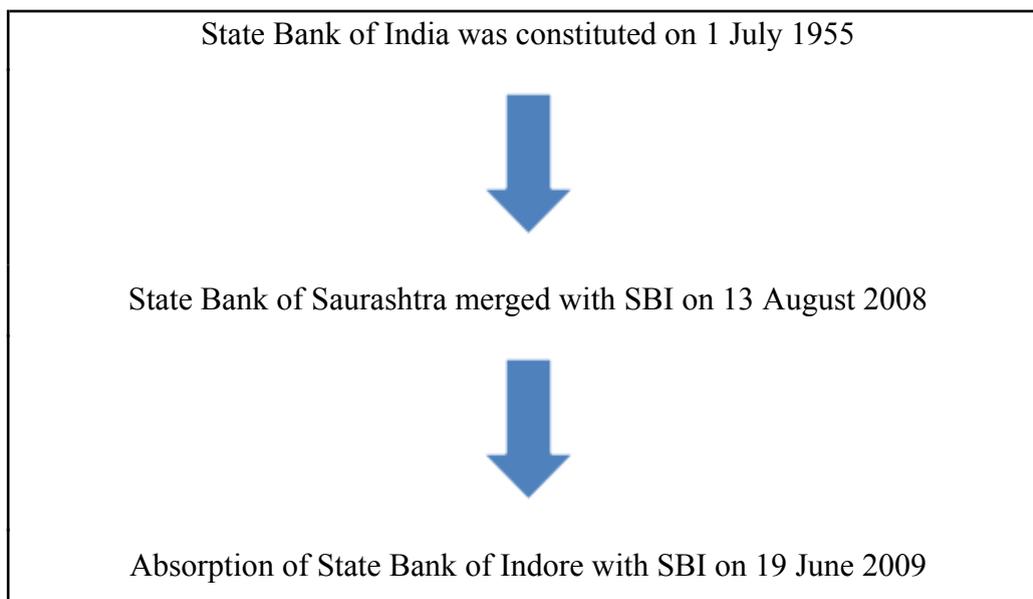
INTRODUCTION

A well developed banking system is a necessary precondition for economic development in a modern economy. The oldest bank still in existence in India is the State Bank of India, which originated in the Bank of Calcutta in June 1806, which almost immediately became the Bank of Bengal. In the mean while two other banks Bank of Bombay and Bank of Madras were started on

^{5*} Research Scholar, Department of Business Administration, Faculty of Commerce and Management Studies, Jai Narain Vyas University, Jodhpur, Mobile no.: 09314246000, E-mail ID: guptahappy29@gmail.com

15th April 1840 and 1st July, 1843 respectively. In 1862 the right to issue the notes was taken away from the presidency banks. The government also withdrew the nominee directors from these banks. The bank of Bombay collapsed in 1867 and was put under the voluntary liquidation in 1868 and was finally wound up in 1872. The bank was however able to meet the liability of public in full. A new bank called new Bank of Bombay was started in 1867.

On 27th January 1921 all the three presidency banks were merged together to form the Imperial Bank by passing the Imperial Bank of India Act, 1920. was a Joint Stock Company. In 1955, by provisions of the State Bank of India Act 1955, Reserve Bank of India acquired a controlling interest in the Imperial Bank of India. An act was accordingly passed in Parliament in May 1955 and the State Bank of India was constituted on 1 July 1955, the Imperial Bank of India became State Bank of India.



OBJECTIVES OF THE STUDY

1. To study the growth of SBI.

CONCEPT OF GROWTH

Growth in relation to a banking organization relates to increase in the business over a period of time. Year to yeargrowth is calculated and targets are fixed to

evaluate the performance and standing of the bank in relation to industry, in relation to competitors, in relation to branch. Growth means the increase in advances and deposits of a bank in current year in comparison to previous year. As regards Growth, it can be studied from various angles like in terms of sales, net profit, reserve and surplus, earning per share, internal growth & sustainable growth.

GROWTH ANALYSIS

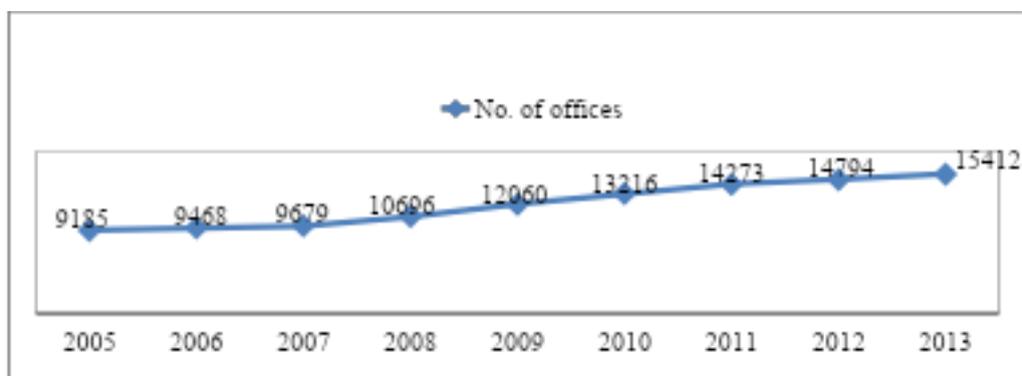
Growth analysis of SBI measured by annual report of SBI and data published by RBI in the annual publication for a period of 12 years, i.e. from March 2005 to March 2013 is made. The main parameters of growth in banks are No. of offices, No. of employees, Capital and Reserves & Surplus, Deposits, Investments, Advances, Interest income, Other income and Interest expended which are as given in detail as under:-

1. **Growth on the basis of no. of offices:-** Number of offices define the scope of business of the bank and Number of offices rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-1

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
No. of offices	9185	9468	9679	10696	12060	13216	14273	14794	15412

Figure-1



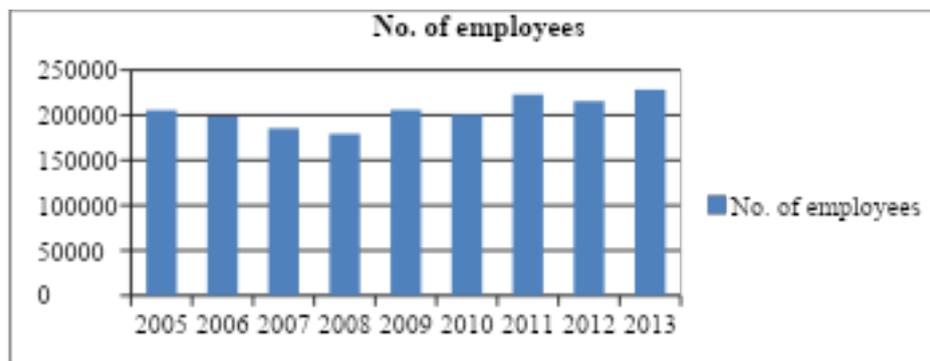
(Source: www.rbi.org.in and SBI; Annual Report)

2. **Growth on the basis of no. of employees:-** Employees are the important for the bank because employees are directly deal with the customer and employee is worked as a coordinator between the bank and customer. Number of employees rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-2

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
No. of employees	205515	198774	185388	179205	205896	200299	222933	215481	228296

Figure-2



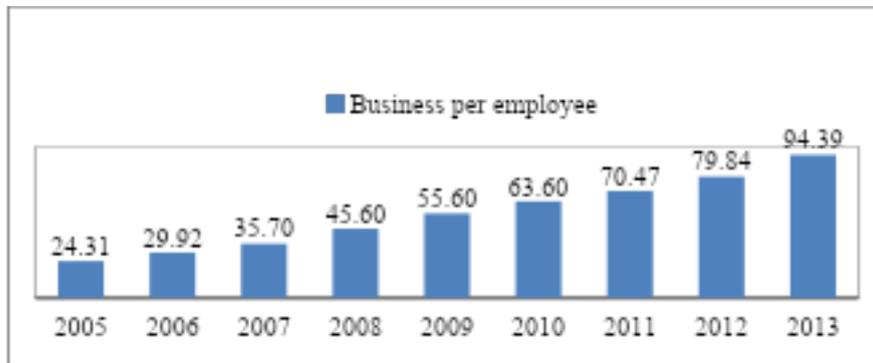
(Source: www.rbi.org.in and SBI; Annual Report)

3. **Growth on the basis of Business per employee:-** Business per employee rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-3

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business per employee (Amount in Rupees Million)	24.31	29.92	35.70	45.60	55.60	63.60	70.47	79.84	94.39

Figure-3



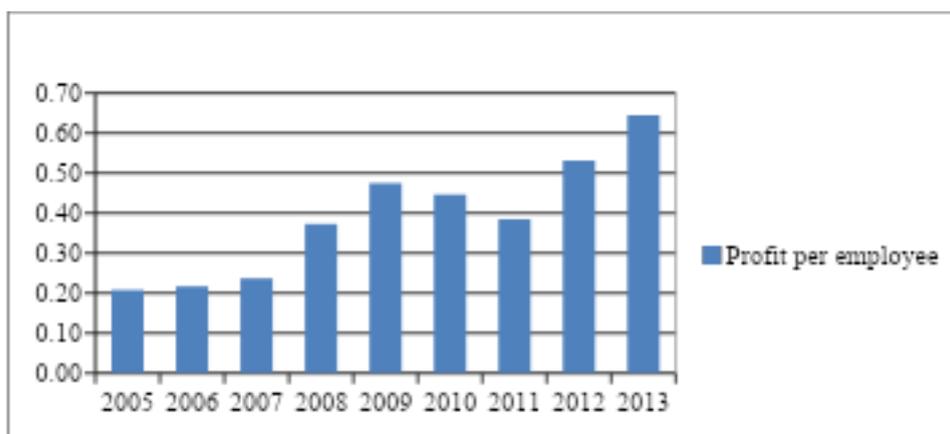
(Source: www.rbi.org.in and SBI; Annual Report)

4. **Growth on the basis of Profit per employee:-** Profit per employee rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-4

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Profit per employee (Amount in Rupees Million)	0.21	0.22	0.24	0.37	0.47	0.44	0.38	0.53	0.65

Figure-4



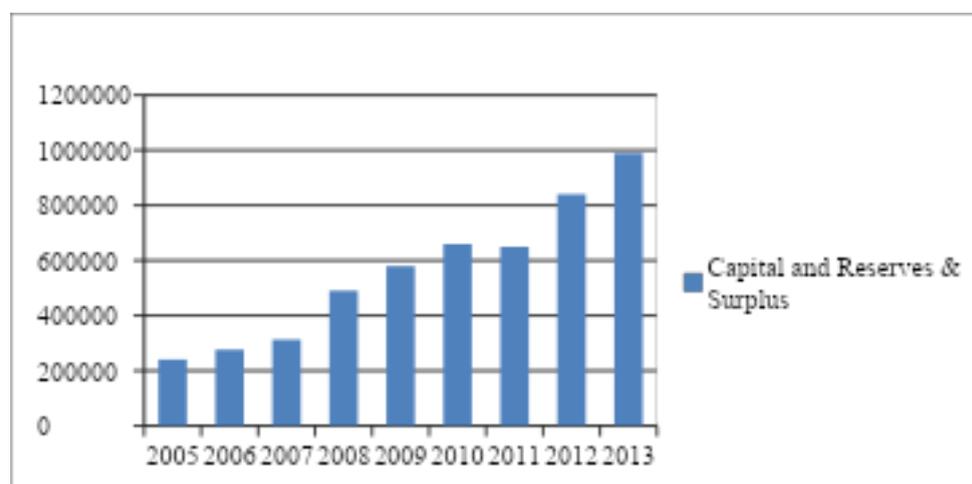
(Source: www.rbi.org.in and SBI; Annual Report)

5. **Growth on the basis of Capital and Reserves & Surplus:-** Capital and Reserves & Surplus rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-5

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Capital and Reserves & Surplus (Amount in Rupees Million)	240721	276441	312986	490327	579477	659492	649860	839512	988837

Figure-5



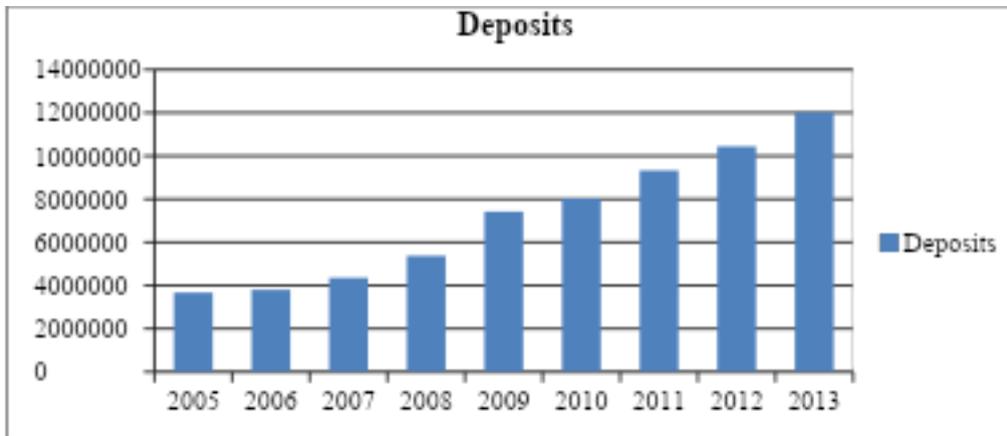
(Source: www.rbi.org.in and SBI; Annual Report)

6. **Growth on the basis of Deposits:-** Deposits rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-6

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Deposits (Amount in Rupees Million)	3670475	3800461	4355211	5374039	7420731	8041162	9339328	10436474	12027396

Figure-6



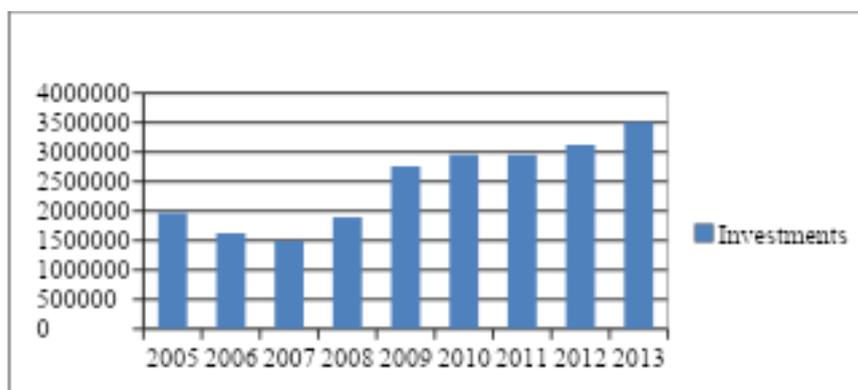
(Source: www.rbi.org.in and SBI; Annual Report)

7. **Growth on the basis of Investment:-** Investment rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-7

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Investments	1970	1625	1491	1895	2759	2957	2956	3121	3509
(Amount in Rs. Million)	979	342	489	013	540	852	006	976	273

Figure-7



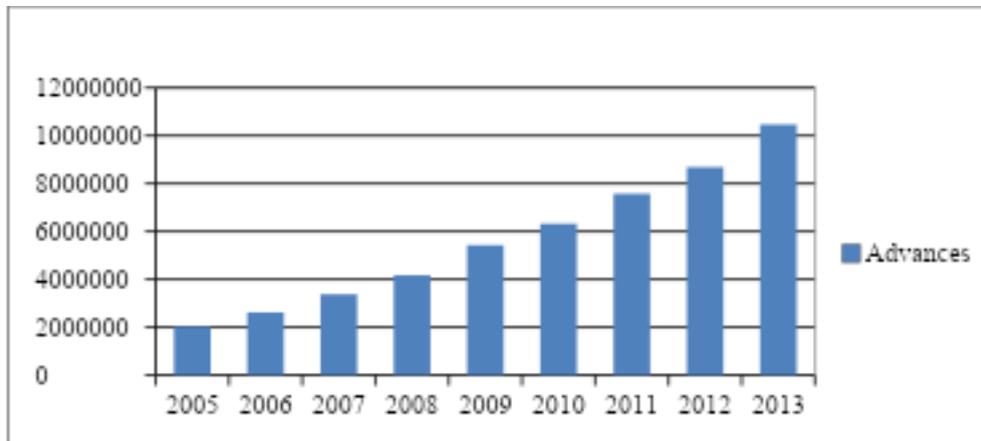
(Source: www.rbi.org.in and SBI; Annual Report)

8. **Growth on the basis of Advances:-** Advances rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-8

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Advances	2023	2618	3373	4167	5425	6319	7567	8675	1045
(Amount in Rs Million)	745	009	365	682	032	142	194	789	6166

Figure-8



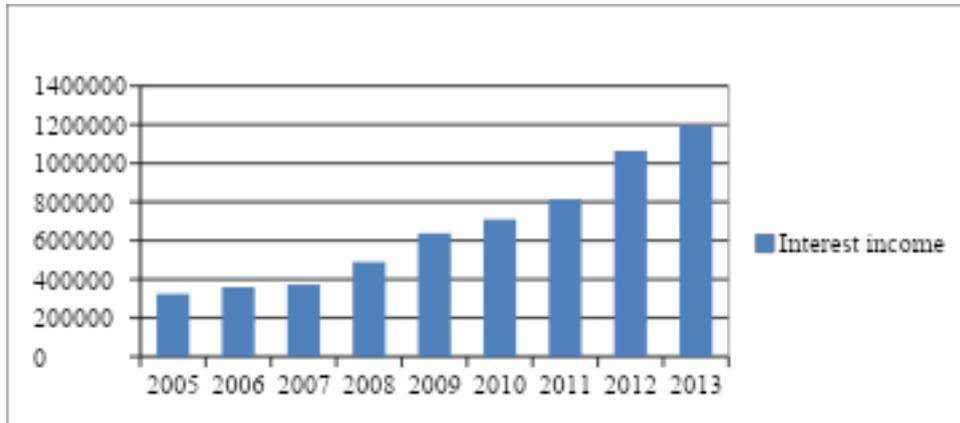
(Source: www.rbi.org.in and SBI; Annual Report)

9. **Growth on the basis of Interest income:-** Interest income rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-9

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Interest income(Amt in Rs Million)	324	359	372	489	637	709	813	1065	1191
	280	796	423	503	884	939	944	521	657

Figure-9



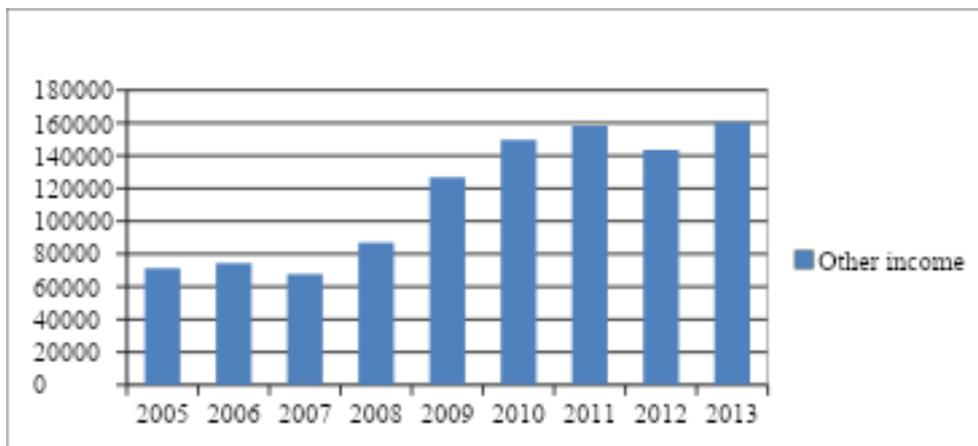
(Source: www.rbi.org.in and SBI; Annual Report)

10. **Growth on the basis of Other income:-** Other income rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-10

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Other income (Amt in Rs Million)	711	743	676	869	1269	1496	1582	1435	1603
	99	52	53	49	08	82	46	14	48

Figure-10



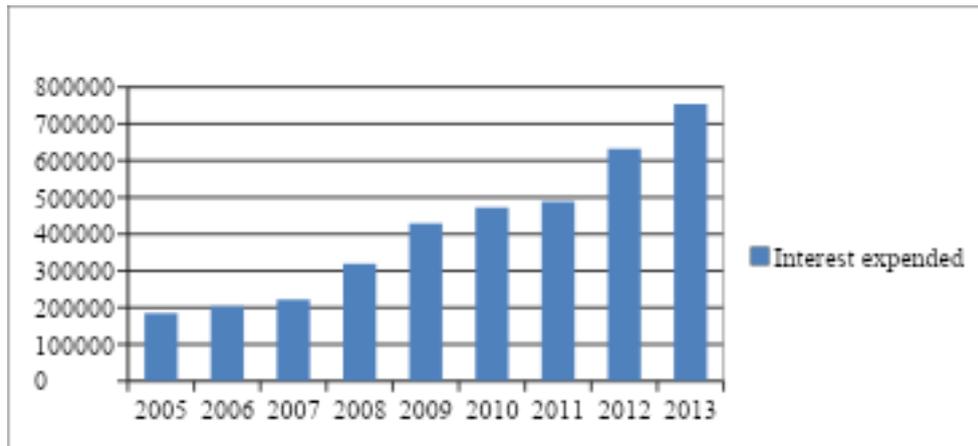
(Source: www.rbi.org.in and SBI; Annual Report)

11. **Growth on the basis of Interest expended:-** Interest expended rapidly increasing of SBI year by year which is shown by the following table and graph:-

Table-11

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Interest expended (Amount in Rupees Million)	184834	203904	221841	319291	429153	473225	488680	632304	753258

Figure-11



(Source: www.rbi.org.in and SBI; Annual Report)

CONCLUSION

According to the study SBI is growing in many terms such as No. of offices, No. of employees, Capital and Reserves & Surplus, Deposits, Investments, Advances, Interest income, Other income and Interest expended. Growth can be studied from various angles like in terms of sales, net profit, reserve and surplus, earning per share, internal growth & sustainable growth. As a matter

of fact, the desired growth rate and the debt financing both are interrelated. The higher the growth rate, the greater would be the need for external financing if other things remaining the same or vice-versa. Balanced Debt equity mix and its relationship with growth may better be studied in terms of net assets growth, fixed assets growth, net profit growth, revenue growth, reserves & surplus growth and earnings per share growth. SBI gets many awards every year just because of growth of the bank in many terms. Overall performance of the SBI is shown following table from March 2009 to March 2013.

	Bank Aggregate	Bank Aggregate	Bank Aggregate	Bank Aggregate	Bank Aggregate
1. No. of offices	15412	14794	14273	13216	12060
2. No. of employees	228296	215481	222933	200299	205896
3. Business per employee	94.39	79.84	70.47	63.60	55.60
4. Profit per employee	0.65	0.53	0.39	0.45	0.47
5. Capital and Reserves & Surplus	988837	839512	649860	659492	579477
6. Deposits	12027396	10436474	9339328	8041162	7420731
7. Investments	3509273	3121976	2956006	2957852	2759540

Profile of SBI (Amount in Rupees Million)

8. Advances	10456166	8675789	7567194	6319142	5425032
9. Interest income	1196571	1065215	813944	709939	637884
10. Other income	160348	143514	158246	149682	126908
11. Interest expended	753258	632304	488680	473225	429153
12. Operating expenses	292844	260690	230154	203187	156487
13. Cost of Funds (CoF)	5.63	5.35	4.67	5.14	5.72
14. Return on advances adjusted to CoF	3.83	4.63	3.97	3.48	3.95
15. Wages as % to total expenses	17.57	19.01	21.16	18.86	16.64
16. Return on Assets	0.91	0.88	0.71	0.88	1.04
17. CRAR	12.92	13.86	11.98	13.39	14.25
18. Net NPA ratio	2.10	1.82	1.63	1.72	1.79

*"Statistical Tables Related to Banks in India - Reserve Bank of India".

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Life and Non-life Insurance Industry in India: Challenges and Reforms

Ashish Kumar Gupta^{6*}

ABSTRACT

The present paper aims to identify the present scenario of Life and Non-life Insurance Industry in India. The study is based upon secondary data which has been collected from annual reports of IRDA, IRDA journal and Life Insurance Today. Besides, a few websites have also been consulted. The data used in the paper covers the period from 2006-07 to 2010-11. For the analysis of data, statistical tools like percentages, ratios, growth rates and coefficient of variation have been used. The present paper is an effort to study the recent life insurance circumstances in the light of changes mentioned above. For this purpose, various indicators like growth in number of individual agents working in life insurance industry, number of products and riders, growth of life insurance business and premium income, lapse / forfeiture ratio and settlement of death claims in Indian life insurance industry have been analyzed. The present study would be beneficial for viewers who identify the current position of Life Insurance Industry in India.

Keywords: Life Insurance Industry, Non-life Insurance Industry, Scenario, Claims, IRDA

INTRODUCTION

According to Swiss Re, India's ranking in the world insurance market based on total premiums collected has dropped to number 15 in 2011 from number 11 in 2010. India's share of the world insurance markets has declined to 1.58 percent in 2011 from 1.8 percent in 2010, being displaced by countries such as Brazil, Spain and Taiwan, which now rank higher than India. Globally, total insurance premiums for calendar year 2011 contracted by 0.8 percent,

^{6*} Research Scholar, Faculty of Commerce, BHU

with premiums contracting in advanced economies at -1.1% and those in rising economies growing at 1.3%; with life insurance contributing 57 percent at US\$2,627 billion and non-life contributing the balance 43 percent at US\$1,912 billion. Players and market share as at end-September 2011, the total number of insurance companies in India were 49; the life insurance industry consisted of 24

players, i.e., one public insurer and 23 private insurers, while the non-life insurance industry consisted of 25 players — 6 public insurers, 3 standalone health insurers, one reinsurer and 15 private insurers. Edelweiss Tokyo Life Insurance Company Limited, which was granted registration in 2011, was the latest applicant in the life insurance sector. Religare Health Insurance Company Limited made a quiet entry in the health insurance sector in June 2012. Magma HDI General Insurance Company Limited and Liberty Videocon General Insurance Company, are the latest entrants in the non-life sector, and are due to start operations in 2012.

Based on total premium income, the Life Insurance Corporation (LIC) is the market leader in the life insurance sector with a market share of 69.78% in 2011. As at end-November 2011, ICICI Prudential Life insurance is the largest private sector player with a market share¹ of 6% followed by HDFC Standard Life Insurance at (4.6%) and SBI Life Insurance at (3.5%). Based on total premium underwritten, the public sector non-life insurers held a market share² of 59.07% in 2011 — New India Assurance at (16.67%), United India Insurance at (14.98%), National Insurance at 14.61 percent and Oriental Insurance at 12.82 percent. As at end-March 2011, ICICI Lombard continued to be the private sector market leader with a market share of 9.99%.

OBJECTIVES

The present paper aims to identify the present scenario of Life and Non-life Insurance Industry in India. For this purpose, various indicators like-

- To study the Penetration and density in India.

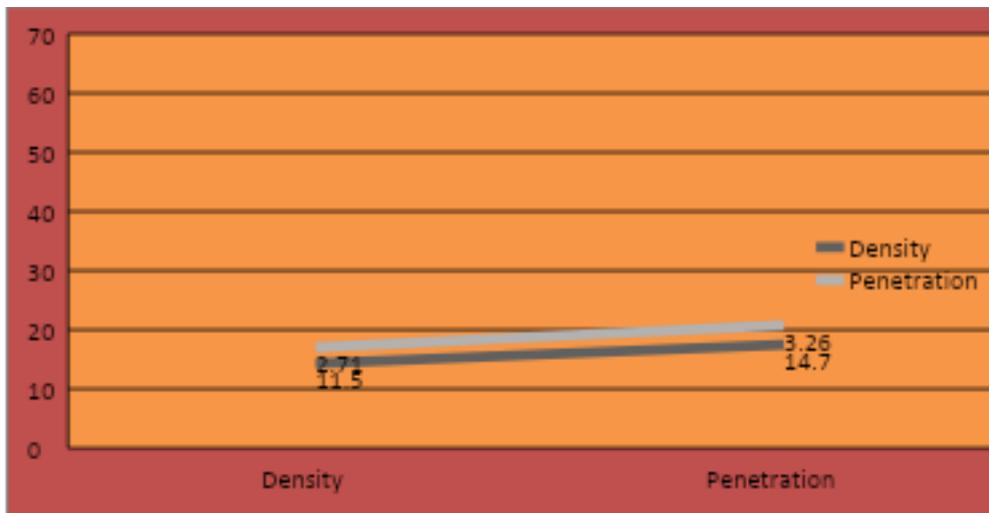
- To examine the Life insurance industry in India.
- To study the Non-life insurance industry in India.

PENETRATION AND DENSITY IN INDIA

Penetration and density Penetration moved from 2.71percent in 2001, when the insurance sector is opened up to the private sector, to 5.1percent in 2010. In the same period, insured density increased from US\$ 11.5 to US\$64.4 per capita. Globally, the average density is an average of US\$3,712 per capita in advanced economies as against US\$118 per capita in emerging economies. Since economic growth surpassed growth in the insurance sector globally, overall insurance penetrations in the world economy contract further to 8.6percent, even lower than a decade ago.

Figure No. 1

Penetration and density in India



Source: IRDA Annual Report 2010-11

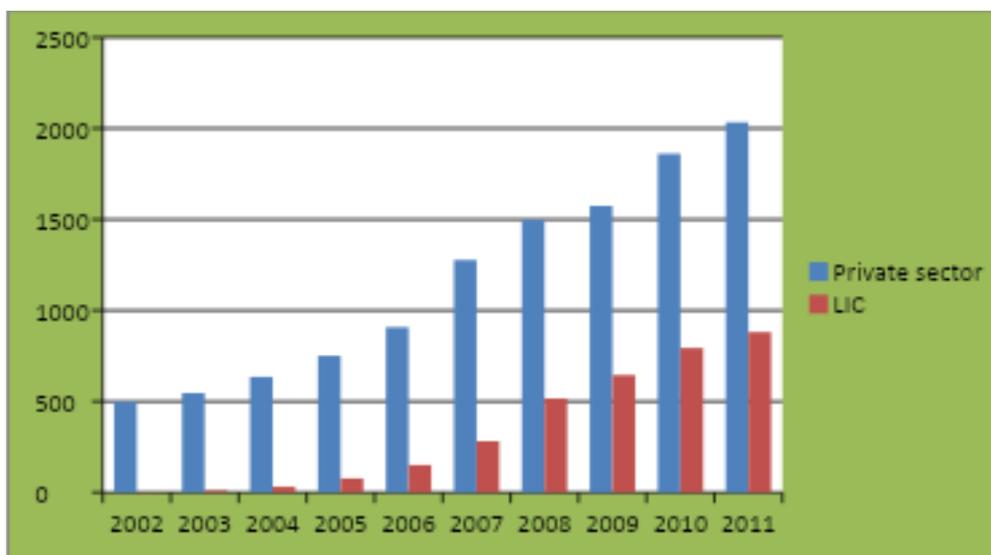
LIFE INSURANCE INDUSTRY IN INDIA

According to Swiss Re, India's life insurance market was ranked at number 9 among 156 countries in terms of premium in 2011; India's total premium in life insurance grew by 4.2 percent (inflation adjusted) while the total global

premium grew by 3.2 percent. The sectors have grown at more than 24 percent CAGR over the last 10 years. The number of policies issued, decreased at a rate of 22.61% to 48.2 million in 2011 from 53.2 million in 2010. The total premium underwritten by the life insurance sector was INR 2,916 billion in 2011 as compared to INR 2,655 billion in 2010, exhibiting a growth of 9.85% down from the 19.69% developed in 2009-10. The first year premium, which is a measure of new business secured, underwritten by the life insurers during 2011 was INR 1,264 billion as compared to INR 1,098.94 billion in 2010 registering a lower growth of 15% in 2011 as compared to 25.84% in 2010. In terms of linked and non-linked business during the year 2010-11, 37.38 percent (as compared to 43.52% in 2010) of the total premium was underwritten in the linked segment while the balance 62.62% of the business was in the non-linked segment (as compared to 56.48% in 2010).

Figure No. 2

Total premium in Life insurance

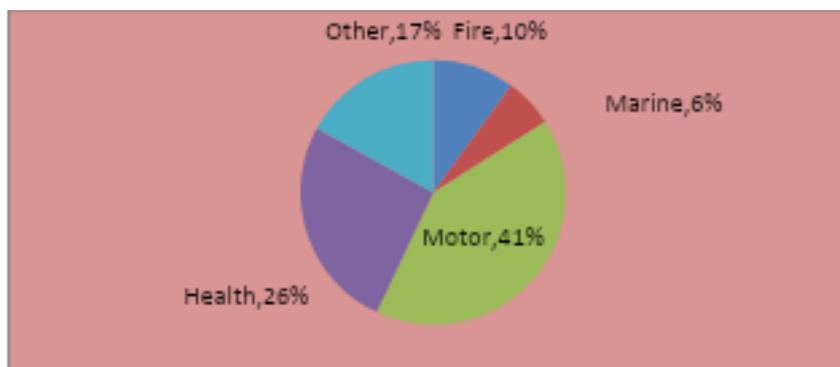


Source: IRDA website

NON-LIFE INSURANCE INDUSTRY IN INDIA

According to Swiss Re, India's non-life insurance market was ranked number 19 among 156 countries in terms of premium in 2011; India's total premium in non-life insurance grew by 8.1 percent (inflation adjusted) while the global total premium grew by 2.1 percent. The sectors have grown at a CAGR of 16% over the last 10 years. The number of policies issued increased at a rate of 16.52% to 79.3 million in 2011 from 67.5 million in 2010, Million in 2011 from 67.5 million in 2010. The gross written premium underwritten by the non-life insurance sector in 2011 was INR 453 billion up from INR 369 billion in 2010, registration a significantly high growth of 23 percent over the previous year of 15.34 percent. In terms of segment-wise composition, major retail lines such as motor and health constitute more than 65% of the Gross Written Premiums in the market; the higher percentage is primarily on account of the compulsory Gross written premium - non-life insurance (in INR billion) third party liability cover for vehicles and increasing importance of availing health insurance due to rising costs and increasing lifestyle diseases. Key commercial lines such as fire and marine constitute around 16% of total market premiums. Personal accident, liability, aviation, engineering and miscellaneous segments are all categorized under "others," which constitutes around 17%.

Figure No.3 Non-life insurance segment



Source: IRDA annual report 2010-11

CONCLUSION

Life insurance, being a high involvement product, agency is the strongest channel for most product segments. Individual agents have been the main channel in acquiring business; however, their share has fallen from around 88 percent in 2005 to 79 percent in 2011. The IRDA issued stringent licensing guidelines and new persistency norms in order to protect policyholders' interests in November 2010. This led to high turnover of individual agents and decrease of corporate agents. At the same time, policies procured by these agents are rendered orphan on their termination due to lack of servicing support, leading to distress of policyholders. Insurers therefore, need to focus their efforts on reviving and strengthening the tied agency channel by optimizing recruitment, training, compensation and retention.

The non-life insurance industry has been growing at a rate of more than 20% over the last two years. However, the penetration was as low as 0.7% of the GDP in 2010. The robust growth seen over the last couple of years is attributable to increasing affluence of the Indian middle class, expansion of Indian corporations and consistent efforts of the regulator to develop the market.

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“Corporate Social Responsibility and Human Resource Disclosure: A Comparative Study on Selected Public and Private Companies in India”

Saurabh Kumar^{7*}

Ashish Gupta^{8**}

ABSTRACT

Human Resource Accounting disclosure is the process of reporting the human resource of an organization. HRA is a management tool which is designed to assist of human resource senior management in understanding the term cost and benefit implication of their HR decision. This paper reports the results of a study on human resource disclosure in India. It investigates the extent to which companies in India disclose information about human resource in their annual reports inclusively or separately in CSR and analyzes whether a number of firm characteristics are potential determinants of corporate social responsibility. The influence of certain company characteristics such as size, industry type, and profitability, listing status and GRI guidelines was examined. We found that though the level of disclosure of HRA was not so high, still this was appreciable that selected companies were adopting more or less Human resource accounting practices and public sector was following better HRA disclosure practices than private sectors. The results confirm that firms with higher human resource ratings are the listed companies and companies that use the GRI guidelines to prepare corporate social reports.

Keywords: Human Resource Accounting (HRA) Disclosure, Corporate social reporting, Global Reporting Initiative (GRI)

^{7*} *Research Scholar, Faculty of Commerce, BHU,

Email:saurabhkgt@gmail.com, +91-8090425970

^{8**} Research Scholar, Faculty of Commerce, BHU, Email

ashishgpt593@gmail.com, 9807687130

INTRODUCTION

Since past a decade various companies in India have mushroomed up very rapidly. There are large number of companies being present and keep entering the industry, in Indian economy to offer their services and keep capitalizing there business with the motive of wealth maximization. Due to the involvement of more and more companies the competition has risen up vigorously. On several factors and elements such as land, manpower, material etc. the Indian companies compete with each other. The factor which makes a major difference in developing and growing a business unit is its human resource practices. So the necessity is felt to disclose human resource practices in context to corporate social reporting so that a clear, licit and ethical picture should be presented to the stakeholders and other interested parties.

The objective of the study is to examine the practices and relevancy of human resource accounting disclosure in context to corporate social reporting in various companies in India. It investigates the extent to which the companies in India disclose information about human resource in their annual reports and analyzes whether a number of firm's characteristics are potential determinants of corporate social responsibility. Although disclosures on HRA have increased in recent years there still exists a wide variety in the disclosure level between companies.

Corporate Social Reporting definitions

(Gray, Owen, & Maunders, 1987), define CSR as “the process of communicating the social and environmental effects of organizations’ economic actions to particular interest groups within society and to society at large”. Similarly, (Perks, 1993), defined corporate social reporting as the disclosure of those costs and benefits that may or may not be quantifiable in money terms arising from economic activities and substantially borne by the community at large or other stakeholders. (National Association of Accountants, 1974) The US National Association of Accountants’ set up a

committee on accounting for Corporate Social Performance in 1972. The Committee, which set an early foundation on CSR, issued its first report, in which CSR was defined as “The identification, measurement, monitoring and reporting of the social and economic effects of an organization on society”. This study adopted the CSR guidelines issued by The National Association of Accountants (NAA) as a framework to analyze the CSR practices of top Indian software firms for a number of reasons. First, this study examines its data from the perspective of economic consequences. Second, recent studies on CSR conducted in the third world countries have used it as guidelines for their research (Batra, 1996) (Imam, 2000)(Raman, 2006). Third, as outlined in the previous section, the Indian companies do not adopt the international standards (such as Global Reporting Initiative’s Sustainability Reporting Guidelines) to report on their social activities, which do not allow the study to use these contemporary guidelines. Hence, the earliest guidelines issued by NAA are employed as they provide a general classification of CSR elements (Hamid, 2004).

Human Resource Accounting

Human resource accounting is the process of identifying, measuring data about human resources and communicating this information to interested parties the major objects of the study is to highlight the major characteristics of HRA along with the practical benefits and difficulties in implementations. Human Resource Accounting is a new branch of accounting. It follows the traditional concept that all expenditure on human capital formation is taken as a charge against the revenue of the period as it does not create any physical asset. Modern view is that cost incurred on any asset as human resources need to be capitalized as it provides benefits measureable in monetary terms. Measurement of cost and value of the people to organizations is highly important, costs incurred in recruitment; selection; hiring; training and

development of employees along with their economic values are very much relevant for HRA (RAHMANIZADEH & MAHESH, 2014).

The accounting system, with its measures of financial and managerial performance, is a part of overall measurement system that contributes to the informational function. The informational function also draws on non-financial measures of performance such as product quality and organizational climate. It may be noted that the very act of measuring something has an effect on people's behavior because people tend to pay more attention to the various aspects of jobs or performance that are measured.

Financial Disclosure of HRA Information: At present, the main method of disclosing the HRA is how to integrate the HR capital into the financial statement, and express by currency. For example, beneath the HRA, it arranges all the items of the corporation including total assets, liabilities and so on, according to the relationship of HR assets, material resources, liability, the right of owners, the right of HR and more elements of accounting like that, as well as on the basis of some standards of classification and order.

Non-Financial Disclosure of HRA Information: From the current research situation, it is particularly important to develop effective non-monetary measurement for HRA. The content for the HRA information is various, mainly representing the disclosure of several aspects, including the whole situation of enterprise's human resources, the whole staff performance (including the working performance and resource consumption), staff quality and personnel needs. Accounting of HRA System requires and produces a great deal of information for an organization. The HR disclosure should include the variable such as Employees health, Employees welfare, Employees training, Grievance and Redress Mechanism etc.

REVIEW OF LITERATURE

(Dalvadi, 2010), attempted to shed light on Human Resource Accounting practices in selected companies in India with one sample “t” test and said that

there is significant difference between the average disclosures of selected companies. He suggested the government to suggest a specific model that is acceptable to all companies and the government should made mandatory to value and disclose HR related information in its annual report.

(Sharma & Shukla, 2012), attempted an evaluation of Human Resource Accounting disclosure practices in Indian Companies has applied one sample test and concluded that the level of disclosure of HRA is not high but this is appreciable that selected companies are adopting more or less the Human Resource Accounting practices.

KPMG, International Survey of Corporate Responsibility Reporting 2008 & 2011. *KPMG* International conducts a survey every three years “to gain insight into CSR reporting and to contribute to the evolving global dialog on transparency and accountability”. (*KPMG*, 2008)In 2008 the survey showed that 79% of the top 250 companies of the Fortune 500 (Global 250) issued separate nonfinancial reports, compared with 52% in 2005. (*KPMG*, 2011)In 2011, 95 percent of the 250 largest global companies report on their CR activities. The report shows that the level of disclosure changes along countries and industries as well. These differences might be originated by regulation, since in some countries like Australia, Japan and UK, there are rules requiring disclosure, while in others, companies report on a voluntary basis. Besides regulation, the level of adoption of the rules depends on the role of enforcement.

(Singh & Ahuja, 1983), conducted the first study in India on CSR of 40 Indian public sector companies for the years 1975/1976 and found that 40 percent of the companies disclosed more than 30 percent of total disclosure items included in their survey.

(Hegde, Bloom, & Fuglister, 1997), conducted a case study of the Steel Authority of India (SAIL), a public sector company. They found that SAIL published a Social Income Statement and a Social Balance Sheet to measure

the social benefits to employees, public and the community and the cost involved. These reports showed the efforts made by SAIL in fulfilling its social objectives and responsibilities.

(Raman, 2006), used content analysis technique to examine the chairman's message section in the annual reports of the top 50 companies in India to identify the extent and nature of social reporting. This study concluded that the Indian companies placed emphasis on product improvements and development of human resources. Community development issues were given relatively less space in the chairman's messages.

(Stavropoulos, Galani , & Vazakidis, 2013), concluded that corporate human resource disclosure levels are associated with some company characteristics. For Greek companies, the variables that were found to be significant in determining disclosure levels are the listing status and the GRI reporting.

(Nasscom., 2003)In India, the high levels of poverty and the growing disparity between haves and haves-not has encouraged the development of communities' activities. Moreover, the high level of unemployment has stimulated firms to offer employment. Hence these two areas of CSR seem to be important from the Indian perspective. Moreover, it is mandatory for all the firms to disclose information about their environmental activities in their Director's report section of the annual report as per Sec. 217 (1e) of the Indian Companies Act, 1954.

(ICSI, 2011) By the year 2011, globally there are about 8,691 sustainability reports published based on the GRI framework. With the growing significance of sustainability issues at the global level, companies in India are also getting ready to embrace reporting on sustainability to enhance competitiveness. The reporting scenario in India is still in nascent stage with nearly 47 companies disclosing their sustainability performance. Out of 8,691 reports only a handful of 122 reports are published by Indian companies. TATA (Automotive) is pioneer in sustainability reporting in India. It has started

reporting their sustainability performance from year 2001 based on GRI guidelines. Since then, reporting in India has been done primarily on voluntary basis. The companies with GRI based sustainability reports in India have benefited to a great extent.

(Chakrabarty, 2011) In most parts of the world, SR remains a voluntary practice. So far, France is the only country to enact specific legislation requiring publicly listed companies to produce non-financial reports covering economic, social as well as environmental dimensions. India too it is not mandatory but voluntary to report on Sustainability.

(Global reporting, 2011) Indian companies are producing the highest proportion of complete reports globally on their sustainability performance, according to the Global Reporting Initiative (GRI). Figures from the GRI Reports List published today (Wednesday 11 May 2011), alongside GRI's Year in Review 2009/10, 78 percent of GRI sustainability reports from India contain a complete set of information that is relevant to the reporting organization and externally assured, compared to just 24 percent globally.

(Singh & Mittal, 2013) study shows that Human Resource disclosure and Product & Consumer Disclosure are significant and it has a positive impact on the market price of the share so that if market price of the share will rise with more disclosures of these two variables and will fall with less disclosures of these variables.

RESEARCH METHODOLOGY

Study Period

As the paper is of Working type so the study period is taken from 2009 to 2014 which integrate theory, research, and practical experience to derive our objective of the research.

DataCollection

The study was based on secondary data. The data for the study were collected from the annual reports of the selected companies and mostly from journals and articles. Besides, other source of data forms in the form of reference to the review of previous articles, paper, websites and earlier studies.

Data Analysis and Interpretation

It is known fact that human resource is the significant and very versatile pillar among resources of companies. The company who manages its human resources eminently has the chance to get advantage in these cut throat competition. Though human resources are so important for companies' growth and development, the emphasis should be laid on to disclosures of its in annual report inclusively or separately in corporate social reporting. The HR disclosure should be done in context to CSR to show the transparent and fair view of corporate human resource management structure. Below are some data encrypted which I have stated after going through various articles in the form of tables and chart in the light of this study.

Table 1:

Disclosure of HR related information annual reports from 2006-07 to 2010-11

Disclosure variables	Company Average disclosure in 5 years				Total
	Public Sector		Private Sector		
	ONGC	BHEL	INFOSYS	RELIANCE	
Value added	1	1	0.8	0	2.8
No. Of employee	1	1	1	1	4
EVA	0	1	0.8	0	1.8
Value of HR	1	1	0.8	0	2.8
Value of HR per employee	1	1	0.8	0	2.8

Value of added per employee	1	1	0.8	0	2.8
Valuation model used	1	0	0.8	0	1.8
Discount rate applied	1	0	0.8	0	1.8
Age wise distribution	1	1	0.8	0	2.8
Group wise distribution	1	1	0.8	0	2.8
Gender wise distribution	1	1	0.8	0	2.8
Turnover per employee	0	1	0	0	1
Employee cost	0.2	1	0.8	1	3
Total identified variables	10.2	11	9.8	2	32.8
Percentage	78.46	84.61	75.38	15.38	63.45

(RAHMANIZADEH & MAHESH, 2014), Table 1 revealed that both of the public sector companies disclose very well information of HRA disclosure practices. In last five year HRA disclosure index (HRADI) of ONGC companies is 78.46% and HRA disclosure index (HRADI) of BHEL is 84.61%. And HRADI of INFOSYS is 75.38% but RELIANCE INDUSTRIES LIMITED is not disclosing information of HRA disclosure practices very well. Human resource accounting disclosure index (HRADI) of RELIANCE INDUSTRIES LIMITED is 15.38%.

Similarly, I have gone through with another article where I have found the same result. The margin of difference of HR disclosure was almost the same between private and public sectors. On the contrary the study also opens

the scope for further study that; why Public company are ahead of disclosing HR practices than Private companies.

Table 2:

Disclosure of Human Resource Accounting Variables (2007-08 to 2011-12).

SL.NO	PARTICULARS	BHEL	SAI	CCI	ROLTA	SATYAM	ACC	TOTAL
1	Value Added	YES	YES	YES	NO	NO	NO	3
2	Qualification of the employees	NO	NO	YES	NO	YES	YES	3
3	Manpower in numbers	YES	YES	YES	NO	YES	YES	5
4	Economic Value Added (EVA)	YES	NO	NO	YES	NO	YES	3
5	Ten years at a glance	YES	YES	YES	NO	NO	YES	4
6	Value of Human Resources	NO	NO	NO	YES	YES	NO	2
7	Value Added per employee	NO	NO	YES	NO	NO	NO	1
8	Valuation Model used	YES	YES	YES	YES	YES	NO	5
9	Discount rate used	YES	YES	YES	YES	YES	YES	6
10	Retirement Benefit	YES	YES	YES	YES	NO	YES	5
11	Awards and Rewards given	YES	YES	YES	NO	NO	YES	4

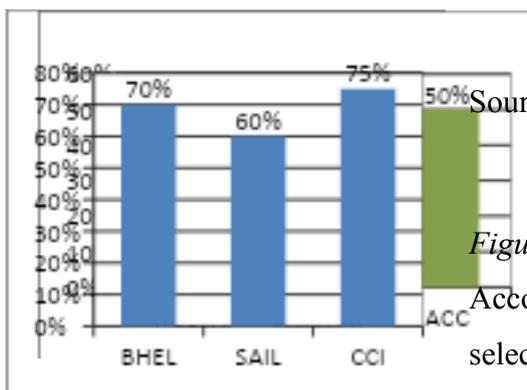
	for good performance							
12	Separate HRA statement	YES	YES	YES	YES	YES	NO	5
13	Human Resource Development Fund	YES	NO	YES	NO	NO	NO	2
14	Employee Cost	NO	NO	NO	YES	YES	YES	3
15	GroupWise distribution	YES	YES	YES	NO	YES	NO	4
16	Training and development expenses	NO	YES	YES	NO	YES	NO	3
17	Capital Employed	YES	YES	YES	YES	NO	YES	5
18	Employee Remuneration Benefits	YES	YES	YES	YES	NO	NO	4
19	Brand Valuation	NO	NO	NO	YES	NO	NO	1
20	Turnover per employee	YES	NO	NO	NO	YES	YES	3
	TOTAL	14	12	16	10	10	10	

Source: Annual Report of respective companies (2007-08 to 2011-12)(KESAVAN & DYANA, 2013)

From the above tables and chart laid below, which I have taken from an article, one can easily see that public companies disclose their HRA and practices more in comparison to private companies. Among, 20 listed

information above; public and private sector companies have shown their practice for various different information. Such as from above table we can see the rewarding practice for the good performance in both sectors companies varies, as where public companies are managing good effort for rewarding good performance; on the contrary private companies fall a bit on this. Rest of the analysis and interpretation regarding other listed information can be seen from the above table. Although in India the number of private companies have also strengthened up which need to show their HR practices fairly and ethically by understanding their social responsibility.

Figure 2 Human Resource accounting disclosure practices in selected private companies



Source (KESAVAN & DYANA, 2013):

Figure-1 exhibits Human Resource Accounting disclosure practices by selected public companies, which are Bharat Heavy Electricals Limited (BHEL),

Steel Authority of India Ltd (SAIL) and Cement Corporation of India Ltd (CCI). It helps to understand which company provides more information regarding its HR. It is vivid from the chart shown above that CCI provided 15 type of information (i.e. 75 %) out of 20 listed information, BHEL disclosed the 14 type of information (i.e. 70 %) and SAIL provided 12 type of information (i.e. 60%).

Figure-2 shows Human Resource accounting disclosure practices by selected private companies, which are Rolta India Ltd (ROLTA), Satyam Computers Limited (SATYAM) and Associated Cement Companies Ltd (ACC). It reveals

that the selected private companies equally distributed to information regarding its HR. It can be observed that all companies provided 10 type of information (50 %) out of 20 listed information.

The GRI guidelines are commending a good framework to present the HR practices in CSR. Though the practice of HR disclosure is voluntary there's need a good deed to adopt the practice of HR to elucidate the correct picture in context to corporate social reporting.

SUGGESTION

From the study one can see the practice of disclosure in both the sectors. Though the study is limited but the result can be identified at larger extent. The private companies needs to provide more information and should make consistency in HRA disclosure practices. The HRA is a significant factor which affects the company's growth so the step should be taken to pass a mandate guideline for HRA disclosure consisting of non-financial information's also in corporate social report.

CONCLUSION

Human Resource Accounting measures the cost and value of human resource to an organization and presents the information in a significant manner in financial statement/report or non-financial statement/report separately to communicate their value with changes over the period and results obtained from their utilization to the different stakeholders. The study shows that in India. Majorly the disclosure of HRA in Corporate Social Reporting is a voluntary obligation but still public sector have adopted it and deliver it to their stakeholder through Reporting with the growing significance of sustainability issue at the global level companies in India are also getting ready to embrace reporting based on GRI (Global Reporting Initiative) framework. The companies having GRI based corporate social reporting in India have benefited to a great extent. Despite the difficulties associated with HRA in India, some giant public sector companies as well as private sector

entities of global repute have been continuing their HRA practices and its disclosure eminently. Human resource comes under a major factor to deal with growth, development and sustaining of any organization, so as its disclosure is also significantly needed.

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All Correspondence should be addressed to:

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Managing Editor

C/o Mr. Ajay Singh, House No: 140, Flat No: 25-26

Vivekanand Nagar ColonyNasipur,

Varanasi, U.P. 221011

Email: chitrasen.gautam@gmail.com, 917gbks@gmail.com

Website: www.gbks.org.in Mobile: +91-9651105680.