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The Journal has the following features:

- ❖ **Perspectives** presented on emerging issues and ideas that call for action or rethinking by managers, administrators, and policy makers in organizations. Recommended length of the article is 12,000 to 15000 words.
- ❖ **Research** includes research articles that focus on the analysis and resolution of managerial and academic issues based on analytical and empirical or case research. Recommended length of the research paper is about 20,000 words.
- ❖ **Management Case** describes a real-life situation faced, a decision or action taken by an individual manager or by an organization at the strategic, functional or operational levels.

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V. K. Nangalia Bhardwaj
(Chairman)



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Chairman Message

It is a matter of great pleasure and responsibility for the FIMT family in bringing out current issue of its Bi-annual Educator –the FIMT Journal, is a testimony of our dedication and vision. This step is towards enhancing the capabilities and enhancing the skills of the upcoming talent in the field of research

The FIMT is known for best infrastructure for student and faculty. It provides open, healthy, academic environment, innovative thinking, and student's oriented approach with global perspectives, where students are "Most Important Person – MIPs and all resources of our institute are used to build a new cadre of global professionals.

It has established the tradition of being innovative and open and this is why I am so profoundly proud to be part of this institute with its short but proud history. I am confident that the FIMT "educator" is a platform to the teachers and academicians to be creative and share their knowledge and learning with other resources from the industry at large.

One of the most significant gaps in our professional education in the country is its weak linkage with the industry and professionals. Until and unless we take creative steps to strengthen this linkage, Professional education will not receive the respect it deserves. I trust that "educator- the FIMT Journal develops into a comprehensive document to divulge the knowledge on socially, culturally and scientifically relevant subjects and does the yeoman services for the larger interest of humanity.

The editorial team deserves appreciation of their sincere efforts to being forth the diverse achievements of the institute. I congratulate the Director, Faculty, and the managing editor of the Educator for successfully bringing out their purposeful Journal. I am sure this positive work will continue in future also and will be able to achieve the objectives of this journal.

I invite all the persons who are engaged in research to participate in the process of knowledge creation and its disbursement to concern stakeholders.



V. K. Nangalia Bhardwaj
(Chairman)

From The Editorial Board

It gives me immense pleasure to bring to you the educator 2016. Conceived, initiated, and contributed by faculty members from various universities, the journal is a pioneering Endeavour of a college. It is a small step to bring together the minds of academia, researchers, and readers in one bind.

We believe that learning is a never-ending process and one continues to discover oneself in this journey. However, this process is not an isolated and individual venture. It requires an impetus and environment to thrive and flourish in. Keeping this aim in mind, the journal seeks to facilitate this learning environment. It is a concerted effort to give academic researchers a platform to present their ideas in front of an erudite community. The journal is a collection of the best papers contributed by academics that have spent years specializing in the field of commerce, accounting, business management and law.

Given the dynamic nature of commerce and business world, the best ideas are those that can stay abreast of changes in business and technology. The journal has therefore chosen papers that display this foresight and can stand the test of debate and discussion. It is a two-way process that benefits the consumer of this journal and the authors by opening up new questions, study, and investigation. It aids teachers to introduce this newfound learning into their classroom instruction. This issue includes papers on various facets of management.

I am thankful to the patron, Ms. Nalini's, the secretary of society who provided his able guidance while giving the team a free hand in the whole process. The elite Editorial Board and the members of team deserve a vote of appreciation and thanks for giving a fine shape to the present issue. We hope you enjoy reading our articles as much as we enjoyed writing them. This Journal will ensure to explore the new researches from the industry and academia in future.

Managing Editor

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FIMT Journal

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A Study on Measurement of Student Engagement: Development of a Multidimensional Scale

Teena Singh

Abstract : Student engagement has gained significant research attention across the globe due to its close relationship with student learning and development. It indicates the degree of participation and interest of a student at the educational institution. The present study developed a multidimensional scale to measure student engagement in an Indian context. The study used both exploratory and confirmatory factor analysis to finalize structure and dimensions of scale. The scale was tested for validity and found fit. The final sample for the study comprised 202 students in the final year of their MBA course. The proposed scale considers student perspective and institutional perspective while assessing engagement levels of students. Thus, a holistic and broad view has been adopted (considering both student and institution perspectives) while developing the scale so that it offers an accurate assessment of student engagement in the Indian context.

INTRODUCTION

Student engagement is a highly researched concept in western countries because of its association with personal development and learning of students (Astin, 1993; Floyd et al., 2009; Handelsman et al., 2005; Sharma, and Bhaumik, 2013).

According to Shulman, (2002), students engaged in educationally productive pursuits in college have demonstrated development of tendencies that enhance their ability of learning consistently and developing their personality.

Student engagement in educationally purposeful pursuits as been found positively linked with academic results like grades for first-year college students (Kuh et al., 2008), and elementary, middle and high school students (Connell et al., 1994; Marks, 2000). It has also shown negative associations with dropping out of school (Alexander et al., 1997) and absenteeism (Connell et al., 1995). Simply put, student engagement is the level of participation and intrinsic interest that a student shows in school. It consists of both behaviors such as persistence, effort,

attention, and attitudes such as motivation, positive learning values, enthusiasm, interest, and pride in success in school work. Thus, engaged students seek out activities inside and outside the classroom that lead to success or learning. They tend to display characteristics such as curiosity, a desire to know more, and positive emotional responses to learning and school (Akey, 2006). Carini et al., (2006) asserted that student engagement was a significant proxy of student learning. Previous studies have also associated student engagement with 'measurable outcomes' both inside and outside the classroom and with 'high-quality learning outcomes' (Krause and Coates, 2008; Kuh, 2007). While there is no denying the importance of student engagement, it is noteworthy that student engagement is a consequence of both institutional exercises and student attributes and behaviors. This makes the institution-student relationship a reciprocal one, i.e. while the educational institute must generate opportunities that develop students in terms of academics and experience, students need also commit to such opportunities. Thus, the more a student is engaged in educational experiences, the more the student learns and develops. It is here that

the concept of student engagement assumes all the more importance as it reflects the effort and time devoted by the student to activities oriented towards learning, and also initiatives taken by the educational institute to motivate students to participate in such activities (Kuh, 2008). Following are some behaviours displayed by engaged students: connection with the institute, teachers and learning & development oriented experiences; motivation, preparedness, curiosity and passion towards institutional and academic activities; active participation in reading, discussions and projects; preparation for exams and tests; working/collaborating with other students and learning from them; sense of belongingness towards the institution; and pride in being a member of the institute. Disengaged students on the other hand, harbor negative feelings for the institute, staff, teachers and fellow students. They may get engaged in disruptive and destructive behaviours that go against the institution and faculty. The facts mentioned above will highlight the importance of student engagement, and emphasize why educational managers should understand the phenomenon along with its various aspects, enablers and outcomes so that student engagement may be reinforced fully.

It is only logical that to enhance levels of student engagement, there should be a measure that may help determine existing levels of student engagement. The availability of such a tool assumes all the more significance when we consider the fact that most probably, no two students would have the same engagement levels. Such assessment is also important so that individual attention may be given to students who appear to be less engaged. Such data, when recorded, would also be helpful in evaluating student engagement and behavior over time, revealing important trends and patterns therein. In some cases, the data may also help determine if the student is more likely to display anti-social or destructive activities, and corrective measures may be taken.

Literature review of Student Engagement revealed the fact that there exist many scales to measure student engagement [eg. The National Survey of Student Engagement (NSSE, 2007), Faculty Survey of Student Engagement (FSSE, 2006)], however, they are oriented towards undergraduate students. Also, the surveys are more attuned to the Western context. Other notable

instruments/attempts include: Krause & Coates (2008) study of student engagement in first year university which identified seven engagement scales; Student Engagement Questionnaire (SEQ) (2006) by Coates for multi-level analysis in terms of student, group and institution; Australasian Survey of Student Engagement (2006); Student Course Engagement Questionnaire by Handelsman, Briggs, Sullivan, & Towler (SCEQ) (2005); Academic Engagement Scale for Grade School Students by Tinio, (2009); Motivation and Engagement Scale by Lifelong Achievement group (2011); The Teacher Report Scales used by Skinner & Belmont (1993); The Teacher Questionnaire on Student Motivation to Read developed by Sweet, Guthrie, & Ng (1996); The Teacher Beliefs about Student Motivation to Read Questionnaire developed by Quirk et al. (2008).

This paper aims to develop a scale for measurement of student engagement in higher education in the Indian context where the concept is still at a very nascent stage.

Understanding Student Engagement

According to Skinner et al. (1990), student engagement refers to students' initiation of action, effort and persistence in school work, as well as ambient emotional states during learning activities. Shernoff (2002) called student engagement as an optimal experience or "flow," which referred to a state of mind brought about by a combination of three common facets of "flow" experiences and optimal motivation to learn: concentration, interest and enjoyment. This conceptualization of student engagement depends on all three elements working in concert, as during a flow experience. It may be understood as students' willingness to participate in routine school activities such as attending classes, submitting required work, and following teachers' directions in class (Chapman, 2003). Taylor and Wilding (2009) saw student engagement as inclusive of student commitment and sense of belonging towards the institution. According to Newman, Wehlage, & Lamborn (1992), "it stands for active involvement, commitment, and concentrated attention, in contrast to superficial participation, apathy or lack of interest".

According to Mosenthal (1999), student engagement is grounded in the cognitive and

affective systems of learners and readers. It could also be conceptualized as "a psychological process, specifically, the attention, interest, investment and effort students expend in the work of learning." (Marks, 2000). Kuh (2001) defined student engagement in terms of the time and energy students invested in educationally purposeful activities. Cleary and Skaines (2005) saw it as the active involvement, commitment and sense of belonging that dictated the time and effort students devoted to educationally purposeful activities. Fullarton (2002) defined engagement in terms of extracurricular participation. According to Australian Council of educational Research (2008), it is student's involvement with activities and conditions likely to generate high quality learning. If looked at from a student-faculty transaction perspective, engagement can be viewed both as a process and an outcome. Faculty stimulates engagement by providing students with active learning experiences, generating in them excitement and enthusiasm for the subject, and providing opportunities for greater student-faculty interaction. Students in turn show their engagement by participating in class discussions, doing research projects, and interacting with their professors and peers (Heller et al. 2010). This perspective suggests that student engagement actually implies a reciprocal relationship between the educational institution and students, where efforts from both entities are warranted to increase engagement levels.

Existing Scales for Measuring Student Engagement

This section draws lot of inputs from a previous study on literature review on Student Engagement by the author. Student engagement has been studied as a multi-dimensional construct by many authors who have proposed a number of scales to measure it. Some of these measures are reviewed below:

(a) **National Survey of Student Engagement (NSSE) (2000)** - The premise of NSSE is to measure the extent to which students are engaged in good educational practices and what they gain from their college experiences. This survey is used widely in USA for measurement of student engagement. However, its sub-components

and the items measuring them remain somewhat challenging (Le Nasa et al., 2009).

- (b) **Krause & Coates (2008) Study of Student Engagement - Krause & Coates (2008)**, in their study of first year students at an Australian university, identified seven engagement scales. They stated that the multifaceted nature of successful engagement needs to be recognized as well as both behavioural and attitudinal dimensions of the student experience if universities are to understand and foster student engagement. Institutional support is particularly important in the first year as students' transition into the university is a critical time. They need to develop a sense of belonging, interact with staff and other students and experience intellectual engagement if the transition is to be successful.
- (c) **Student Engagement Questionnaire (SEQ), (2006) by Coates** - It is a tool apt for multi-level analysis in terms of student, group and institution. The questionnaire has 16 scales to measure engagement. The SEQ contains around 150 items that operationalise the concept of student engagement. This concept is concerned with whether students participate in effective educational practices, and whether institutions support such engagement. The common parameters between NSSE, CCSE (USA) and SEQ (Australia) are Academic challenge, Student and staff interaction, Active learning, collaboration but they differ in terms of teacher approachability, online engagement and beyond classroom activities.
- (d) **Australasian Survey of Student Engagement (AUSSE) (2006)** - AUSSE is closely related to the American National Survey of Student Engagement (NSSE). The survey instrument is adapted from the American NSSE instrument. Items were adjusted to Australasian conditions with the scale on work integration added.

(e) **Student Course Engagement Questionnaire by Handelsman, Briggs, Sullivan, & Towler (SCEQ)(2005)**- SCEQ measures four dimensions of engagement. There are 23 items in this questionnaire. This tool measures engagement as a multi-dimensional construct but is confined to measuring engagement towards course.

(f) **Academic Engagement Scale for Grade School Students by Tinto (AES-GS)(2009)** -Items constructed for the AES-GS were based on the studies done by Chapman (2003), Hughes, Luo, Kwok and Loyd (2008) and Sciarra & Seirup (2008). These studies were able to define engagement extensively as well as enumerate significant factors under such construct including Behavioral Engagement, Emotional Engagement and Cognitive Engagement. There are 34 items in each of the three subscales (Behavioral, Emotional and Cognitive).

(g) **Motivation and Engagement Scale by Lifelong Achievement group(2011)** - Motivation and Engagement scales are a range of instruments which measure motivation and engagement at Junior School, High School, University Colleges, Work, Sports and Music (Creative Arts) level. They assess motivation through three adaptive cognitive dimensions (booster thoughts), three adaptive behavioural dimensions (booster behaviours).

(h) **The Teacher Report Scales used by Skinner & Belmont (1993)** - The scale asks teachers to assess their students' willingness to participate in school tasks (i.e., effort, attention, and persistence during the initiation and execution of learning activities, as well as their emotional reactions to these tasks (i.e., interest versus boredom, happiness versus sadness, anxiety and anger (Chapman, 2003).

(i) **The Teacher Questionnaire on Student Motivation to Read developed by Sweet, Guthrie, and Ng (1996)** - The measure asks teachers to report on factors relating

to student engagement rates, such as activities (e.g., enjoys reading about favorite activities), autonomy (e.g., knows how to choose a book he or she would want to read), and individual factors (e.g., is easily distracted while reading). (Chapman, 2003).

(j) **The Teacher Beliefs about Student Motivation to Read Questionnaire developed by Quirk et al. (2008)** - This is a teacher-oriented survey based upon the MRQ that focused on teachers' beliefs about students' motivation for reading. The questionnaire measures teacher's belief about reading self-efficacy, challenge, curiosity, involvement, importance, grades, competition, social aspects, compliance and autonomy support.

There remains scarcity of research on measurement of student engagement in an Indian context. There have been one or two studies in the Indian Context examining the level of student engagement and development of student engagement scale. It can be said that existing measures of student engagement assess variety of student experiences during and outside classes, relationship with faculty, discussion with faculty about career and course, institutional emphasis in terms of spending, availability of time, schedules, quality of assignments, peer support, linking education with employability, having fun in class, challenging work, asking and answering questions in class, perception of students towards studies, etc. The present study will use items from existing scales and also add new items to assess the level of student engagement in higher education institutions in Indian context. The development of such a scale will help the institutions to measure the level of engagement of their students and simultaneously invest in those factors which boost student engagement.

Methodology

Study was carried out in a 23 year old AICTE approved (by AIU and AICTE) institute offering 2 year full time Post Graduate Diploma in Management which is equivalent to MBA. The MBA course offers various specializations in the field of Management.

Sample

The final sample comprised 202 MBA students who were in the second year of their post graduate study. Out of the 220 questionnaires, 18 were found invalid due to incompleteness and hence were not used in the analysis. The questionnaires were personally administered in classes and responses collected.

Out of 202 respondents 117 were male students (57.9%) and 85 were female students (42.1%). The youngest and the oldest respondent were 21 years and 29 years of age respectively with the highest respondents falling in the age group of 23 years. The average age of the sample was 23.2 years.

Scale Development

There were 31 items pertaining to dimensions of student engagement in the questionnaire. On the basis of literature review, Student Engagement was considered a multi dimensional construct with affective, cognitive and behavioural engagement dimensions.

The responses to the items in the questionnaire were measured on a 4-point Likert's scale (0 = strongly disagree; 1 = disagree; 2 = agree and 3 = strongly agree). The neutral option was not added in order to avoid central tendency bias (Saal et al., 1980).

The aforementioned dimensions are explained below:

- a. **Affective Engagement:** The affective engagement component measures the feeling one has towards one's studies and academic activities. The basis for this dimension was the student engagement scale developed by Schaufeli et al., (2002) covering 3 dimensions, namely Vigour (6 items), Dedication (6 items) and Absorption (5 items). However, only 15 items out of 17 were included in the questionnaire. This was done in an Indian study by Sharma and Bhaumik (2013) wherein authors removed 2 items: a) I get carried away when I am studying and b) I am very resilient mentally,

as far as my studies are concerned These 2 items were removed by the authors based on self test as it was felt that these items lacked clarity of meaning and hence may not be able to elicit adequate response from the target population. Since the target population of the current study was also from the same field of study hence it was decided not to include these items in the current study.

b. **Cognitive Engagement:** This was the second dimension comprising 7 items. Out of these 7 items, 5 were based on the scale used by Sharma & Bhaumik (2013) to measure commitment towards institution, 2 items were self developed to increase the scope of the dimension.

c. **Behavioral Engagement:** It measures the manifest behavior of students with 9 constituent items. These 9 items measure student engagement as a dimension of displayed behavior during studies and in class academic activities. These items were adapted from National Survey of Student Engagement.

Exploratory Factor Analysis Student Engagement

Data pertaining to 31 items on student engagement was factor analysed to identify distinct dimensions in the construct of student engagement. The analysis was carried out using IBM SPSS version 20. The data were analyzed using principal component analysis with Varimax rotation and Kaiser Normalization which resulted in 8 components. Seven items were dropped which had factor loadings of less than 0.50. Table 1 provides a list of eight factors and their constituent 24 items which had factor loadings of 0.50 or above. From the remaining 24 items, another two Factors - 6 and 7 (no. 31, **Time flies when I am studying**, and no. 68, **I often study in the Institute's library**) - were dropped as these items emerged as single-item factors. After dropping nine items, Cronbach's Alpha was calculated for the remaining six factors and their 22 constituent items.

Table 1

List of Factors and their Constituent Items with Rotated Factor Loadings of 0.50 or above as Measures of Student Engagement (N = 202)

Item No.	Item	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6	Factor 7	Factor 8
1	6	.807							
2	12	.759							
3	19	.779							
4	34	.859							
5	36	.607							
6	39	.481							
7	70		.599						
8	72		.839						
9	73		.852						
10	48			.754					
11	57			.779					
12	63			.515					
13	13				.573				
14	19				.745				
15	43				.566				
16	56				.814				
17	7					-.549			
18	99					.697			
19	57					.502			
20	71					.612			
21	31						.601		
22	98							.854	
23	36								.874
24	42								.564

Note: The following items failed to achieve factor loading of 0.50 or above on any factor: 1, 37, 52, 59, 61, 66 & 69 (7 in all).

Factor 1: Items 6, 12, 18, 24, 25, 30 (Alpha = .831)

Factor 2: Items 70, 72, 73 (Alpha = .783)

Factor 3: Items 48, 57, 63 (Alpha = .708)

Factor 4: Items 13, 19, 43, 55 (Alpha = .716)

Factor 5: Items 7, 65, 67, 71 (Alpha = .432)

Factor 8: Items 36, 42 (Alpha = .488)

Factor	Item no.s and Items	Cronbach Alpha
Factor 1	(6) If a friend of mine is considering joining this institute, I will encourage him/her to do so. (12) The goals and values of this institute are in harmony with my own goals and values. (18) I feel a sense of pride when I introduce myself to a stranger as a student of this institute. (24) Based on my experience as a student here, I	.831

Factor	Item no.s and Items	Reliability
Factor 2	feel that my decision to join this institute was correct. (25) My studies are quite inspiring. (30) In my overall assessment, this is one of the best business schools in India.	.783
Factor 3	(70) It is my habit to take notes during the class. (72) I make sure that my class assignments are completed before the deadline. (73) I keep my course materials well organized. (48) I find it difficult to detach myself from my studies. (57) Most of the time I am immersed in my studies. (53) I feel excited when I am absorbed in my studies.	.708
Factor 4	(13) When I am studying, I forget everything else around me. (19) When I am working on my studies, I feel bursting with energy. (43) Most of the time I feel enthusiastic about my studies. (55) I feel proud of my studies.	.715
Factor 5	(7) I find my studies quite challenging. (56) I often ask questions in the class. (57) I enjoy making presentations in the class. (71) I actively participate in class discussions.	.432
Factor 8	(36) I enjoy the time I spend on the campus more than the time I spend elsewhere. (42) This institute has helped me in clarifying my career goals.	.488

Based on further analysis of item-total statistics, it was revealed that if item 7 was deleted from Factor 5, Alpha for the remaining three items would rise from 0.432 to 0.715. Hence it was decided to drop item 7 from Factor 5. Also, the reliability coefficient for the two-item Factor 8 being too low, it was decided to drop Factor 8 and its constituent items 36 and 42. As a consequence of this procedure, there were 5 factors left with 19 constituent items.

As a next step, content validity of the items belonging to each factor was carefully studied. It was found that the content of one of the items in Factor 1 (Item no. 25, **My studies are quite inspiring**) did not gel with that of those of remaining five items measuring the level of engagement with the institute. Therefore, it was decided to drop item 25 from Factor 1. As a result, the reliability coefficient for the remaining five items was very slightly reduced from 0.831 to 0.819. No further dropping of any item was required. The finally retained five factors consisting of 18 items were henceforth considered as **empirically derived five dimensions of student engagement**. The names assigned to them are as follows:

- (1) Institutional Engagement (Items 6, 12, 18, 24, 30)
- (2) Diligence (Items 70, 72, 73)
- (3) Absorption (Items 48, 57, 63)
- (4) Dedication (Items 13, 19, 43, 55)
- (5) Class Participation (Items 65, 67, 71)

Dimension of Student Engagement	Item no.s and Items	Reliability
Institutional Engagement	(6) If a friend of mine is considering joining this institute, I will encourage him/her to do so. (12) The goals and values of this institute are in harmony with my own goals and values. (18) I feel a sense of pride when I introduce myself to a stranger as a student of this institute. (24) Based on my experience as a student here, I feel that my decision to join this institute was correct. (30) In my overall assessment, this is one of the best business schools in India.	.831
Diligence	(70) It is my habit to take notes during the class. (72) I make sure that my class assignments are completed before the deadline. (73) I keep my course materials well organized.	.708
Absorption	(48) I find it difficult to detach myself from my studies. (57) Most of the time I am immersed in my studies. (63) I feel excited when I am absorbed in my studies.	.708
Dedication	(13) When I am studying, I forget everything else around me. (19) When I am working on my studies, I feel bursting with energy. (43) Most of the time I feel enthusiastic about my studies. (55) I feel proud of my studies.	.715
Class Participation	(65) I often ask questions in the class. (67) I enjoy making presentations in the class. (71) I actively participate in class discussions.	.432

The 5 factors consisting of 18 items which emerged post exploratory factor analysis and reliability testing constitute distinct dimensions of student engagement, supporting our premise in the literature review that student engagement is a multidimensional construct.

CONFIRMATORY FACTOR ANALYSIS

Exploratory Factor Analysis resulted in 5 distinct dimensions of student engagement. It was decided to further confirm this result using Confirmatory Factor Analysis in order to test the emergent factor structure.

It is better to establish a model by EFA and verify the model or modify the model by CFA when the procedure of proposing a theory is being followed (Anderson & Gerbing, 1990).

Confirmatory Factor Analysis allows testing hypotheses about a particular factor structure. Unlike

EFA, CFA produces many goodness-of-fit measures to evaluate the model but does not calculate factor scores (Albright and Park, 2009). Traditionally, EFA has been used to explore the possible underlying factor structure of a set of observed variables without imposing a preconceived structure on the outcome (Child, 1990). By performing EFA, the underlying factor structure is identified. Confirmatory factor analysis (CFA) is a statistical technique used to verify the factor structure of a set of observed variables. CFA allows for testing the hypothesis that a relationship between observed variables and their underlying latent constructs exists (Suh, 2006).

The results of CFA are reported in Table 2 and the Path diagram is shown in Figure 1. The analysis was carried out using IBM SPSS 21 and AMOS 20.

Table 2

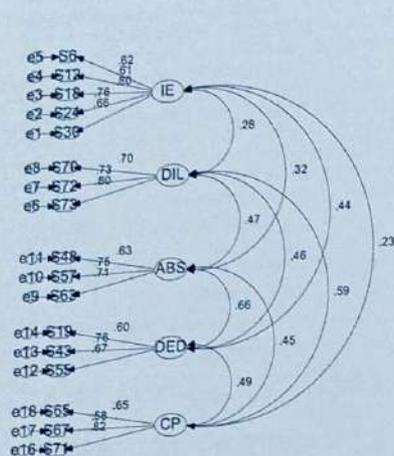
Goodness-of-fit criteria for the Model

Model	Chi-Square (CMIN)	DF	P	CMIN/DF	GFI	CFI	RMR	RMSEA
Recursive	184.420	108	.000	1.508	.916	.949	.038	.050

Table 3

S.No.	Goodness of Fit Index	Value	Acceptable Threshold Value
1	CMIN / DF	1.508	< 3
2	GFI (Goodness of Fit Index)	.916	> .95 (not less than .90)
3	AGFI (Adjusted Goodness of Fit Index)	.882	> .80
4	CFI (Comparative Fit Index)	.949	> .95 is great > .90 is traditional
5	IFI (Incremental Fit Index)	.950	
6	TLI (Tucker-Lewis Index)	.936	> .95
7	RMSEA (Root Mean Square Error of Approximation)	.050	< .05
8	P Close	.472	Should not be significant
9	RMR (Root Mean Square Residual)	.038	Smaller than .05
10	SRMR (Standardized Root Mean Square Residual)	.0556	Smaller than .08

Figure 1
CFA model (Standardized)



In CFA model, S13 (When I am studying, I forget everything else around me) variable is removed because of poor loading. Now the model is having 17 variables. Absolute fit indices determine how well a priori model fits the sample data (McDonald and Ho, 2002) and demonstrate which proposed model has the most superior fit. These measures provide the most fundamental indication of how well the proposed theory fits the data. Unlike incremental fit indices, their calculation does not rely on comparison with a baseline model but is instead a measure of how well the model fits in comparison to no model at all (Jöreskog and Sörbom, 1993). It is noteworthy that ± 2 is sensitive to sample size. With a large sample size, the chi-square values will be inflated (statistically significant), and might erroneously imply a poor data-to-model fit (Schumacker & Lomax, 2004).

Table 4
Regression Weights: (Group number 1
- Default model)

		Estimate	S.E.	C.R.	P	Label
S30	← IE	1.000				
S24	← IE	1.319	.153	8.648	***	par_1
S18	← IE	1.459	.164	8.906	***	par_2
S12	← IE	1.020	.140	7.299	***	par_3
S6	← IE	1.045	.140	7.445	***	par_4
S73	← DIL	1.000				
S72	← DIL	.890	.097	9.138	***	par_5
S70	← DIL	.848	.095	8.894	***	par_6
S63	← ABS	1.000				
S57	← ABS	.933	.116	8.030	***	par_7
S48	← ABS	.820	.113	7.268	***	par_8
S55	← DED	1.000				
S43	← DED	1.167	.149	7.854	***	par_9
S19	← DED	.884	.129	6.846	***	par_10
S71	← CP	1.000				
S67	← CP	.734	.104	7.046	***	par_11
S65	← CP	.793	.104	7.627	***	par_12

CONVERGENT AND DISCRIMINANT VALIDITY

Assessment of convergent validity of the 5 resultant dimensions of student engagement was carried out by reviewing factor loadings, variance extracted and composite reliability as suggested by Hair et al. (2010). All factor loadings cleared the acceptable threshold of .5 criteria. Moreover, the average variances extracted (AVEs) in the case of all five dimensions were all within the acceptable range of .50 level (Bagozzi and Yi 1988; Fornell and Larcker 1981), thus indicating high levels of convergence among the items in measuring their respective constructs/dimensions (See Table below).

Discriminant validity of the 5 dimensions of student engagement was carried out using a widely followed procedure suggested by Fornell and Larcker (1981). This procedure was also followed by other researchers (e.g., De Wulf, Odekerken-Schroder, and Iacobucci 2001; Grewal, Cote, and Baumgartner 2004; Hair et al., 2010; Kandemir, Yaprak, and Cavusgil 2006). The procedure states that the Average Variance Explained (AVE) should be greater than Maximum shared variance (MSV) or AVE should

educator

be greater than average shared variance (ASV) and the square root of AVE should be greater than correlation among the constructs.

Let us examine the results of the both the procedures described above in the present study.

Table 5

Results

	CR	AVE	MSV	ASV	DED	IE	DIL	ABS	CP
DED	0.722	0.5	0.434	0.270	0.683				
IE	0.821	0.5	0.197	0.109	0.444	0.694			
DIL	0.787	0.6	0.348	0.213	0.455	0.263	0.744		
ABS	0.738	0.5	0.434	0.240	0.659	0.325	0.467	0.697	
CP	0.731	0.5	0.348	0.211	0.490	0.232	0.590	0.451	0.693

AVE* rounded off to one decimal point

Based on the findings presented above strong evidences were found in the analysis that all the AVEs were significantly greater than MSVs as well as ASVs. Also the square root of AVE was greater than correlation among the constructs. Thus, discriminant validity among the constructs was established. The Composite Reliability was above 0.6 establishing construct reliability.

CONCLUSION

The present study developed a multidimensional scale to measure student engagement in an Indian context. While developing the scale, student perspective and institution perspective were considered. The scale was developed on the basis of responses from 202 MBA final year students in India, and on the basis of the various analyses carried out, found reliable.

The proposed scale may be used by educational administrators to assess levels of student engagement and compare the results with the average student engagement level in various institutes, or student engagement in specific academic establishments. Such comparison may be done to take initiative to increase existing student engagement levels in the institute. Initiatives may include programmes / activities related to learning and overall student development. The data collected may also be used to assess the associations between/among various variables related to student perspective and personality, and institutional climate.

Further research may be carried out to determine the effectiveness of the proposed scale in other areas/professions.

Finally, as the proposed scale is developed on the basis of information gathered from students from limited number of institutions, therefore, generalization of results are restricted. Hence, other researchers should validate the current findings with the help of large data sets across various geographical areas.

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India's Demographic Dividend: Its Consequences

Kulwinder Kaur

Abstract : This paper analyses the significance of Demographic Dividend in India and its consequences and is entirely based on secondary data source and well articulated review of different articles that deal with related topic. The concept of "Demographic Dividend" has led to the reappearance of demographic factors in the Economic development debate. The purpose of this paper is to look at the concept of demographic more critically in the context of India. With many developing countries experiencing a rapid decline in fertility there has been overwhelming optimism that a demographic bonus will take these countries to greater economic heights. The study analyses the powerful positive impact of the boom in the working age group population on economic growth. But this is despite the fact that the educational achievements and health conditions of the people are far from desirable and employment creation is well below the required level. Economic implication of the demographic dividend often also presume that the desired quality of the population bulge entering the workforce in terms of health is ensured. This paper exploits the variation in the age structure of the population across Indian states to identify the demographic dividend. The main finding is that there is large and significant growth impact of both level and growth rate of the working age ratio. The results imply that a substantial fraction of the growth accelerated that India has experienced since the 1980's - sometimes ascribed exclusively to economic reforms - is attributable to change in the countries age structure. Empirical estimation of the demographic dividend is methodologically challenging due to the lack of adequate data at the state level. Relationship between age structure and economic change is mediated by factors like the saving rate, female labour force participation etc. Recent employment figures indicate that the absorption due to Indian youth into the labour force is not as high as one would expect. This is perhaps due to the poor employability of the workforce, which is severely affected by a deficit in educational attainment and health. This study also analyses that the window of opportunity offered by a population bulge had clearly opened for India by the mid 1970 or early 1980's. It also gives different projections of the future age structure of the population. This paper also highlights the impact of demographic dividend on youth and analyses that the labour force participation rates have fallen quite substantially for male rural youth and not increased for young women in rural areas either. If the economy does not generate adequate employment of a sufficiently attractive nature, the demographics could deliver not a dividend but anarchy. This naturally brings to the forefront not only issues related to the increasing demand for labour but also the nature of the labour force and its employability. In this context, the quality, quantity and relevance of education are all crucial. One possible solution to the analysis exhibits that the modern IT driven services in India offers an opportunity to exploit the demographic dividend. There is an increasingly popular perception that India would be able to encash the demographic dividend through the growth of its IT and IT enabled services sector. The implications are clear. Just as the "excess population" argument failed to recognise the benefits that can be garnered of these excessive workers could be put to work. The demographic dividend argument ignores the fact that available workers are not automatically absorbed to deliver high growth. Strategies exist to exploit the demographic window of opportunity that India has today, but they need to be adopted and implemented. In addition, the challenge of meeting of goals related to education and health is bound to grow.

Keywords : Demographic dividend, age structure, education, health, excess population, window.

INTRODUCTION

In the next 40 years, the world's population will grow by about 2.4 billion people, almost all of them in

developing countries. The large bulk of this increase will be between the ages of 15 and 64, the so-called "working age" population. This huge boost reflects a delayed demographic transition: declining infant

mortality rates are being followed by falling fertility rates. Thus, with children more likely to survive into productive adulthood and fewer children being produced, the share of working age populations will increase. For the least developed countries, this share will continue to increase through 2050; for other less developed countries, the share has been steadily increasing and will peak in the coming two decades.

An increase in the working age ratio can raise the rate of economic growth, and hence confer a "demographic dividend." People of working age are on average more productive than those outside this age group. Also, because workers save while dependants do not, a bulge in the working age ratio contributes to higher savings rates, increasing the domestic resources available for productive investment. In addition, the fertility decline that is the source of the changed age structure may act directly to induce greater female labour supply (Bailey (2006)) and increase attention to primary education and health (Joshi and Schultz (2006)). While there is a sizeable literature on demographic trends and their economic ramifications, the econometric evidence for the growth impact of the working age ratio is more limited.

The concept of "Demographic Dividend" has led to the reappearance of demographic factors in the Economic development debate. The purpose of this paper is to look at the concept of demographic more critically in the context of India. With many developing countries experiencing a rapid decline in fertility there has been overwhelming optimism that a demographic bonus will take these countries to greater economic heights. The study analyses the powerful positive impact of the boom in the working age group population on economic growth. But this is despite the fact that the educational achievements and health conditions of the people are far from desirable and employment creation is well below the required level. The demographic dividend is defined as a rise in the rate of economic growth due to a rising share of working age people in a population. This situation occurs with a falling birth rate and the consequent shift in the age structure of population towards the adult working ages. It is also known as the demographic gift or bonus or demographic window. People of working age are on average more productive than those outside this age group. Also, because workers save while dependants do not, a

bulge in the working age ratio contributes to higher savings rates, increasing the domestic resources available for productive investment. In addition, the fertility decline that is the source of the changed age structure may act directly to induce greater female labour supply (Bailey (2006)) and increase attention to primary education and health (Joshi and Schultz (2006)).

Economic implication of the demographic dividend often also presume that the desired quality of the population bulge entering the workforce in terms of health is ensured. This paper exploits the variation in the age structure of the population across Indian states to identify the demographic dividend. The main finding is that there is large and significant growth impact of both level and growth rate of the working age ratio. The results imply that a substantial fraction of the growth accelerated that India has experienced since the 1980's – sometimes ascribed exclusively to economic reforms – is attributable to change in the countries age structure. Empirical estimation of the demographic dividend is methodologically challenging due to the lack of adequate data at the state level. Relationship between age structure and economic change is mediated by factors like the saving rate, female labour force participation etc. Recent employment figures indicate that the absorption due to Indian youth into the labour force is not as high as one would expect. This is perhaps due to the poor employability of the workforce, which is severely affected by a deficit in educational attainment and health. This study also analyses that the window of opportunity offered by a population bulge had clearly opened for India by the mid 1970 or early 1980's. It also gives different projections of the future age structure of the population. This paper also highlights the impact of demographic dividend on youth and analyses that the labour force participation rates have fallen quite substantially for male rural youth and not increased for young women in rural areas either. If the economy does not generate adequate employment of a sufficiently attractive nature, the demographics could deliver not a dividend but anarchy. This naturally brings to the forefront not only issues related to the increasing demand for labour but also the nature of the labour force and its employability. In this context, the quality, quantity and relevance of education are all crucial. One possible solution to the analysis

exhibits that the modern IT driven services in India offers an opportunity to exploit the demographic dividend. There is an increasingly popular perception that India would be able to encash the demographic dividend through the growth of its IT and IT enabled services sector. The implications are clear. Just as the "excess population" argument failed to recognise the benefits that can be garnered of these excessive workers could be put to work. The demographic dividend argument ignores the fact that available workers are not automatically absorbed to deliver high growth. Strategies exist to exploit the demographic window of opportunity that India has today, but they need to be adopted and implemented. In addition, the challenge of meeting of goals related to education and health is bound to grow.

CONCEPT OF DEMOGRAPHIC DIVIDEND

Demographic transition process creating three unique age structures for any country consists of three phases.

In first phase, there will be a large number of people in the young age group, particularly below 15 years, creating a high dependency ratio. Here, fertility being very high and mortality declining.

In the second phase, the fertility starts declining at a fast pace leading to a reduction in the child population. This period is marked by considerable reduction in the dependency ratio. There will be a large number of people between 15-59 years of age.

In the third phase of transition, the dependency ratio again will be higher as a result of higher old age population.

The demographic dividend or window is a term used to understand the second phase of the age structure transition. The higher the proportion of workers to non-workers, the larger would be the surplus. For given unemployment rates, the higher the ratio of those in the labour force to those outside it, the larger would be the surplus. And this is expected to be a short phase in any population depending upon the pace of fertility decline.

DEMOGRAPHIC RATIONALE OF ECONOMIC CHANGE

The age structure transition can create a spurt in economic growth in several ways:

First is the increased savings. This is due to the low dependency rate and also due to increased life expectancy. The major part of this saving is the contribution by households and is due to a fewer number of children because the number of adults would have been the same even in the earlier stages of age structure transition but coupled with a higher number of children.

Secondly, with declining fertility, women participation in the labour force will increase in this stage. As a result of this there will be an increase in the economic activity which will lead to a spurt in economic growth.

Thirdly, people will invest more on their own health when children are fewer in number, leading to better productivity and economic benefits to the household.

Fourth, Government will also be in a position to invest and spend in more productive activities with the decline in the number of children as public spending on education and health can be diverted to more productive activities.

RELATIONSHIP BETWEEN DEMOGRAPHIC CHANGE AND ECONOMIC GROWTH

The general consensus on the relationship between demographic vectors and economic growth has changed a lot over years. The arguments have touched on opposite ends of the spectrum where some argue that sustained population growth will be catastrophic while some argue that it will lead to more affluence. Broadly speaking, there are three schools of thought to this debate, namely; optimistic, pessimistic and neutral.

PESSIMISTIC SCHOOL

The debate can be traced back to the 1790s where the pessimistic school held much sway. Thomas Malthus is seen as the founding father of the pessimist school which foresaw doom if population growth was left unchecked. Malthus had stressed that societies with high fertility rates would have lower income levels than those with lower rates because high population levels would drive down the price of labour and increase the price of food. He argued that increase in food production would

not be able to keep up with increasing population because while population grew geometrically, food production only increased arithmetically (Malthus, 1798). He believed that nature had its own checks to balance the world's population. An increase in population would depress wages and lead to a shortage of food. As a result, there would be widespread starvation and famines and the population would come back to equilibrium.

OPTIMISTIC SCHOOL

The pessimism gave way to a more optimistic view on population growth. While there was massive growth in population the predicted disasters never materialized. World population had exploded in just 50 years from 2.5 billion in 1950 to 6 billion in 2000, instead of declining per capita income actually has instead grown exponentially (Birdsall et al., 2001). The optimistic school is grounded in the realization of economies of scale and specialization.

Connections were made between population growth, innovation and increasing returns to scale. The line of argument goes that as the stock of human population grows so does the stock of human capital, which is a major contributor to economic growth (Kuznets, 1967; Simon, 1981). Optimists have stressed that increased population would pressurize humans to innovate and find new ways of sustaining themselves.

THE REVISIONISTS

Following soon at the heels of the optimists is the more neutralist point of view. Here population growth is thought to neither hinder nor promote economic growth. Countries with

weak institutions typically also had high population growth and the effect of these two aspects needed to be isolated. So while rapid population growth had an overall negative effect on the economy, this causation was weakened when one took into account the country-specific characteristics of institutions, policies, markets and technology (Birdsall et al., 2001).

Bloom and Canning (2004) contend that this consensus led to population and reproductive health as a potential determinant of economic growth being given a backseat by key development agencies.

EMPIRICAL ESTIMATION OF DEMOGRAPHIC DIVIDEND

The Indian states with wide variation in demographic achievements present interesting data that enable us to understand the implications of the demographic dividend. Empirical estimation of the demographic dividend is methodologically challenging due to the lack of adequate data at the state level. India is not undergoing a homogeneous demographic transition and some states are deep into the transition while some have only just begun. The Southern states of Kerala and Tamil Nadu have already received most of the demographic dividend and the growth in their working age ratio is declining whereas the BIMARU states (consisting of Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh) just starting and their working age ratio is rapidly increasing. These BIMARU states typically underperform compared to the rest of the Indian states.

Table 1: Percentage Distribution of Population by Broad Groups Major States (1961 and 2001)

States	0-14		15-59		60+	
	1961	2001	1961	2001	1961	2001
Andhra Pradesh	39.54	32.07	54.23	60.32	6.23	7.61
Bihar	42.52	41.54	62.07	62.01	5.62	6.45
Gujarat	42.89	32.84	62.17	60.25	4.94	6.91
Haryana	NA	35.99	NA	66.49	NA	7.52
Karnataka	42.16	31.91	62.11	60.4	5.73	7.69
Kerala	42.64	28.08	51.53	63.44	6.84	10.48
Madhya Pradesh	40.82	38.21	64.02	64.66	5.16	7.14
Maharashtra	40.67	32.14	64.07	69.12	5.27	8.74
Orissa	39.10	33.23	65.23	68.5	5.67	8.27
Punjab	43.57	31.39	49.87	69.57	6.56	9.03
Rajasthan	42.66	40.10	62.19	63.12	5.14	6.78
Tamil Nadu	37.61	26.96	66.79	64.15	5.60	8.80
Uttar Pradesh	40.50	40.83	63.22	62.1	6.29	7.07
West Bengal	40.93	33.28	64.06	69.6	5.01	7.12
India	41.0	35.4	63.3	67.1	5.6	7.5

Source: Estimated by authors from various census reports

Table 1, presents the age distribution of the population by broad age groups for major states in India for the years 1961 and 2001. It can be observed that there has been a drastic change in the age structure of the population in the 0-14 and 15-59 age groups in many Indian states over the last four decades. The interstate variation in age structure is in tune with the pace of demographic transition in each state. For instance, states like Gujarat, Karnataka, Kerala, Punjab and Tamil Nadu recorded a decline of more than 10 percentage points among children of 0-14 age groups between 1961 and 2001. On the other hand, states like Bihar, Madhya Pradesh and Rajasthan have registered declines of less than 3 percentage points.

SAVINGS RATE

One of the important pathways by which the economic advantages of age structure transition are realised is through increased household savings. The low dependency ratio during this stage creates a unique opportunity for higher savings at the household level. The reduction in dependency ratio is the immediate result of the end of the fertility transition in a country. However understanding the relationship between household saving and fertility transition is difficult in the country primarily due to lack of data on household saving rate at the state level. Household savings in India have recorded an increase especially since the 1980s in India, perhaps coinciding with accelerated decline in fertility in the country. Thus, on the face of it, one would be inclined to link fertility transition and household savings. However, it is rather difficult to attribute the increase in the saving rate directly to fertility transition as the saving rate is also determined by several other important factors most notably the high rate of economic growth since the 1980s.

FEMALE LABOUR FORCE PARTICIPATION

The other pathway by which demographic changes influence the economy is the enhanced participation of females in the labour force. This is expected to promote family income and therefore has the potential to improve household savings. Female

labour force participation has not recorded any major change in many Indian states with drastic decline in fertility. For instance, in Kerala and Andhra Pradesh it has declined during 1981-2001. Other states like Gujarat, Karnataka and Tamil Nadu show significant improvement. However, such improvements are also true in the case of states like Bihar, Rajasthan and Uttar Pradesh having no significant age structure transition.

DIVERSION OF GOVERNMENT INVESTMENT

The other possible way by which the change in the age structure influences economic change is through diversion of governmental investment from education and health to more productive sectors. However, such changes are also unlikely to take place in any state in India including Kerala as the investment in health and education has always been below the required level. Hence, even with a negative growth of child population in some of the states in India, there is no possibility of diverting funds from the education and health sectors. Rather these sectors require additional funding to improve the quality of services. Thus economic growth occurring through diversion of governmental investment away from social sectors is unlikely in India.

IMPLICATIONS FOR GROWTH

Given the implications of the dependency ratio for surpluses available for investment and growth, it should be obvious that this shifting age structure can have significant consequences for economic growth. Periods characterised by low dependency ratios would be characterised by higher growth, if the inducement to invest surpluses exists. Conversely, periods characterised by high dependency ratios would be characterised by a slowing of growth, unless productivity increases raise the output of a smaller proportion of workers enough to neutralise the demographic deficit. But if the window of opportunity available when the population bulge enters the working age group is to result in an acceleration in growth the processes of development which in part created this bulge must have been such so as to ensure that the quality of those entering the workforce is of the desired level and that these workers find

employment opportunities as and when they enter the labour force. Despite the demographic determinism that characterises the work of those who emphasise the significance of the demographic dividend, many of them admit that there is no guarantee that the benefits of the "window of opportunity" created by the population bulge will be exploited.

The notion of the demographic dividend is used by its leading advocates as the basis for advocating neoliberal economic policies, by arguing that large and young populations create a growth opportunity which can be exploited with open-door strategies and flexible labour markets. To understand what kinds of policies can help exploit the window of opportunity created by a demographic bulge in the working age groups, it is necessary to recognise that the dependency ratio must be defined not as the ratio of the non-working age to working age population but the ratio of actual non-workers to workers. The difference between the two is determined by the extent of absorption into work of the available labour force, which must take account of underemployment in addition to unemployment. Since unemployment and underemployment are typically the outcome of demand-side constraints, even if the presumption that increased longevity would be accompanied by higher savings rates is right, there could be scenarios in which investment rates fall short of savings rates and result in deflation rather than growth.

Observers note that India's long term growth prospects look particularly positive compared to China on the grounds that while the latter has already undergone the demographic transition by artificially inducing it through its one child policy and is now rapidly aging, India is only on the cusp of receiving a demographic dividend (Nilekani, 2009; Economist 2011).

DEMOGRAPHIC DIVIDEND AND EMPLOYMENT

Even to the extent that growth has occurred, it has not been such as so to absorb the rapidly rising labour force being generated by demographic dividend. The table 2 shows, the period between 1993 and 2000 showed a dramatic deceleration in employment generation, with the lowest rate of growth

of rural employment in post-independence history. Even in urban areas, the rate of growth of employment was significantly lower than the previous periods since the early 1980s. Subsequently, the most recent NSS large survey indicates a recovery, although still not to the rates achieved in the period between 1987-88 and 1993-94.

Table 2 : Growth Rates of Employment
(Per Cent change per annum)

	Rural	Urban
1983 to 1987-88	1.36	2.77
1987-88 to 1993-94	2.03	3.39
1993-94 to 1999-2000	0.66	2.27
1999-2000 to 2004-05	1.97	3.22

Note: Employment here and in subsequent tables refers to all workers (principal status and subsidiary status)

Source: Based on NSS employment rates (NSS 38th, 43rd, 50th, 55th and 61st rounds) and census population figures and projections.

The most significant change has been in the pattern of employment. There has been a significant decline in wage employment in general, which includes both regular contracts and casual work. While regular employment had been declining as a share of total usual status employment for some time (except for urban women workers), wage employment had continued to grow in share because employment on casual contracts had been on the increase.

Table 3: Labour Force Participation Rates

	Usual Status (PS+SS)			Current Daily Status		
	1993-94	1999-2000	2004-05	1993-94	1999-2000	2004-05
Rural Males	56.1	54	55.5	53.4	51.5	53.1
Rural Females	33	30.2	33.3	23.2	22	23.7
Urban males	54.3	54.2	57	53.2	52.8	56.1
Urban females	16.5	14.7	17.8	13.2	12.3	15

Source: Employment and Unemployment Situation in India NSSO (2006)

But the latest data suggest that even casual employment has fallen in proportion to total employment. In fact, the share of casual labour has fallen for all categories of workers – men and women,

in rural and urban India. The sharpest decline has been in agriculture, where wage employment in general has fallen at a rate of more than 3 per cent per year between 1999-2000 and 2004-2005. But even for urban male workers, total wage employment is now the lowest that it has been in at least two decades, driven by declines in both regular and casual paid work. For women, in both rural and urban areas, the share of regular work has increased but that of casual employment has fallen so sharply that the aggregate share of wage employment has fallen. So there is clearly a real and increasing difficulty among the working population, of finding paid jobs in any form.

This is probably the real reason why there has been a very significant increase in self-employment among all categories of workers in India. The increase has been sharpest among rural women, where self-employment now accounts for nearly two-thirds of all jobs. But it is also remarkable for urban workers, both men and women, among whom the self-employed currently constitute 45 and 48 per cent respectively, of all usual status workers.

IMPACT ON YOUTH

While aggregate labour force participation rates have risen, the same is not true of the youth. As table 4, shows, labour force participation rates have fallen quite substantially for male rural youth, and not increased for young women in rural areas either. In urban areas, there is a slight recovery of labour force participation rates from the low levels of 1999-2000 but only for young women in the age group 20-24 years is there evidence of any real increase.

Table 4: Labour Force Participation Rates of Youth according to Usual Status

	(Principal and Subsidiary Activities)	
	15-19 Years	20-24 Years
Rural Males		
1987-88	63.0	91.8
1993-94	59.8	90.2
1999-2000	53.2	88.9
2004-05	52.9	89.1
Rural Females		
1987-88	41.5	48.4

1993-94	37.1	46.9
1999-2000	31.4	42.8
2004-05	33.1	43.5
Urban Males		
1987-88	42.9	79.2
1993-94	40.4	77.1
1999-2000	36.6	75.2
2004-05	38.1	76.9
Urban Females		
1987-88	16.9	22.5
1993-94	14.1	23.0
1999-2000	12.1	19.1
2004-05	14.4	25

Source: Employment and Unemployment Situation in India, NSSO (2006)

It is certainly possible that declines in labour force participation among the youth result from their delayed entry into the workforce, partly because they are extending their years of education. If this is so, it would be a positive sign, indicating a greater degree of skill formation in the young labour force of the future.

IMPLICATIONS FOR HEALTH STATUS OF THE POPULATION

Discussions on the economic implications of the demographic dividend often also presume that the desired quality of the population bulge entering the workforce in terms of health is ensured. While the changing age distribution of the population can eventually lead to an increase in the supply of working age population, it may not necessarily lead to an increase in productivity, without significant improvements in the health status of the population. Secondly, from the view point of the savings-growth casualty, increased longevity in itself may not be accompanied by increased savings of the working age population because of the increase in disease burden across all age-groups and rise in healthcare expenditures.

Although India accounts for 16.5% of the world's population, it contributes to a fifth of the world's share of diseases. The National Commission on Macroeconomics and Health(2005) has classified health

conditions into three major categories namely: communicable diseases, maternal and child health conditions, non-communicable diseases; and accidents and injuries. It has been projected that with a few exceptions such as leprosy and blindness, incidence of the majority of health conditions belonging to all the three categories will rise significantly by 2015. Diseases under the first category accounted for nearly half of India's disease burden in 1998. While the burden on account of malaria, TB, diarrhoea, and other infectious diseases will reduce and leprosy will be eliminated, HIV/AIDS and TB and drug-resistant malaria are projected to increase.

The other health challenge posed by the specific phase of the demographic transition that India is going through is that related to infant mortality and reproductive health. This is inevitable given the fact that the proportion of women in the reproductive age-group is projected to rise to a peak of nearly 55% in 2016 and remain around that level for the next decade. The increase in this proportion will also require increased efforts to reduce not only maternal mortality but also the number of infant and child deaths. This would require investment in infrastructure to ensure safer and better facilities for child birth and advocacy to ensure utilisation of these facilities.

All this suggest that expenditures related to both nutrition and reproductive health will have to go up substantially, if there is to be any social and material benefit from the demographic bulge.

IT AS SOLUTION

It is often held that the rapid growth of modern IT-driven services in India offers opportunity to exploit the demographic dividend. In fact there is an increasingly popular perception that India would be able to cash the demographic dividend through the growth of its IT and IT-enabled services sector. Of course, there is no doubt that both in absolute and relative terms, the size of the IT sector in India is now impressive. The National Association of Software and Services Companies (NASSCOM) estimated the size of the software and IT-enabled services industry in 2004-05 at \$22.6 billion. Placed in the context of the economy as a whole, the sectors revenue now amount to around 4.5 per cent of GDP. This makes it an important segment of the non-agricultural sector.

However, the sectors contribution to employ-

ment does not compare with its role in the generation of income and foreign exchange. The only available estimates here are those from NASSCOM, which indicate that employment rose from around 2,85,000 in 1999-2000 to just 1,287,000 in 2004-05, or at a compound rate of about 35 per cent per annum. However these growth rates conceal the low base from which employment has grown, making the absolute contribution of the sector to employment minimal.

The total IT industry, including both hardware and software elements, as well as IT-enabled services, still employs only slightly more than one million workers, out of an estimated total workforce in India of more than 415 million.

Therefore, as of now, the expectation that the demographic dividend would itself trigger processes that would help exploit its benefits does not seem to be warranted in the Indian case. While the labour force is indeed expanding, thus far, the task of absorbing an increasingly youthful workforce has been postponed rather than undertaken. If the challenge is not met soon, the dividend can prove a liability.

CONCLUSION

In sum, the concept of demographic dividend conveys the advantages of a country following fertility reduction strategies. The economic advantage of the demographic dividend is primarily achieved at the household level mainly due to a reduction in the number of children per family.

India is likely to enjoy the fruits of the demographic dividend for a few more decades due to the wide variation in the achievement of fertility transition in different states. While the southern and western states and West Bengal have achieved relatively low dependency ratio due to early fertility transition, the northern states are yet to reach the demographic dividend stage. The change in the age structure would take place in northern states only after a few more years and the fruits of the demographic dividend, perhaps, a decade later.

The evidence suggests that India faces a major deficit in the areas of education and health which could adversely affect the conversion of a growing labour force into an effective workforce offering quality, low-cost labour. Further, the changing age structure of the population is likely to change the

pattern of the disease burden substantially. The existing situation in areas that affect the population in the "bulge" age-group suggests that the disease burden is likely to rise, leading to a deficit in health capital.

The implications are clear. Just as the "excess population" argument failed to recognise the benefits that can be garnered if these excess workers could be put to work, the "demographic dividend" argument ignores the fact that available workers are not automatically absorbed to deliver high growth. Strategies exist to exploit the demographic window of opportunity that India has today, but they need to be adopted and implemented. In addition, the challenge of meeting a range of goals related to education and health is bound to grow.

In a nutshell, the demographic factors play an important part in economic growth. The current emphasis on the demographic dividend reaffirms the virtues of following a small family norm for economic development.

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Corporate Social Responsibility in India: An Empirical Analysis

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Abstract : Corporate Social Responsibility (CSR) is the commitment to improve community wellbeing through discretionary business practice and contribution of corporate resources. Business today have realized that in order to continue thriving they have to adopt more holistic and inclusive business model which has direct correlation with business performance. This is possible when they incorporate the concept of corporate social responsibility that will help them to focus on transparency and accountability. Indian Corporate Sector has realized the growing importance of corporate social responsibility in order to ensure sustainable development. Some of the major areas where corporate social responsibility is practiced are green consumerism, use of bio fuels, investment in sustainable technologies etc. Corporate social responsibility is growing phenomenon but issues like funds allocation, standard reporting are some of the barriers identified towards implementation. This research paper attempts to highlight corporate social responsibility of the Indian corporate sector and the challenges that they face toward the implementation. Corporate social responsibility can be used as a strategic tool to create a differential advantage over competitors.

Keywords: Corporate social responsibility, sustainable development.

INTRODUCTION

The importance of CSR emerged significantly in the last decade. Over the time, CSR expanded to include both economic and social interests. Along with this it also broadened to cover economic as well as social interests. Companies have become more transparent in accounting and display 'public reporting' due to pressures from various stakeholders. It is possible for companies to behave in the 'desired' ethical and responsible manner towards consumers, employees, communities, stakeholders and environment. They have started incorporating their CSR initiative in their annual reports.

OBJECTIVES

1. To study the CSR status in India.
2. To understand the meaning and various models of CSR.
3. To study the policies governing CSR in India.
4. To study the challenges faced by CSR in India.
5. To make suggestions for accelerating CSR initiatives.

REVIEW OF LITERATURE

Can shareholder money be used for a

company's corporate social responsibility (CSR) practices? Shouldn't shareholders have a say in the CSR activities of the company they are invested in?

As per ACCSR's State of CSR in Australia Annual Review report Full understanding of CSR still emerging; There are many obstacles are emerging while adopting successful CSR strategies include the difficulty in making a business case for CSR, difficulty in integrating CSR with organizational values and practices, and the lack of organizational buy-in and commitment to CSR. Other obstacles reported is the lack of time and financial resources to pursue CSR practices are directly related to the above three. When an organization finds it hard to make a business case for CSR or link it to core organizational operations, it will be reluctant to commit and allocate resources or time to such practices. Moreover, these obstacles also point to another set of findings in the report: respondents view CSR more so as a means to manage regulatory impacts, reduce risk, and respond to stakeholders concerns, and to a lesser extent as a strategic source of competitive advantage

RESEARCH METHODOLOGY

The research paper is an attempt of exploratory research, based on the secondary data sourced from journals, magazines, articles and media reports. CSR concept, definitions, models:

In India, the ethical model promoted by Mahatma Gandhi during 1930s is well known which stated the role of family-run-businesses conducting social and economic activities. This was followed by the Statistic model propounded by Pt. Jawaharlal Nehru. In this model, state-driven policies included state ownership and extensive corporate regulation and administration. At the global level, the first attempt to define CSR is contributed by many to Howard Bowen's Social Responsibilities of the Businessmen (1953) who questioned the status and degree of responsibilities that business people should accept. Milton Friedman introduced liberal model which stated that corporate responsibility primarily focuses on owner objectives and stakeholder responsiveness which recognizes direct and indirect stakeholder interests. During 1980s, the CSR concept grew to integrate corporate objectives with the social responsibility of business thereby making it responsible to care for environment, employees and

also make good profits. In the 1990s, Peter Ducker and many other authors propagated as a part of corporate strategy. The approach to CSR has also changed from Agency theory to Stakeholder theory. Again, the stakeholder model emphasizes on survival of the corporation which throngs upon not only the responsibility towards shareholders but also towards employees, governments and customers. CSR is interchangeably used with several terms like business ethics, corporate citizenship, social and environmental responsibility, corporate sustainability, World Business Council for Sustainable Development defines Corporate Social Responsibility (CSR) as "The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large."

The European Commission's definition of CSR is: "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis." According to CSR Asia, "CSR is a company's commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interests of diverse stakeholders."

Today the concept of CSR has undergone radical change. It has integrated social as well as environmental issues into their missions and decisions. Companies take keen interest in informing about their CSR activities to their stakeholders as well.

Across the globe, business enterprises have undertaken CSR initiatives in the areas of water conservation, healthcare, rural welfare, environment protection, poverty alleviation, education, community investment projects, culture and heritage, biodiversity, disaster management and relief, culture and heritage, green environment, product responsibility, governance, waste management and gender equality. CSR in India in developing economies like India, CSR is seen as part of corporate philanthropy in which corporations augment the social development to support the initiatives of the government. However with time, the scenario of CSR has changed from being philanthropic to being socially responsible to multi stake holders. The period of 1960s and 1970s saw an emergence of CSR

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activities being inbuilt in corporate philanthropy. (Mohan, 2001). India has been named among the top ten Asian countries paying increasing importance towards corporate social responsibility (CSR) disclosure norms. India was ranked fourth in the list, according to social enterprise CSR Asia's Asian Sustainability Ranking (ASR), released in October 2009. Sustainability in Asia ESG reporting uncovered' (September 2010) is based on four parameters viz. General, Environment, Social and Governance. In its study based on 56 companies in India, it observed that India is ranked second in country ranking in Asia and is ranked one ranking in general category. It is observed that reporting is strongly followed by companies as well as they seek international development standards. It could be attributed to the Indian government compelling the public sector companies to provide for community investment and other environmental, social and governance liabilities.

A key finding of the survey conducted in June 2008, aimed at understanding of the role of corporations in CSR, carried out by TNS India (a research organization) and the Times Foundation, revealed that over 90 per cent of all major Indian organizations surveyed were involved in CSR activities. Besides the public sector, it was the private sector companies that played dominant role in CSR activities. A study on the CSR activities of 300 corporate houses, conducted by an industry body in June 2009, revealed that Corporate India has spread its CSR activities across 20 states and Union territories, with Maharashtra gaining the most from them. The study also revealed that about 36 per cent of the CSR activities are concentrated in the state, followed by about 12 per cent in Gujarat, 10 per cent in Delhi and 9 per cent in Tamil Nadu. The companies have on an aggregate, identified 26 different themes for their CSR initiatives. Of these 26 schemes, community welfare tops the list, followed by education, the environment, health, as well as rural development. Another study conducted by Economic Times revealed that donations provided by listed companies grew by 8 per cent during the financial year 2008-2009 and that 760 companies donated US\$ 170 million in the same year, up from US\$ 156 million in the year-ago period. As many as 108 companies donated over US\$ 216,199, up 20 per cent over the previous year.

CSR Controversy

Many countries separate philanthropy from social responsibility. While in India, it is seen as a weapon for social activities including recruitment and retention. Also, many argue that it helps in building an image of the organization. While some argue that government does away with their role of playing a regulatory body over the powerful business houses. Others criticize that CSR is not their basic economic role of business. Some even say that CSR is put in place to gain commercially as well. It is also argued that CSR initiatives undertaken result into deviation from basic business roles. While some others state that the impact of the CSR is not only impacts profits but benefits the society at large. In the light of these arguments, the trend of increased CSR initiatives cannot be ignored clearly reflecting the awareness the companies in India have gathered today.

CSR in SMEs

The concept of CSR has extended to SMEs as well. This sector was never taken into account for deliberations and conventional approach to CSR is generally assumed to be the part of large companies. It is a well known fact that SMEs produce large proportion of country's output, provides huge employment and generate substantial revenues to the government not only in developed countries but developing countries as well. Small to medium-sized enterprises account for about 90 per cent of businesses worldwide and are responsible for around 50 to 60 per cent of employment. They, potentially have a significant impact on social welfare. As the SMEs also include stakeholders and an impact on the society, it is necessary to understand the role of SMEs in CSR activities.

However, it is difficult to enroll the concept for SMEs as they face challenges of survival, time and resource constraints, fear of additional regulations and no systematic incentives.

General problems like lack of information, getting trained employees, and getting support from related officials are other limiting factors for SMEs to get involved in CSR activities. However, there are several benefits available to SMEs like small number of employees with quick communication and decision

making, unique selling propositions and competitive benefits through their products and services, cost and efficiency savings. According to a study by the European Commission in 2007 ('Corporate Social Responsibility in SMEs - SMEs Good practice'), CSR can positively influence SMEs' competitiveness in numerous ways. SMEs can provide with improved products, high customer loyalty, motivated employees, innovative and creative employees, cost savings, increased profitability due to optimum resource utilization enhanced networking with business partners and improved company image. Thus, it is advisable for the government to look into policies and legislations for the benefits of SMEs adapting CSR and take up initiatives aimed at encouraging SME involvement in CSR which should be easily accessible and relevant.

Policy Initiatives

In 2009, the government made it mandatory for all public sector oil companies to spend 2 per cent of their net profits on corporate social responsibility. The central government is working on a framework for quantifying the CSR initiatives of companies to promote them further. To ensure the active participation of public sector companies in CSR initiatives, the government in planning to introduce certain legislations. The Department of Public Enterprises (DPE) has prepared guidelines for central public sector enterprises to take up important corporate social responsibility projects to be funded by 2 to 5 per cent of the company's net profits. As per the guidelines, companies with net profit of less than US\$ 22.5 million will earmark 3 to 5 per cent of profit for CSR, companies with net profit of between US\$ 22.5 million - US\$ 112.5 million, will utilize 2 to 3 per cent for CSR activities and companies with net profit of over US\$ 112.5 million will spend 0.5 to 2 per cent of net profits for CSR. This proposal was discussed two years earlier as well however due to protests from companies, it became voluntary exercise. As reported in Times of India, February 10, 2011, the Ministry of Company Affairs (MCA), which is finalizing the new Companies Bill, has accepted a Parliamentary Standing Committee's recommendation on the issue. However it has proposed that companies with a turnover of Rs 1,000 crore or net profit of Rs 5 crore or more must earmark 2 per cent

of their net profit for the preceding three years on CSR. In case if the companies fail to comply with the prescribed spend, it will have to list out the reasons for the shortfall to its shareholders. The revised Companies Bill will be placed in Parliament during the Budget session that starts later this month.

CSR Initiatives and Green Measures

India Inc has joined hands to fine-tune all its activities falling under CSR. For this, it has set up a global platform to showcase all the work done by Indian firms. Confederation of Indian Industry (CII) and the TVS Group collaborated to form the CII-TVS Centre of Excellence for Responsive Corporate Citizenship in 2007. It provides consultancy services and technical assistance on social development and CSR. According to a National Geographic survey which studied 17,000 consumers in 17 countries, Indians are the most eco-friendly consumers in the world. India topped the Consumer Greendex, where consumers were asked about energy use and conservation, transportation choices, food sources, the relative use of green products versus traditional products, attitudes towards the environment and sustainability and knowledge of environmental issues.

- Reliance Industries and two Tata Group firms—Tata Motors and Tata Steel—are the country's most admired companies for their corporate social responsibility initiatives, according to a Nielsen survey released in May 2009.
- As part of its Corporate Service Corps (CSC) programme, IBM has joined hands with the Tribal Development Department of Gujarat for a development project aimed at upliftment of tribals in the Sasan area of Gir forest.
- The financial services sector is going green in a steady manner. With an eye on preserving energy, companies have started easing the carbon footprint in their offices. The year 2009 witnessed initiatives including application of renewable energy technologies, moving to paperless operations and recognition of environmental standards. Efforts by companies such as HSBC India, Max New York Life and

Standard Chartered Bank have ensured that the green movement has kept its momentum by asking their customers to shift to e-statements and e-receipts.

- State-owned Navratna Company, Coal India Ltd (CIL) will invest US\$ 67.5 million in 2010-11 on social and environmental causes.
- Public sector aluminium company NALCO has contributed US\$ 3.23 million for development work in Orissa's Koraput district as part of its Corporate Social Responsibility (CSR).

Challenges of CSR

It is important for CSR strategies to become central to business strategy and parts of the long-term planning process. Stakeholders are questioning more on CSR initiatives of the companies today. They are challenging the companies' decisions-making in this direction. It has become imperative to incorporate stakeholders' views. In India the CSR managers face number of challenges in managing CSR activities. The biggest problem is of lack of budget allocations followed by lack of support from employees and lack of knowledge as well. Lack of professionalism is another problem faced by this sector. Absence of training and undeveloped staff is additional problems for reduced CSR initiatives. General Public also do not take enough interest in participating and contributing to CSR activities of companies as they have little or no knowledge about it. The increasing demand for more transparency and accountability on the part of the companies and disclosure of information through formal and improved reporting is also inevitable for the companies. The more the open and honest disclosure, the stronger and trusting relationships can be built with the stakeholders and consumers. Small companies do not take adequate interest in CSR activities and those which undertake them fail to disclose it to the society. In the process they loose out on people and their trust in them. Media can come up with strong support for informing the people at large about the CSR initiatives taken up by the companies. It can sensitize population and also make them aware of the benefits of CSR to them. However, media is not doing enough in this regard. The failure of the government to come up with statutory guidelines to give a definite direction to

companies taking up CSR activities, in terms of size of business and profile of CSR activities also results adequately.

SUGGESTIONS

Companies can set a network of activities to be taken up in a consortium to tackle major environmental issues. It would also provide an opportunity to learn from each other. Everyone in the organization needs to recognize their own role in promoting CSR. Companies should provide wider professional development activities. Training, conferences and seminars could be organized by companies to disseminate and generate new knowledge and information in this sector. A strong budgetary support would definitely help to grow this sector and research related to respective industry would enhance their organization's contribution further. Government regulations which are supporting in this direction could attract more response from organizations. All this would also lead to benchmark CSR activities. Companies need to involve their stakeholders in order to build meaningful and long term partnerships which would lead to creating a strong image and brand identity. It is also suggested to review existing policies in order to develop more meaningful visions for the companies and broaden their contributions to reach to local communities.

CONCLUSIONS

Corporate sustainability is an evolving process and not an end. The Companies bill is a good initiative on the part of the government however what would be included in 'spending' on CSR is unclear and is left for the companies to decide. Across the globe, the concept of CSR has been accepted as an element for success and survival of business along with fulfilling social objectives. However, the challenge for the companies is to determine a strong and innovative CSR strategy which should deliver high performance in ethical, environmental and social areas and meet all the stakeholders' objectives.

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Implications of National Pension System in India: A Case Study

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Abstract: In Chile, reform in pension system took place in the early 1981 when the state managed pay-as-you-go system is replaced by a privately-managed fully funded scheme. In this system, benefits are not defined a priori in the fully funded system but instead depend on the result of individual savings and the return on those savings. However, the pension plans for police and armed forces remains unchanged. On the other hand, New Pension System (NPS) was introduced in India for the employees (except the personnel of Armed Forces) of the central government w.e.f 01.01.2004. 26 States and Union Territories are either agreed or already enforce the system. Increasing number of retired personnel and as well as increasing financial burden on the government of paying traditional defined benefit pension force the government to think about the change the system and convert into defined contribution type. In this paper, an attempt has been made to provide a brief idea about the pension benefits provided to the government employees of India and Chile and also compare the pension benefits of these two countries.

Keywords: New Pension System, Pension benefit, defined contribution, defined benefit system

INTRODUCTION

Workers are often concerned about cost of living at their retired life. Among the retirement benefits, pension is the most crucial one. In defined benefit pension system (for the employees who have joined in their service on or before 31st December, 2003), government employees in India are eligible to receive guaranteed pension after the retirement on the basis of their service period and last salary drawn (Basic plus Dearness Allowance) and the employees are not required to contribute any amount to get the facility. In this system, entire payments in respect of the pension are borne by the Government out of the current revenue. But after the introduction of New Pension Scheme (NPS) employees are required to participate in Individual Account based contributory

pension system. This system came into force on 1st January, 2004 for all Central Government employees (except the personnel of Armed Forces). On the other hand, Chile was the first country to introduce the Individual Account based contributory pension system in 1981. In this system, pension is not guaranteed but it will be determined on the basis of the accumulated pension wealth of the individual account of the concerned employee at the time of retirement.

OBJECTIVES OF THE STUDY

- Identify the scope, and benefits of the pension system of India & Chile, and
- Compare the pension benefits of the Government employees in India & Chile

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Main features of the Chilean pension system:

- (i) Individual Capital Account: Each participant has a separate individual account for depositing his/her contribution and the balance is accumulated including the return on balance. These accounts are administered by the AFPs authorized by the State. The accumulated balance is returned to the participant or to the surviving beneficiaries by way of pension in general. The amount of pension depends on the contribution and the return on the investment.
- (ii) Private pension fund managers: This individual capitalization system is managed by the private professional, known as pension fund administrators (AFP's). AFP's are public limited companies and the motto of the companies is the management of the pension fund and promote other activities strictly related to the social security. The functions of the AFP's include collection and deposit of the contribution to the individual account of each participant; in-vest the contribution in consideration of commission fixed by the administrators.
- (iii) Flexibility in choice of administrators: In the new model of Chilean pension system, workers have the right to choose their own pension fund administrator and also have the right to alter the administrator. The workers are also free to opt in respect of type of pension fund (varies with the degree of risk depending upon the type and mix of investments) in which the investment of the participant is to be invested.

Table 1: Chile's pension system at a glance

Year of Inception:	1981
Mode of scheme:	Mandatory, private
Rate of contribution as a percentage of salary:	10%
Voluntary contribution:	Yes
Government contribution:	Nil
Additional Savings:	up to Basic salary
Fixed commission:	Yes
Variable commission on assets under management:	Nil
Old-age pension:	Yes
Disability and Survivor's pension:	Yes
Age of normal retirement:	65 year for men and 60 Years for the women worker

Provision of early retirement: Yes
Provision of Statutory cash reserve: 1% of pension assets held by AFP

Provision of Profitability Fluctuation Reserve: Yes

Main features of the New pension system in India:

- (i) Defined Contribution Scheme: New Pension Scheme is a defined contribution scheme where the employer's liability is restricted only to the contribution to the fund only. Unlike traditional pension system, employee has to contribute to the pension fund (@ 10% of the Basic plus Dearness Allowance).
- (ii) Individual Retirement Account: Contribution of each worker along with the employee's contribution will be credited in the worker's Account and the accumulated amount of the account will be used to purchase annuity at retirement.
- (iii) Administration of the Fund: The fund will be managed by the professional pension fund managers.
- (iv) Risk of the scheme: Entire investment risk will be borne by the subscriber. Benefits of two employees of same category & service period may be different on the performance of selected option & pension fund managers.
- (v) Benefit of General Provident Fund will not be available with the introduction of New Pension System.
- (vi) Two types of schemes are available. Tier I is non-withdrawable fund up to the age of 60 and the subscriber is required to invest at least 40% of accumulated fund in any annuity plan offered by the life insurance companies. Tier I is compulsory for the employees covered the New Pension Scheme (NPS). Tier II (available for every Indian citizen of an age of 18-55 years) is a withdrawable scheme where the subscriber can draw from the accumulated fund or even quit from the scheme.

RESEARCH DESIGN

Sources of data: This study is based on the secondary data. The data are collected from the

Government Service Rules, Death cum Retirement Rules (DCRB), and National Pension Portals for the retirement benefits of the government employees and also from the Official website of Pension Fund Regulatory and Development Authority (PFRDA) for the data regarding new pension Scheme which is implemented for the government employees from 1st January, 2004.

Data regarding Pay Scale for the period of 01.04.2004 to 31.12.2005 is taken from the civil service pension system (CSPS), 1997 and Pay in Pay Band and Grade Pay attached with the civil concerned pay in pay band are taken from the civil service pension system (CSPS), 2008 for the rest of the period. In case of Chile, rate of return on the pension funds is collected from "The Chilean Pension System", Chilean Superintendency of AFPs (SAFP) <http://www.safp.cl/sis-chilpen/english.html> and SAFP Research Department Working Papers Series: <http://www.safp.cl/doctrab/>

Sample Design: As per the Service Rules Government employees are classified into four

groups as Group-'A', Group-'B', Group-'C' and Group-'D'. In this present study, we are trying to compare and analyze the pension benefits between the Government employees of India and Chile belonging to the Group A. With effect from 1st January, 1996, Government employees have been classified into Group 'A' as follows:

Group-'A'- Employees having a pay or Scale of pay with the maximum above Rs. 10,175 and with effect from 1.1.2006, Pay Band Scale Rs. 9000-40500 with Grade Pay Rs. 4400 or more.

Study Period: New pension system (NPS) is implemented with effect from 1st January, 2004 for the employees of Central Government and several State Governments also implement the new system as per their date of notification. The relevant data of the pension benefits are collected for the period of 5 accounting years (2004-2005 to 2008-09) i.e. after the introduction of NPS.

Hypothesis:

H0: There is no significant difference in the pension benefits of the Group A government employees of India and Chile.

H1: There is significant difference in the pension benefits of the Group 'A' government employees of India and Chile.

Tools for Data Analysis

For analysis of data, some descriptive statistical methods as mean, standard deviation, coefficient of variation are used. For determining statistical significance of the pension benefits under the Old Pension Scheme and the New Pension Scheme¹ statistic is computed as follows:

$$T = x1 - x2/SE(x1 - x2)$$

Where x1 = means pension benefit under old pension scheme

X2 = mean pension benefit of new pension scheme

SE(x1 - x2) = standard error of (x1 - x2)

The study is based on the following assumptions:

- Contribution @ 10% of Basic and Dearness allowance is considered for the contribution to the pension fund. In India, only employer's contribution to the fund is considered.
- The employee will retire after completion of 33 years of service. In case of early retirement, he/she is eligible to get full pension after completion of 20 years of service.
- The employee will retire after enjoying the 3rd promotion in 8-16-25 year under Career Advancement Scheme.
- Salary, terms and conditions of service of the employees of Chile are assumed to be same of the government employees of India.
- The employee would be able to earn a return on an average of 8% on the amount credited in Individual Retirement Account (IRA) during the service life and also on an annuity after retirement.
- Accumulated pension wealth of the Individual Retirement Account will be used to purchase annuity to get monthly pension

Table 1 Pension Benefits Under NPS in India, GROUP-A

Service Year	DATE OF JOINING					Average
	1.4.2004	1.4.2005	1.4.2006	1.4.2007	1.4.2008	
20	15973	17167	18261	19394	20581	18275
21	18143	19469	20677	21926	23234	20680
22	20541	22010	23341	24717	26157	23353
23	23187	24812	26277	27790	29373	26288
24	26104	27897	29508	31171	32907	29517
25	29314	31292	33060	34885	36789	33068
26	32876	35055	36995	38996	41083	37001
27	36800	39196	41325	43517	45802	41328
28	41109	43746	46074	48474	50973	46075
29	45836	48732	51280	53904	56636	51278
30	51019	54196	56982	59850	62833	56976
31	56897	60179	63222	66354	69610	63212
32	62912	66725	70048	73465	77017	70033
33	69712	73885	77509	81236	85108	77480

Table 2 Pension Benefits in Chile, GROUP - A

Service Year	DATE OF JOINING					Average
	1.4.2004	1.4.2005	1.4.2006	1.4.2007	1.4.2008	
20	9406	10425	11335	12318	13383	11291
21	11037	12112	13166	14303	15541	13232
22	12804	14050	15271	16590	18026	15346
23	14834	16277	17692	19222	20890	17783
24	17167	18839	20479	22226	24194	20587
25	19848	21786	23692	25758	28010	23818
26	22960	25199	27410	29812	32427	27561
27	26527	29138	31710	34506	37566	31889
28	30551	33686	36679	39937	43508	36892
29	35412	38940	42427	46229	50400	42682
30	40911	45019	49085	53525	58403	49389
31	47272	52058	56875	61996	67707	57158
32	54508	60219	65708	71544	78338	66202
33	63178	69694	76187	83308	91163	76706

Table 3 Calculation of Value

Items	Gr. A
Mean difference	7424.1
Variance	385283315
Standard Error	3757.29
t value	1.976

At 5% level of significance, t=2.06 for 26 degree of freedom

FINDINGS AND CONCLUSION

Table 2 shows the pension benefits of the government employees of Group A in India. It is observed from the table that under the new pension scheme has been increased by 4.25 times group A employee in the range of service period of 20 to 33 years. Table 3 shows the pension benefits of the government employees of Group A in Chile and we find that the pension benefit is increased by 6.7 times in the service length of 20-33 years irrespective of the date of joining. It is also observed that average pension benefit in India in case of early retirement (before completion of service period of 33 years) is more than the average pension benefit of Chile and retirement after rendering service of 33 years pension of the two countries are almost equal. However, expected pension of the employees joining the service in the year 01.04.2004 and 01.04.2005 in India is more than the expected pension of employees in Chile.

Since the t value (1.976) does not exceed the 2.06 at 5% level of significance, we can conclude that there is no significant difference between the pension benefits of Government employees of Group A in India and Chile. We observed that amount of pension is not guaranteed rather it depends on the pension wealth of the individual retirement account of the employees. As pension is the most important

source of income after retirement, security of the pension fund and return from the fund is a critical issue. Hence, the selection of Pension Fund managers and the investment restrictions need to be handled carefully. In Chile, employees are able to get minimum pension if the accumulated pension wealth falls short to accrue the minimum amount after retirement. In India, provision of minimum pension should be inserted in the New Pension System. The reporting system of New Pension System should be transparent and published time to time (quarterly or half yearly) so that the employees may exercise switch options if the Pension Fund managers fail to meet their expectations.

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Human Resource Accounting-Issues and Challenges in the Globalized World

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Abstract : Human resource is the most vital part of any organization, as it makes sure there exists a symbiosis between financial and all other physical resources towards the achievement of organizational objectives and goals. Conventionally, financial assets are accounted in the books of accounts as per the general principles of accounting, but do not count the human asset. Although many efforts have been made by many thinkers in this arena, a proper/appropriate and fully validated model of performance based on accounting in the Indian context is not yet available. The past few decades have witnessed a global transition from manufacturing to service based economies. Though, Human Resource Accounting (HRA) was introduced way back in 1980s, it started gaining popularity in India recently. In order to estimate and project the worth of the human capital, it is necessary that some method of quantifying the worth of the knowledge, motivation, skill, and contribution of the human elements as well as that of organizational processes, like recruitment, selection, training, etc which are used to build and support these human aspects, is properly developed. HRA denotes this process of quantification/measurement of Human Resources. The physical assets like land, building, plant and machinery are recorded in the books of accounts at their purchase price. Now, depreciation on these assets is considered as the cost for the particular year and debited to profit and loss accounts and the remaining balance is shown in the balance sheet as written down value of the assets. Hence, on similar lines the human resources should also be evaluated, recorded in the books, operated and disclosed in the financial statements. The paper aims to examine the issues and challenges pertaining to HRA practices and to give suggestions to make it more rational.

Key words : Globalization, Physical Assets, Human Resources Accounting (HRA)

INTRODUCTION

Even though many efforts have been made by thinkers in this field, a suitable and fully validated model of performance based accounting in the Indian context is not available. The past few decades have witnessed global transition from manufacturing to service based economies. Human resource accounting is of recent origin and is struggling for acceptance. Human resource is the vital input of any organization in this era of globalization, as it pulls on

all other physical and financial assets/resources towards the achievement of organizational goals. Conveniently financial assets are accounted in the books of accounts as per the general principles of accounting except human asset. Though Human Resources Accounting (HRA) was introduced way back in the 1980s, it started gaining popularity in India recently. In order to estimate and project the worth of the human capital, it is necessary that some method of quantifying the worth of the knowledge, motivation, skill and contribution of the human

elements as well as that of the organizational processes like recruitment, selection, training, etc which are used to build and support these human aspects is developed.

Globalization means, "Integration of business activities across geographical and organizational boundaries. It is the capacity to treat the world as one market while... dealing with many culturally diverse merchants. It is a process by which markets expands to include competitors for customers and productive inputs without regard to national boundaries"

Physical assets are such as land, building, plant and machinery. It is recorded in the books of accounts at their purchase price. Depreciation of these assets are considered as the cost for the particular year and debited to profit and loss accounts and the remaining balance is shown in the balance sheet as written down value of the assets. Hence, on similar lines the human resources should also be evaluated, recorded in the books, operated and disclosed in the financial statements.

Human Resource Accounting is a process of identifying and measuring data about human resource and communicating this information to interested parties. Therefore, it is an attempt to identify and report investment made in resources of an organization that are not presently accounted for under conventional accounting practices. Moreover, human resource accounting helps to measure the value of employees, which helps the management take vital decisions related to human resources in order to increase production. It requires the measurement of the performances of an organization and the optimum use of the resources under the direct and indirect control. Hence, the overall valuation is important for decision-making in order to achieve the organizational objectives and improve the output.

RESEARCH METHODOLOGY OF THE STUDY

Human resource accounting identifies, quantifies and reports the amount of expenditure incurred and the capital employed to recruit, train and familiarize and develop the human resources. So, the objectives of this paper are to:

- To study the Human Resources accounting practices
- To identify the issues and challenges
- To examine the issues and challenges
- To give suggestions based on the findings of the study

The current accounting system is not able to provide the actual value of employees' capabilities and knowledge. This indirectly affects future investments of a company, as each year, the cost on human resource development and recruitment increases. The human resource accounting system generates information on various aspects of human resources (such as acquisition, development, allocation, utilization and replacement) in the same manner the financial accounting system is for physical assets. So, it also measures the value of human resources to the organization in terms of monetary units.

Approaches to Human Resource Accounting

Sir William Petty was perhaps the first person to make an attempt to signify the HR accounting in around 1691. He treated the labor as the generators of wealth. Even Adam Smith had recognized the investment on human resources. The post 1960's witnessed a significant development of business people joining hands with the academics to evolve a suitable methods to account for human resources. Consequently, a number of models or approaches have been developed and suggested for the measurement and valuation of human resources. These approaches may broadly be classified into two types:

- HR Cost Accounting (HRCA)
- HR Value Accounting (HRVA)

Now let us discuss each of the above types individually.

HR Cost Accounting (HRCA) may be defined as the measurement and reporting of the costs incurred to acquire and develop people as organizational resources. It deals with accounting for investments made by an organization to the acquisition and development of human resource as well as the replacement cost of the people presently employed.

HR Value Accounting (HRVA) is the concept based on the view that difference in present and future earnings of two similar firms is due to the difference in their human capital or assets. The economic value of the firm can be determined by obtaining the present value of future earnings. A number of valuation models have been developed for determining the present value of future earnings.

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Major Issues of Human Resource Accounting

The following are the major issues which should be considered for implementation of HR accounting. They are as follows:

1. The traditional accounting procedures, which have been practiced since long have come to stay as acceptable norms. As a result, whenever a new accounting system is developed, it is pitted against the strengths of the traditional system, which is considered to be comparatively objective and free from any bias. Similarly, in the case of HR accounting also, it is argued that it lacks symmetry with traditional resources as it cannot be included with in the traditional definition of an asset that of a human.
2. There is little agreement concerning the procedure in accounting for human assets. There are proponents and critics of the various approaches like cost and value approaches. This factor has become responsible for the slow development of the concept of HRA.
3. The historical cost approach to develop measures of HRA uses an amortization rate, which provides the figure of amortization to be charged to the profit and loss account every year. But it is very difficult to develop norms in this regard. Physically and mentally, individuals grow and deteriorate at different rates. Some grow more capable as a result of their work experience, others do not. Given the difficulty of predicting such changes, it is even more difficult to develop a means of writing off an individual's value. So far, precise measures for amortization of human assets have not been developed.
4. In the recent past, it has been observed that the value-based measures of HRA are finding more acceptances with Flamholtz approach being progressively used. However, this approach depends heavily on the measurement of an individual's or a group's contribution to valuation. But, measurement of contribution, especially at the managerial levels, is quite a difficult task. As a result, this factor proves to be a hindrance in the development of the concept of HRA.
5. Another issue which has not been settled so far is about the rate at which the prospective stream of contribution is to be discounted or compounded to calculate its present and future value to the organization. A number of applications are available in the process.

6. If an individual is to be valued normatively, the model given by Flamholtz expects that the career path of individuals should be plotted over the span of his probable stay with the organization in the light of the current promotion, and retirement policies of the organization. But such exercise is tedious.

7. It is possible that apprehension regarding the effect of HRA on human behavior may have forced the organization to be reluctant to use this system. HR accounting may lead to alienation as the people might feel that they have been reduced to an industrial input commodity. Publicizing of human resource data could have disastrous effect on the attitudes of employees.

8. The physical assets can be owned and traded by an organization but the human assets cannot and can be only utilized in this regard. The physical assets have some realizable value of retirement but the human resources do not have any such value. They may involve payments of retrenchment, compensation, gratuity and other benefits. Human resources is an appreciating asset since manpower improves with time, with due regard to their ageing constraint, but for physical asset its increasing value at the time of its installation, starts immediately depreciating.

The Challenges of Human Resource Accounting

1. The ownership of human resources is practically impossible, therefore, it cannot be considered at par with other assets.
2. The measurement of Human Resource is subjective as different firms will use different methods for this purpose. Till date there is no model for valuation of Human Assets, which is widely acceptable and used worldwide.
3. It is not economical for small business units as it involves heavy costs if the firms desire to install the HR accounting package in their organization.
4. The concept of human resource accounting is not recognized by Tax authorities and therefore, it has only academic utility. If the accounting standards board makes it mandatory to disclose the values of Human

capital or Human Assets, then only the Direct or Indirect Tax Authorities will take into concern of HR Accounting.

5. There are a number of specific objective procedures for the selection of the factors to be included in the valuation of human resources. Therefore the subjective approach of the value in their regard makes it less reliable.
6. Employees and unions may not like the idea, because HRA may lead to division among the ranks of employees. A group of employees may be valued lower than their real worth owing to reasons beyond the control of management. The employees may resist the idea of being treated like second class citizens, despite their contribution over a period of term.
7. There is no empirical evidence to support the idea that HRA is an effective management of human resource.
8. Measuring intellectual capital –
 1. Keep it simple
 2. Measure what is strategically important
 3. Measure activities that produce intellectual wealth

Measuring of intellectual can help managers and investors by providing more accurate estimate of true value of the company than would a single accounting of its physical holdings.

1. Put people on Balance Sheet – "Every country, every company, and every individual depends increasingly on knowledge-patents, processes, skills, and technologies, information about customers and suppliers and experience". This has brought up a new way of strategic thinking about "how to put people on the balance sheet".
2. Intellectual Capital: Traditional financial statements are less illuminating with respect to the assets that create wealth than they were in the past. Intangible assets such as brand names, intellectual capital, patents, copyrights and expenditures for research and development now generate an increasing amount of wealth for firms. "Soft" assets are not recognized in financial statements.

Valuation Models

The basis of valuation is quite complicated. It requires use of assumptions regarding probable stay

of the employee with the firm at different stages of his service. Three important models have been developed in this regard.

1. Lev and Schwartz Model : It is based on the assumption that the employee will stay with the firm till retirement.
2. Eric Flamholtz Model : It is based on the assumption and the probability of expected stay with the firm at different stages of services of each employee.
3. Jaggi-Lau's Model : This model introduces "Group" as the basis of such calculation based on historical data regarding employee turnover patterns.

Practices and Perceptions

It is true that worldwide, knowledge has become the key determinant for economic and business success but Indian companies focus on 'Return on Investment' (ROT), with very few concrete steps being taken to track 'Return on Knowledge'.

What is needed is measurement of abilities of all employees in a company, at every level, to produce value from their knowledge and capability. "Human Resource Accounting (HRA) is basically an information system that tells management what changes are occurring over time to the human resources of the business. HRA also involves accounting for investment in people and their replacement costs, and also the economic value of people in an organization", says P.K. Gupta, the director of strategic development-intercontinental operations of Legato Systems, India. The current accounting system is not able to provide the actual value of employee capabilities and knowledge. This indirectly affects future investments of the company, as each year the cost on human resource development and recruitment increases.

In the financial year 1995-96, Infosys became the first software company to value the human resources in India. The company used the Lev & Schwartz model and valued its human resource assets at Rs 1.86 billion. Infosys had always given utmost importance to the role of employees in contributing to the company's success. Analysts felt that human resource accounting (HRA) was a step further in Infosys' focus on its employees. Narayana Murthy, the then Chairman and Managing Director of Infosys, said: "Comparing this figure over the years

will tell us whether the value of our human resources is appreciating or not. For a knowledge intensive company like ours, that is vital information".

The benefits of adopting HRA were manifold. It helps an organization to take managerial decisions based on the availability and the necessity of human resources. When the human resources were quantified, it gave investors and other stakeholders' true insights into the organization and its future potential. Proper valuation of human resources helped organizations to eliminate the negative effects of redundant labor. This, in turn, helped them to channelize skills, talents, knowledge and experience of their employees more efficiently. By adopting and implementing HRA in an organization, the following important information could be obtained:

1. Cost per employee
2. Human Capital Investment Ratio
3. The amount of wealth created by each employee
4. The profit created by each employee
5. The ratio of salary paid to the total revenue generated
6. Average salary of each employee
7. Employee absenteeism rates
8. Employee turnover rate and retention rate

The concept of HRM was not new in India. HRA was pioneered by the public sector companies like Bharat Heavy Electrical Ltd. (BHEL) and Steel Authority of India (SAIL) way back in the 1970s. However, the concept did not gain much popularity and acceptance during that time. The ICAI has so far not formulated any specific accounting standard on measurement and reporting of cost and value of HR. The Indian Companies Act, 1956, also has not explicitly provided for disclosure of HR values in the financial statements of the companies. In spite of an absolute unfavorable environment in India in the method of introducing the reporting on HRA, some of the Public Limited companies are following the HR Accounting practices now in India. The Lev and Schwartz model was the most popular and adopted with a little modifications by some Indian companies. However, companies like SAIL adopted Flamholtz's replacement cost model.

CONCLUSION

This is an era of globalization and cost cuts, therefore, HRA would give an organization a correct

educator

vision towards the way forward. In the ultimate analysis it must be said that the concept HRA has been appreciated by the accounting profession and by and large its usefulness has also been acclaimed in the literature but unfortunately, its application has not flourished throughout the world. The International Accounting Standards Board (IASB), and the Accounting Standards Board (ASB), have not been able to formulate any specific accounting standards on measurement and reporting of cost and value of HR of an organization. Hence, considering the paramount importance of HRA, proper initiation should be taken by the Government as well as Professional Boards at the National and International levels in respect of formulation of specific accounting standard and suitable valuation models on the measurement and reporting of the value of HR.

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Implication of Reward and Recognition on Employee's Satisfaction: An Empirical Analysis

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Abstract: Job satisfaction is one of the most important and significant variables in organizational behavior and in work organizations. It is the general attitude of an employee to the job. The higher the job satisfaction, the more likely workers will hold a positive attitude toward their jobs and are more likely to be committed to the organization. Similarly, workers with higher level of job satisfaction would display a decreased propensity to search for a job and decreased propensity to leave the organization. In the same way, employees who perceive their needs as unmet grow in general dissatisfaction and become increasingly attracted to competing places of employment and often result in voluntary termination and organizational turnover. As a result, job satisfaction has been described as a complicated and multi-faceted construct. This is because individuals differ in the way they perceive satisfaction. The most accepted and common facets of job satisfaction are the satisfactions with pay, promotion opportunities, coworkers, supervision, and the work itself. These five job facets typically account for a substantial amount of the variance in overall job satisfaction. The aim of this study is to investigate whether rewards and recognition has an impact on employee motivation.

Key Words: HRM, Motivation, Satisfaction

INTRODUCTION

Increasingly, organisations are realizing that they have to establish an equitable balance between the employee's contribution to the organisation and the organization's contribution to the employee. Establishing this balance is one of the main reasons to reward and recognize employees. Organisations that follow a strategic approach to creating this balance focus on the three main components of a reward system, which includes, compensation, benefits and recognition. Studies that have been conducted on the topic indicates that the most common problem in organisations today is that they miss the important component of recognition, which is the low-cost, high-return ingredient to a well-balanced reward system. A key focus of recognition

is to make employees feel appreciated and valued. Research has proven that employees who get recognized tend to have higher self-esteem, more confidence, more willingness to take on new challenges and more eagerness to be innovative. A biographical and Work Motivation Questionnaire was administered to respondents. The sample group (N=150) consists of male and female employees working in educational institutions of Bhiwani District. The results of the research indicated that there is a positive relationship between rewards, recognition and motivation. The results also revealed that women and employees from non-white racial backgrounds experienced lower levels of rewards, recognition and motivation. Future research on the latter issues could yield interesting insights into the different factors that motivate employees. Notwithstanding the insights

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derived from the current research, results need to be interpreted with caution since a convenience sample was used, thereby restricting the generalisability to the wider population.

2. LITERATURE REVIEW

Many of the studies focus on the effects of rewards on task interest and performance and are found in the literature concerned with motivation, both intrinsic and extrinsic motivation. In intrinsically motivated behavior there is no reward except with the task itself. Reward and recognition programmes come within the discussion on extrinsically motivated behavior that occurs when an activity is rewarded by incentives not inherent in the task (Deci, 1971). Many contemporary authors have also defined the concept of motivation. Motivation has been defined as: the psychological process that gives behavior purpose and direction (Kreitner, 1995); a tendency to behave in a purposive method to achieve specific, unmet desires (Buford, Bedeian, & Lindner, 1995); an inner force to gratify an unsatisfied need (Higgins, 1994); and the will to accomplish (Bedeian, 1993). For this paper, motivation is operationally defined as the inner force that drives individuals to achieve personal and organizational goals.

Understanding what motivates employees is one of the key challenges for managers. Although it is not possible directly to motivate others, it is nonetheless important to know how to influence what others are motivated to do, with the overall aim of having employees identify their own welfare with that of the organization (Bruce and Peppone, 1999). In general terms rewards programmes come within the overall concept of compensation strategies which are defined as the "deliberate utilization of the pay system as an essential integrating mechanism through which the efforts of various sub-units or individuals are directed towards the achievement of an organization's strategic objectives" (Gomez-Mejia and Balkin, 1992). They are management tools that hopefully contribute to a firm's effectiveness by influencing individual or group behavior (Lawler and Cohen, 1992). All businesses use pay, promotion, bonuses or other types of rewards to encourage high levels of performance (Cameron and Pierce, 1977).

At a minimum, employees expect the organization to provide fair pay, safe working conditions, and fair treatment. Like management, employees often expect more, depending on the strength of their needs for security, status, involvement, challenge, power, and responsibility. Just how ambitious the expectations of each party are vary from organization to organization. For understanding of employee motivation is required (Beer et al., 1984). Carnegie (1975) emphasizes the human aspects of management. They postulate that as it is people who make a business succeed or failure. It is the organization's chief responsibility to motivate their people so that they will assure success. The authors believe that each human being has the potential for creativity and for achieving goals. The infinite question is how organizations reach this potential and how they stimulate creativity and foster in their people the desire to succeed and to achieve self fulfillment through their work. The common theme of the above authors is the belief that people need to be respected and treated as precious human capital, more essential to an organization's effectiveness than its financial capital. People are now seen as the primary source of a company's competitive advantage. Therefore, the way people are treated increasingly determines whether an organization will prosper or even survive (Lawler, 2003). Organizations are under constant pressure to enhance and improve their performance and are realizing that an interdependent relationship exists between organizational performance and employee performances. In the following section the focus will be on the motivational theories and the impact that these theories have on enhancing employee performance.

3. METHODOLOGY

The sample study used tells the variability and reliability of the biographical data of the respondents. The procedure used to gather data is the hypotheses and the statistical techniques used to analyze the data. For the purpose of this study a quantitative methodology was followed and a questionnaire was used as the measuring instrument. The data gathering techniques used included a biographical questionnaire.

Biographical Questionnaire

The biographical questionnaire was a self-developed questionnaire that incorporated the following personal information of the respondents, education, gender, home language, age, race, job classification, marital status, job grade and tenure, and qualifications.

Work Satisfaction and Motivation Questionnaire

The questionnaire consisted of nine dimensions that impact employee satisfaction and motivation.

3.4 The Nine Dimensions of the Questionnaire

1. **Working conditions** were probed as the fifth factor and looked at opportunity to mix with colleagues and interpersonal relations.
2. **Payment** probed respondents' satisfaction with their salaries.
3. **Promotion** probed for the opportunity that the organization offers for promotion.
4. **Personal** probed the respondents' feelings towards their job.
5. **Recognition** probed whether the respondent was receiving the recognition and feedback for the jobs they perform.
6. **Benefits** looked at whether the benefits such as pension, medical schemes and leave were satisfactory.
7. **Work content** probed the respondents' feelings about the type of work they do.
8. **Leadership or supervision** probed the level of satisfaction with the manager.
9. **General** probed if the respondents' had considered alternative employment, and hence their level of satisfaction with the organization.

4. RELIABILITY AND VALIDITY OF THE QUESTIONNAIRE

"Reliability refers to the consistency or dependability of a measuring instrument. Validity, on the other hand, refers to the extent to which a measurement procedure actually measures what it

is intended to measure rather than measuring something else, or nothing at all" (Leary, 2004, p. 69). De Beer (1987) conducted an item analysis to evaluate the inter-item consistency of the Work Motivation and Satisfaction Questionnaire. This provides an indication of the consistency of responses to all the items delineated in a measuring instrument.

The Cronbach-Alpha reliability coefficients for the subsections of the Work Satisfaction and Motivation are as follows: Work content ($r = 0.78$), payment ($r = 0.86$), promotion ($r = 0.84$), recognition ($r = 0.90$), working conditions ($r = 0.77$), benefits ($r = 0.84$), my leader/supervisor ($r = 0.72$), general ($r = 0.75$).

Prinsloo (1996) determined the internal consistency of the Work Motivation and Satisfaction Questionnaire by computing the coefficient alphas, conducting an item analysis and factor analysis. Prinsloo (1996) reported a coefficient alpha that is consistently high, ranging from .82 to .93, with a median of .90 for the instrument. The results of the item analysis also indicated that each item had a positive correlation with the total score for the Work Motivation and Satisfaction Questionnaire, with the average correlations ranging from a low of .42 to .74, with median correlation of .64. This suggests that the 43 items of the Work Motivation and Satisfaction Questionnaire are relatively homogenous with respect to the underlying attitude construct they measure (Prinsloo, 1996).

Similarly, the results of the factor analysis corroborate findings indicating that the items are measuring a single common underlying construct (Prinsloo, 1996). According to Prinsloo (1996), the reliability of this instrument is determined with the aid of the SPSSX-programme in conjunction with Cronbach coefficient-alpha. The calculated coefficient-alpha is 0.82, which suggests strong positive item homogeneity in this measuring instrument. This signifies as an indication of test reliability.

Procedure and Statistical Methods

150 questionnaires were distributed among the employees out of whom 120 were responded appropriately giving an 80% response which is acceptable to make this study rigorous and generalizable. The obtained data is analyzed through

Statistical Package for Social Sciences (SPSS) version 20. The statistical methods involved those of descriptive (mean and standard deviation) and inferential statistics (Pearson Correlation) for the predictors of motivation and satisfaction of employees.

5 RESULTS

Table 1 : Descriptive statistics for the dimensions of work motivation and satisfaction

Variable	Mean	Standard Deviation
Work Content	1.53	.69
Payment	2.57	.65
Promotion	2.10	.62
Recognition	2.86	.62
Working Conditions	1.34	.72
Benefits	1.86	.63
Personal	1.23	.64
Leader/Supervisor	1.42	.69
General	1.32	.54

Where high variables correspond to high motivation. With respect to the dimensions of work motivation assessed by the work motivation and satisfaction questionnaire, Table 1 indicates that the means for the work content, payment, promotion, recognition, working conditions, benefits, personal, leader/supervisor and general ranged from a low of 1.23 to a high of 2.86. It therefore appears that staff in the sample is relatively motivated; however, the mean values for payment, promotion, recognition and benefits were the lowest. These mean values indicate the areas that employees were most likely to be de motivated and dissatisfied Table 1 thus shows that staff in the sample is most likely to be motivated due to their working conditions, personal and general dimensions. They are least motivated by the payment they receive and recognition as determined by the Work Motivation and Satisfaction Questionnaire.

Table 2 : Dimension Correlations rewards and satisfaction

Work Motivation and Satisfaction		
Variable	Pearson correlation	Significance (2-tailed)
Work Content	0.67**	0.000
Payment	0.85**	0.000

		educator
Promotion	0.72**	0.000
Recognition	0.91**	0.000
Working Conditions	0.62**	0.000
Benefits	0.65**	0.000
Personal	0.37*	0.000
Leader/Supervisor	0.32*	0.000
General	0.33*	0.023
		0.005

*Correlation is significant at the 0.05 level (2-tailed)

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

The results indicate that work content correlates significantly with work motivation and satisfaction ($r = 0.67, p < 0.01$). This supports the hypothesis that there is a significant relationship between work content and work motivation and satisfaction. A payment and work motivation and satisfaction. A significant correlation is shown to exist between work motivation and satisfaction. There was also a significant relationship between promotion and work motivation and satisfaction ($r = 0.72, p < 0.01$). Hence, this supports the hypothesis that promotion opportunities are significantly related to work motivation and satisfaction. A significant correlation also exists between recognition and work motivation and satisfaction ($r = 0.91, p < 0.01$), supporting that recognition is significant in explaining the variance in work motivation and satisfaction. There was a significant relationship between working conditions and work motivation and satisfaction ($r = 0.62, p < 0.01$). Hence, the hypothesis that there is a relationship between working conditions and work motivation and satisfaction is supported. There was a significant relationship between benefits and work motivation and satisfaction ($r = 0.65, p < 0.01$), supporting the hypothesis that benefits are significant in explaining work motivation and satisfaction. A significant correlation was found to exist between the dimension of personal and work motivation and satisfaction ($r = 0.37, p < 0.05$). There was a significant relationship between leader/supervisor and work motivation and satisfaction ($r = 0.32, p < 0.05$) as well as between general and work motivation and satisfaction ($r = 0.33, p < 0.05$). The results indicate that for the interco relation matrix exploring the relationship between the dimensions of the Work Satisfaction and Motivation Questionnaire, that all the

coefficients were positive. The results depicted in Table indicate that there is a significant statistical relationship between the dimensions of work motivation and satisfaction. Accordingly, the null hypothesis is rejected.

Table 3 : The relationship between rewards, recognition and work motivation and satisfaction

Work satisfaction and Motivation	
Rewards	0.87**
Recognition	0.91**

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

There is a statistically significant, direct and positive relationship between rewards and work satisfaction and motivation ($r = 0.87, p < 0.01$). Hence, if rewards offered to employees were to be altered, then there would be a corresponding change in work motivation and satisfaction. The coefficient of determination, ($R^2 = 0.74$), implies that 74% of the variation in work motivation and satisfaction of the sample can be attributed to rewards received, which implies that the remaining 26% can be explained by other factors not considered. The results indicate that there is a statistically significant, direct and positive relationship between recognition and work satisfaction and motivation ($r = 0.91, p < 0.01$). This implies that if the recognition accorded to employees were to change, there would be a change in work motivation and satisfaction. The coefficient of determination, ($R^2 = 0.80$), implies that 80% of the variation in work motivation and satisfaction of the sample can be attributed to recognition, while the remaining 40% can be attributed to other variables which were not explored in the current research.

Multiple Regression Analysis

On the basis of the results obtained indicating a direct positive relationship between the dimensions of work satisfaction and motivation, all the dimensions of the instrument were assessed using multiple regression analysis to ascertain the extent to which they explain the variance in work satisfaction and motivation.

Table 4 : Stepwise Regression; Dependent variable (work motivation and satisfaction)

Multiple Regression	0.53942		
R squared (R^2)	0.84276		
R squared (Adjusted R^2)	0.71404		
Standard error	3.43232	F=16.59	Sig.F=0.000**
Variables in the equation			
	B	SE for B	T
Work Content	-2.9646	1.1857	2.36
Payment	-1.5234	0.2863	5.32
Promotion	-0.6828	0.2502	3.95
Recognition	-2.6846	1.1857	2.48
Working conditions	-1.2534	0.2863	1.34
Benefits	-0.5856	0.2903	1.65
Personal	-3.5535	0.1452	1.79
Leader/Supervisor	-2.2338	1.7683	1.43
General	-2.1045	0.1564	1.33

The results shown in Table 4 indicate a relatively high percentage of the variation in work motivation and satisfaction can be explained by the variables entered in the equation ($R^2 = 84.27\%$; R^2 (adjusted) = 71.4%). Thus 71% of the variance in work motivation and satisfaction can be explained by work content, payment, promotion, recognition, working conditions, benefits, personal, leader/supervisor and general dimensions. The F-ratio of 16.59 ($p < 0.01$) indicates the regression of work motivation and satisfaction on the dimensions assessed, expressed through the adjusted squared multiple (R^2 (adj.) = 71.40%) is statistically significant. Hence the null hypothesis is rejected. These variables account for 71% of the variance in work motivation and satisfaction. This finding suggests that other unexplored variables could account for the other variance in work motivation and satisfaction.

6. RECOMMENDATIONS FOR FUTURE RESEARCH

Current literature on rewards and recognition has not sufficiently dealt with the issues of diversity and the impact that it could have on the motivation and satisfaction levels of different people. Therefore, further research on the impact of reward and

recognition on motivation and satisfaction for diverse groups of people could be beneficial to organizations. Research should focus on the broad spectrum of diversity categories including, race, gender, disability, etc., but apart from race and gender, factors such as age and tenure should also be investigated. The results of such studies could yield some interesting findings and could also significantly impact the delivery of meaningful rewards and recognition to diverse groups of people. According to La Motta (1985, p. 6), "motivation is simply the reason individuals have for doing the things they do when and how they do them." In day-to-day society many different things motivate people, and that which motivates one person may not necessarily motivate another. This supports the view that a "one size fits all" approach to rewards and recognition will not be sufficient to motivate people who are inherently different, due to their personality characteristics, but also due to cultural characteristics. Further studies could also incorporate qualitative research as the present study only used quantitative research methodology.

7. CONCLUSION AND RECOMMENDATION

This chapter has focused on the presentation of results achieved in this study. Pearson's product moment correlation was used to indicate relationships and differences in the dimensions of work motivation and satisfaction based on the sample used in the study and more specifically to indicate differences in rewards and recognition (as components within the work satisfaction and motivation questionnaire). The results in reflect that there is a statistically significant relationship between reward and recognition respectively, and motivation and satisfaction. The study revealed that if rewards or recognition offered to employees were to be altered, then there would be a corresponding change in work motivation and

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satisfaction. The results of this study also indicated that employees were less motivated by rewards and recognition than some of the other dimensions of the Work Satisfaction and Motivation Questionnaire. By implication, this means that if more focus is placed on rewards and recognition, it could have a resultant positive impact on motivation and thus result in higher levels of job performance. Given the case study nature of this investigation, results of findings may be specific only to the Operation business unit and may not be generalized to the other business units within the organization, or to other similar business units outside of the organization. However, the study to revisit its current reward and recognition programmes and in particular focus on addressing the needs of diverse groups of people within the business unit.

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Campus Placements: What Students Want and What Companies Seek? A Case Study Based on Primary Survey Data

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Abstract : The present paper looks at why some companies prefer campus placements and others don't. It also looks at the expectations students have from the companies. These expectations determine whether students choose to work or study after graduation. Data for a sample of 196 firms located in the National Capital Region and for 738 students of various colleges of Delhi University has been collected. The findings based on both the surveys show that the companies find the students lacking in work-related, communication and IT skills, lack internship or work experience and course curricula are not updated on time. On the other hand the students feel that the University does not prepare them well enough to make them employable immediately after graduation. Moreover the college and the University placement cells fail to fulfill the expectations of students by inviting good companies which would promise them a good start and growth in their career or pay them well. Analyzing by course, we find that a larger proportion of students belonging to Economics (Hons) prefer to study while those of BMS, B. Com (H) and B. A. Vocational Course prefer to work. It follows from this analysis that the University must improve its courses and impart vocational or work-related, communication and IT skills along with a compulsory internship programme as part of the degree requirement. This revamping of courses must take into account the specific requirements of each course. Students must also upgrade their subject knowledge and improve their academic performance. The working of the placement cells needs to be energized to ensure realisation of these objectives. The companies must connect with the University students by visiting colleges and showcasing the opportunities they can offer to students. They must sponsor training and education programmes for the fresh graduates they recruit. This way the mismatch, between what students want and what companies seek, can be bridged.

INTRODUCTION

Campus placements play an important role in providing the much needed entry into employment for fresh graduates. The chances of finding suitable work otherwise are limited as these students having no work experience. Moreover if students want to enroll for a Master's in Business Administration (MBA) which in most Universities and Institutes requires a mandatory one or two year work experience campus placements provide that opportunity to the graduates. Campus placements involve the coming of various companies, both big and small, on campus, looking

for fresh and raw talent, with all the energy and will to learn new things. They are not paid very high rates and can be trained and moulded according to the ways of a particular firm. The advantages to the firms are also significant. Instead of hiring very senior and experienced people for simple and routine jobs they can hire these young, energetic people with a will to perform. For students, placement after their graduation is of prime concern in that most often nowadays the choice of the institution and its reputation, at the time of taking admission, is governed by the institution's success in placing its graduates in various jobs.

This paper presents the preliminary findings of a survey conducted by the team of three teachers and ten students as part of the Innovation Project of the University of Delhi for 2015-16. The survey, based on two questionnaires, one filled by students and the other filled by companies, studies the expectations of the students and of the companies from the process of placements facilitated by their placement cell. This has implications for redefining the role of a college placement cell in particular and a wider implication at the university level for redesigning university curriculum and course structure to increase the employability of students.

The motivation behind the study is to find answers to the following questions - What motivates firms to go to university/college campus and other higher education institutions to recruit these graduates? Does the University curriculum fulfill the needs and expectations of the companies when they recruit new graduates? Is there a need for improvement in the quality and skill sets of graduates and the curriculum they go through to meet industry requirements? What do prospective employees or students look for in their new employment? How important is the name of their employer? What factors influence the decision to work rather than go in for higher education after graduation? As a conduit between the students and the companies, do the placement cells in colleges or the Central Placement Cell have an important role to play? Especially in the context of changing business environment in the period of globalisation, both, the needs of the companies and the expectations of the students, have undergone a change and are evolving very fast. Then does this imply that there exists a mismatch between what students want and what companies seek? In this dynamic context how can the mismatch between what universities prepare in their students and what companies seek in their new recruits be bridged?

Thus the paper contributes to our understanding of - why our graduates are not employable? It points towards the limitations of the course curricula, inefficiency of the way placement cells work and the poor skill-set of students. This has implications for redefining the role and significance of the placement cell on campus to overcome the existing ad-hocism and poor management of the process of placements in most colleges lacking significantly in infrastructure and hospitality towards companies. Further, for the

University, it underlines the need to revise course structures with a greater regard for employability. However there has to be a course-specific approach with a bottoms-up feedback rather than a blanket one-size-fits-all prescription. For the companies the study suggests a greater connect with the institutions of higher education with better pay packets, job security, stability and an environment conducive to the individuals' growth and creativity. This way they attract talent and reduce employee turnover which affects their productivity in the long term.

The paper is organized as follows. The next section reviews the literature on placements. Section III discusses the data and methodology and the questions. The following section presents the main findings of the students' and the companies' surveys. The last section concludes. Appendix A contains the two questionnaires used for the survey.

REVIEW OF LITERATURE AND THE AIM OF THE STUDY

Review of Literature

Conducting a study on the efficacy of the placement cell functioning on the campuses of colleges, Universities and other higher education institutions has been proved to be an imperative need for a while. Research shows that similar studies have been conducted for foreign and Indian colleges along with Universities and educational institutions on the factors which determine campus placement.

Surveys conducted in Ireland, the UK, the US, Australia and at European countries have been helpful in measuring the skills which employers require in new graduates. The key studies have been conducted ACER (2000), CBI (2011), European Commission (2010), Grad Ireland (2011), The Higher Education Authority and Forfás (2007), IBEC (2010, 2012), The Conference Board (2009). Other reports referred to are Bsu and Sengupta (2014) and Chhabra (2015).

All studies emphasize three key investigations.

- Firstly, they are trying to find out what kind of skills and qualifications are required by the companies while hiring college graduates.
- Secondly, they aim to highlight the extent

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to which graduates are in possession of these skills by monitoring and examining employers' satisfaction with the graduates whom they have hired.

- Thirdly, they aim to identify ways and means to develop the skills required by employers.

The recommendations to inform education policy and strategies to develop better links between education and employment are also highlighted here.

The surveys looked at certain significant themes and patterns which were similar in more ways than one.

- Supply and demand: It is important to note that all of these surveys emphasize on the skills and qualifications needed by the employers and whether the graduates who are passing out and being hired are in possession of these skills. The skills measured within the surveys include both basic quantitative and vocabulary and employability skills such as problem-solving, team-work and creativity. Foreign language is also a significant asset.
- Competency Gap: A study by Hodges and Burchell (2003) investigates the significance that employers put on past work experience for new business graduates. A 'competency gap' between how they are expected to perform and their actual performance is identified from these findings.

Nevertheless, identifying and developing the important competencies required of graduates is not an easy task for the faculty involved with the working of the curriculum. Are we aware of employers' perspective on graduate competencies? What skills do employers view as crucial and how well equipped are our graduates who enter the job market for the first time?

We can define the term competency as the skills of a particular candidate and how these are used to give an optimum performance over a period of time.

Studies by (Boem & Sparow, (1992) and Page, Wilson & Kolb, (1993)) link competencies with the individual's gradual performance potential and also show that it represents his capacity to perform in the future.

According to the above study, the top 10 ranked competencies in order are:

- Ability and willingness to learn,
- Energy and passion,
- Teamwork and cooperation,
- Interpersonal communication,
- Customer service orientation,
- Order, quality and accuracy,
- Flexibility,
- Problem solving,
- Achievement orientation
- Initiative.

It is interesting to note that out of the ten competencies rated by companies, the first eight are 'Soft skills' which are the most important grounds for employers to make their assessment.

PLACEMENT SCENARIO

However, the business schools with post-graduates are not the only places for hiring now. Top companies, in the fields of audit, consulting, IT and start-ups are targeting colleges with enticing offers, good salaries at the Shri Ram College of Commerce, St. Stephens College and Lady Shri Ram College. The big companies include McKinsey & Co., Deutsche Bank, Nomura, Boston Consulting Group, Citibank, Bain & Co., Deloitte, PwC, Credit Suisse, Ernst and Young and AT Kearney, among others. These companies seem to prefer big cities when it comes to hiring because the undergraduate students in the metropolitan cities are more aware, well-informed and many companies have their headquarters here. Earlier firms used to hire from a few campuses but now they target many more campuses.

Cause of changes in placement trend

The effects of globalization are being felt in India too and this has had an effect on the hiring patterns, by large, small and medium companies or even start-ups. The Start-ups offer bigger salaries to attract talent. However, the increasing attrition rates in big companies and the start-ups shows that the students are looking not just for fat pay packages but also opportunities for learning and growth. Working in big

firms means more learning and greater stability than taking up fat pay packet in a start-up which may shut down in a couple of years. The trends are changing with the change in the mind-set of students as well as the company heads.

Major changes in the placement trends that have emerged in the past few years are:

The Start-up Boom

The trend in the recent years has been the emergence of Start-ups, small companies working with a small group of people with an aim for better growth opportunities. However their future remains uncertain but is an exciting venture. Students work there to gain some experience before they go for their higher studies. Start-ups prefer people with all-round personalities. Extra-curricular activities, lateral thinking and leadership skills are all important while hiring.

Preference for undergraduates over MBAs

Companies prefer undergraduates over MBAs because it is easier to hire them in large numbers, train them in specific areas and then get the maximum output. They are willing to learn and adapt to the work culture. They accept lower pay packages unlike MBAs and are less rigid about their choices.

Causes of the rising attrition rate

However, hiring college graduates may lead to a higher attrition rate as students want not only stability and job security but also growth opportunities, incentives, flexible working hours and appraisals. Moreover after a couple of years of work experience they prefer to go for higher studies.

Inclination to hire from Tier II cities and towns

Companies are increasingly hiring from campuses in tier II cities and towns because the students from these places display a greater sense of sincerity and willingness to learn. The mind-set of these students is more serious and they are inclined to take up challenges in more ways than one.

Changing patterns of merit and academic parameters

Being overqualified for a job profile is an extremely common phenomenon in the corporate

sector because of academic inflation but this leads to arrogant behavior. Hence, an average student with an all-round personality is preferred to a topper. The companies are hiring more practical, and well-rounded students who are ready to work hard.

Thus, besides marks companies look at problem-solving skills, adaptability to the new environment and innovative ideas with good team spirit. During interviews candidates are made to go through hypothetical problem situations and think of appropriate solutions.

Changing Corporate profiles

There is an emergence of a new set of sectors now prefer on-campus placements. Besides the IT, business companies and accounting firms several manufacturing companies have begun to prefer on-campus placements. Private schools and TV channels have also begun to hire from college campuses.

SUMMARY OF LITERATURE SURVEY

Companies, nowadays, place a much greater emphasis on soft skills (Wright, 2015). Soft skills, also called "interpersonal" or "people skills" are important for everyday interactions with people at the workplace, and complement the technical or hard skills. They are more difficult to be taught opposed to hard skills. Davison, Brown & Davison, (1993) have noted this and our findings corroborate suggesting that employers believe graduates have unrealistic expectations of life in the business world, and are generally lacking in interpersonal skills. A good training program can help students upgrade their skills.

Today the focus has shifted from 'employment' to 'employability' and the graduates should understand that their attitude to work is as important as the work itself. As Zuboff (1988, p. 395) argued prophetically: "Learning is no longer a separate activity that occurs either before one enters the workplace or in remote classroom settings ... learning is not something that requires time out from being employed in productive activity; learning is at the heart of productive activity".

The recruitment industry and especially the recruitment process outsourcing (RPO) specialists are making use of social media and analytics to

deliver both efficiency and experience. Social media has also emerged as a sourcing channel. As increasing number of employers are hiring from tier two and tier three cities with the availability of video interviewing and online assessments. Online Assessment is a comparatively new tool to eliminate excess number of candidates applying for a job placement. Companies conduct online tests, group discussion rounds and written tests to gauge the capacity of a candidate. Recruitment through mobile phones is also becoming an integral part for companies to hire people.

Aim of our study

The role of the Placement Cell

The first institutions to have Placement Cells to provide an avenue of hiring to companies came up in the IITs and IIMs in India but now almost all higher education institutes and campuses. The Placement Cell is the medium through which the companies approach the campus, present their job profile and company profile, offer a CTC and give their requirements. The role of the placement cell is extremely crucial because more companies leads to better recruiting and higher pay packages. The placement cell comprises a faculty advisor and student coordinators who ensure the comfortable hiring process for the company. The coordinators are responsible for registering, informing and mediating between the candidates and the companies. They know the requirements of the company in advance and work accordingly. The changing trends in the placement cells have led to better technological support and easier communication, thanks to social media platforms which are an important medium of information in any campus.

Our study 'Innovating College placements: Challenges and changing dynamics with the industry' is intrinsically similar to the surveys and studies mentioned above. Our objectives are many. To initiate the process of reinventing the placement process in colleges and to study the needs of the industry regarding the student profile of University of Delhi. The study aims to provide pointers to what changes must be initiated in the way the University prepares its students for employment and if there are any lacunae they must be removed at the earliest

possible. It also brings out the main goals of the students and brings to light the factors which determine the career choices made by them.

The ten students were divided into teams of two and they spoke with students from different streams from a large sample of colleges of Delhi University about their goals in terms of college placements to find common parameters across the colleges of University of Delhi. The surveys give an insight into the needs of the student and of the company. The students have been asked whether they would like to take employment or study further and to choose the criteria for getting placement. Internships, an often neglected activity, is something that the companies consider extremely important. Communication skills, expertise in computer skills and technical knowledge are all factors which are considered important by the company while hiring a student.

There is a range of hypotheses that this study tries to address. Some of these are about the student profile, the company profile, course of study, English proficiency etc. Apart from the student, the study places an equal emphasis on the role of companies in the placement of students. What kind of skills are they looking for in the students? What are the determining factors in the hiring done by these companies? Do they always hire through placements or do they have other sources as well for instance recruiting agencies, personal contacts or any other system? The study has a distinct inter-disciplinary nature because it is relevant to all the final year students who are waiting to enter the job market.

Data and Methodology

Two surveys have been conducted to understand the expectations of the students and the companies. The aim is to inform the possible changes and improvements in the placement process at the college / University level. The students' and the companies' questionnaires were designed and revised before they were circulated. The students created a Google dot form which automatically created an Excel worksheet and helped in expediting the process. The ten students who are part of the team managed to get 738 student responses and 196 company responses. Having collected the data the next task was to clean the data and filter it to

perform a preliminary analysis in terms of descriptive and summary analysis. This includes presentation of responses of both students and firms with the help of bar graphs and pie charts which was done in MS Excel. The findings also provide a set of pointers and testable hypotheses for our econometric analysis which shall follow this case study.

Main Findings of the Survey

Data for 738 students and 196 companies was collected over a period of one month (December 2015). Sixty four percent of the 738 students are from the College of Vocational Studies and the remaining are from various colleges in Delhi University. The 196 companies belong to 14 different sectors

The largest number of firms is in the retail sector followed by miscellaneous sectors, finance, IT and e-commerce. We begin by summarising the main findings of the company survey followed by the stylised facts emerging from the student survey. Appendix A to this paper presents the company and the student questionnaires used in the survey. It's not just the students, sophisticated project management software also power the work done by placement cells. IIT-Kanpur, for example, has installed a software which monitors all calls, records those missed and alerts on the call backs. Preparations started this February and 250 recruiters have registered. IIT-Kanpur's 46-member placement team will now have to strategically decide the order in which firms get to interview talent while keeping all employers happy.

Main findings of the company survey

- The legal status of the 196 companies shows that there are 100 firms which are listed in the stock market followed by 35 firms which are start-ups.

Firm size is defined on the basis of the number of employees in a firm. In India micro firms are defined as firms with less than 5 employees, small firms are firms with the number of employees between 5 and 19 workers, medium firms have between 20 and 99 employees and large firms have 100 or more employees. That out of 196 companies surveyed 70 percent of the firms are large firms followed by 17 percent, 10 percent and 3 percent of medium, small

and micro firms respectively. Of the 137 large firms 90 firms are listed, 6 are partnership firms, 11 are private limited and 12 are start-ups. There are 34 medium firms of which 8 are listed and 4 are partnership firms while 115 are start-ups. Of the 20 small firms 5 are listed while out of 5 micro firms there are 4 start-ups and one is listed.

- Basis of promotion and gender neutrality: More than 95 percent of the firms promote their employees on the basis of merit and performance. Almost 85 percent of firms are indifferent between males and females with only 10 percent firms showing a preference for females over males.
- Sources of hiring: The importance of campus placements is reflected which presents the data on various sources of recruitment used by firms.

The largest source is off-campus (36 percent) followed by on-campus placements (25 percent). With the spread and ease of availability of IT facilities in cities and urban areas on-line sources of recruitment are also used (18 percent) along with recruitment from placement agencies (16 percent). Only 5 percent of firms rely on some other source like personal contacts or through jobbers or contractors. By firm size and the method of hiring large firms rely the most on off-campus hiring (36.5 percent) followed by on campus placements (30.7 percent). Medium firms rely the most on off campus placements (41 percent) followed by reliance on placement agencies (23.5 percent). Small firms rely the most on placement agencies (35 percent) for their manpower recruitment while micro firms rely the most on on-line sources (60 percent) and on placement agencies (20 percent). The latter two groups are short of funds and this paucity of resources forces them to rely on these impersonal sources of recruitment.

- Reasons for not visiting CVS: Companies do not consider distance or location of the college as a deterrent in the companies' decision to visit CVS. Only one company mentioned this to be the reason. However 51 percent companies stated that the availability of options of other and perhaps better colleges kept them away from CVS. Ten companies did not hire fresh graduates but 73 companies expressed their lack of

awareness about the existence of CVS as the reason for not visiting CVS. Some companies mentioned that they had never been approached by CVS. Small campus and limited number of courses at CVS also acts as a hindrance. Hence CVS not only needs to work on its strengths and make its brand value better known to increase the awareness among the prospective companies who come for placements but also consider opening up of more courses like English and Hindi Honours as there is a great demand for these in print and audio-visual media and publishing.

- Factors affecting recruitment: Eighty eight percent of total firms prefer to hire from Public/Government institutes or Universities while 56 percent firms prefer to hire graduates compared to Post-Graduates as the former are more pliable and versatile and open to training. Around 40 percent of total firms hire less than 40 percent of their employees through campus placements

More than 75 percent of the companies recruit from various courses while others are particular about the course from which they wish to recruit. When asked which is the most preferred course largest number of firms gave B. Com (H) as their first choice followed by MMRB, Computer Science, HRM, BMS and English.

Out of a list of 13 considerations which matter while recruiting graduates 34 percent firms ranked course specialisation as number one while 16 percent firms ranked each curriculum and performance in the interview as number one. Reputation of the institution, proficiency in English language, letter of recommendation and team spirit each was of foremost importance to only 3 percent of the firms. Computer and employability skills are each the most important considerations to 2 percent of the firms and extra-curricular activities and leadership qualities to one percent firms. Seven percent firms consider internships and some work experience as the most critical factor in choosing a candidate while 9 percent firms consider work related skills to be the most important factor. In response to the question of choosing only one among the above mentioned thirteen fold criteria.

That 23 percent firms look at course specialisation to be the most important factor followed by interview performance, academic qualification, work related skills and work experience. This table shows the frequency distribution of the various attributes which firms consider while recruiting.

Table 1 below presents these factors in the order of their importance and once again the role of course specialisation, interview performance, work experience/internships and work related skills are considered to be the most important. Hence firms recruit candidates who fulfill job specifications rather than being an all-rounder.

Table 1 Relative Importance of Factors Affecting Recruitment (in percent)

Factors	Very Important	Moderately Important	Not Important
Course specialisation	72	23	5
Academic qualification	63	31	6
Reputation of the institute	40	44	16
English language proficiency	57	37	6
Interview performance	83	63	1
Letter of recommendation	12	57	31
Team spirit	41	54	5
Computer skills	50	44	6
Leadership qualities	40	53	7
Extra-curricular	11	61	28
Work experience/ internship	72	26	2
Employability	57	37	6
Work related skills	74	22	4

Source: Own calculations based on the primary survey data collected for the project

- percent of the companies give lack of knowledge as the most important factor in not selecting a candidate followed by 25 percent firms who consider lack of practical application of knowledge as the biggest limitation in the employability of college graduates. Interview performance and communication skills are considered to be the most important limiting factors by 15 percent each of the total number of companies

while 5 percent firms give lack of IT skills as the most important limiting factor.

- **Training:** Eighty one percent of the firms provide specific training to the new college recruits highlighting the immediate employability of the newly inducted graduates. However only 68 percent of the companies pay their employees during the trading period. As firms are uncertain whether the new college graduates will continue to work over the long term with the companies the latter are not very keen to sponsor the future education of the new employees. Hence 72 percent firms are very clear that they would not sponsor the future education of their new employees. A very important finding of the study is that almost 72 percent firms prefer to recruit students who have done an internship or have some work experience. To 77 percent firms it matters if Universities could impart better skills to students while only 6 percent firms are indifferent as they feel that they have to necessarily provide training to new recruits.
- **Recommendations made by firms for colleges:** Almost half of the total firms feel that the Universities and colleges need to work on improving academic capabilities of students by innovating curriculum and impart training to students. Twenty-two percent firms recommend provision of better functional / vocational skills to students to improve their employability while 16 and 9 percent firms respectively recommend improvement in communication skills and IT capabilities of students. Only 4 percent firms consider college infrastructure to be critical in influencing selections Table 2 below shows the degree of importance attached to these five attributes.

Table 2 Relative Importance of Different Recommendations Made for Colleges (in percent)

Attributes	Very important	Moderately important	Not at all important
Academics / curriculum	76	21	3
Functional / Vocational skills	63	34	3
IT skills	59	35	6
Communication skills	80	17	3
Infrastructure	18	49	33

Source: Own calculations

- **Importance of internships:** The data collected points to a very important fact that most companies would prefer students who have some work experience or have done internships while pursuing their under-graduate degree. This preference very distinctly, Almost 80 percent of the firms surveyed prefer someone with either work experience or having done internships.
- **How satisfied companies are with students as prepared by Delhi University / College of Vocational Studies:** Whether the companies are satisfied with the existing levels of student calibre, skills, incumbent graduates from CVS and the speed with which the University manages to update academic curriculum to match the changing needs and requirements of the industry.
- **The responses show that Delhi University does provide satisfactory calibre in students to meet industry requirements but only 48 percent of the companies are satisfied with the evolution of the courses to cater to the dynamic needs of the industry.** In particular students from CVS also found satisfactory by 48 percent of the companies highlighting the need to dynamise the course structure and student calibre to increase the employability of CVS students especially those who pursue vocational courses. The latter is critical as CVS enjoys a virtual monopoly in these vocational courses in Delhi University and if these courses can be updated more regularly to meet the industry requirements then we can hope for a high rate of placement for these students.
- **Importance of the placement cell:** Ninety-seven percent companies have stated that the existence of a placement cell in the college facilitates the placement process. A placement co-ordinator or a faculty advisor is also of great help in the process of campus placements. Hence those colleges or institutions who do not have an active placement cell would find that their students can find jobs with on-campus placements if a faculty advisor can act as a go-between the institution and the

companies. It also increases the credibility of the institution and sets a precedent for the same companies and newer companies to visit that college in subsequent years. Hence instead of relying more on the Central Placement Cell which works at the University level it would be helpful to both students and companies to de-centralise the process and have a College Placement Cell with a team of students who take care of the drives and a faculty member who coordinates all these activities and also arranges for funds to conduct each drive. For this purpose some essential infrastructure in terms of a convention centre with appropriate seating and power point presentation facilities must be provided by the college authorities.

Main findings of the student survey

CVS is the pilot study and hence 64 percent of the students surveyed belong to CVS. The remaining 36 percent students belong to various colleges and a distinction between different aspects of the student survey by CVS and non-CVS colleges and by course may also provide interesting pointers and help devise more effective policies regarding college placements. The student sample is balanced in that 52 percent of the students surveyed are females and 48 percent are males. Hence a balanced gender perspective can also be obtained by looking at the main findings of this survey.

- **Main goal after completing graduation:** Three options were given to students regarding their future goals after completing their undergraduate degree. The first option was to go in for higher education, the second was to look for a job and third any other goal. Almost 58 percent of the students surveyed, on average, expressed their desire to work after graduation and look for a job. By individual course, the proportion of students wanting to work was the highest for Bachelor of Management Studies (BMS) at 76 percent and most of the vocational courses whereas it was the lowest for B. Sc. Computer Science (Hons) at 22 percent. By gender 39 percent of females and 34

percent of males prefer pursuing higher education after they graduate and 55 percent of females and 59 percent of males prefer to work. The rest have other options in mind.

- **Course of study:** That the largest number of students (180 out of 738) surveyed are pursuing B. Com (H) followed by vocational courses, Economics (H), BMS and English (H). Ninety-eight percent of the students have English as the medium of instruction of their degree.
- **Awareness and membership of college placement cell and /or Central Placement Cell:** Of the total sample, only 87 percent of the students are aware of a placement cell in their respective colleges while only 73 percent are aware of a Central Placement Cell. Only 80 percent have noticed a placement drive in their colleges. However only 9 percent students visit the placement website every day, 38 percent students visit it once a week and 30 percent visit it once a month. There are 23 percent students who never visit it.
- **Role of the placement cell in finding a job:** Ninety five percent students feel that the placement cell is either very important or simply important. Less than one percent feel that it is not at all important and 4 percent feel that it is not that important. Seventy-four percent of the students surveyed agree that placement cell helps students in finding an appropriate job and for this purpose 84 percent students feel that an adequate infrastructure / hospitality is imperative in attracting good companies to their campus. - Poor infrastructure and hospitality determine what quality of companies come and also sets a precedent for the future for the same companies as well as other companies. Hence the reputation of the institution is of great importance in affecting the nature of companies which agree to visit the campus and the pay packages they offer to the students.
- **How well does the University prepare the students for jobs:** Only 18 percent of the

students surveyed feel that the University prepares them 'very well' for the jobs. Of the remaining 10 percent feel that it prepares them 'not at all', 59 percent feel 'not that well' and 13 percent feel that it prepares 'poorly'.

- Most preferred sector for employment: That Finance is the most sought after sector from the students' point of view. This is followed by Banking and IT sectors.

There are no takers for the BPO segment. The last fact is yet another important finding of the survey as it has a direct bearing on the government policy pursued over the last 15-20 years in promoting the BPO sector in India especially in the region around Delhi and NCR whereas the fresh graduates have no wish to work in this sector. Thus the BPO sector is treated as a stop-gap arrangement for those graduates who cannot find a job they desire.

Level of satisfaction with the placement cell, course curriculum and preparedness for job market: Even though more than 80 percent of the students are aware of the placement cell and agree that the cell plays an important role in getting them employment only 45 percent students find the way the placement cell works is 'satisfactory'. That 35 percent are not very satisfied and 11 percent are not at all satisfied. Only 9 percent are highly satisfied. Moreover when asked whether the University curriculum has a role and the ability to play in preparing the students for the job market only 18 percent responded with being highly satisfied while 59 percent agreed that the University courses did not prepare the students well enough to help them find a job. This percentage is as high as 83 percent for B. Sc. Computer Science (Hons) students, which partly explains why they prefer to upgrade themselves further with a Masters' degree after their graduation. More than 60 percent of BBE, BMS and B. Com (H) students feel that the university does not prepare them very well while 72 percent of English (H) students respond that the University does not prepare them very well for the future. That overall 13 percent students consider their readiness to be very poor. Preferred source of employment: That 238 students consider college or on-campus placement as the most important source of recruitment. The second most important source is the University or the Central

placement cell followed by off-campus and then through personal contacts.

Pre-requisites for placement: The survey asked the students to rank the given four pre-requisites for placement.

The results reveals that the largest number of students ranked communication skills as number one followed by practical knowledge and then academic qualifications. The least number of students ranked extra-curricular to be the most important considerable or a pre-requisite.

Factors which matter while looking for a job: Students were asked to rank a list of factors which influence their decision regarding a particular job. The list includes salary package, perks and incentives, job security, work environment, growth prospects, reputation of the company and career development. That of all the factors which affect the choice of a company, 36 percent students consider salary package to be the most important determinant of accepting a job or a factor which matters the most while looking for a job. The second most important factor is the prospects of career development a job or a company offers followed by growth prospects. Company reputation matters to 9 percent of the students while work environment and job security each have a share of 7 percent. Perks and incentives matter to only 2 percent of the students interviewed.

Internships while pursuing the undergraduate degree: A very important point that emerged in the company survey is that almost 72 percent firms prefer students who have either done an internship with them or with another reputed company or have some work experience. However when the students were asked whether they are keen on doing an internship and whether they make efforts to pursue one 63 percent responded with a 'No' with the average for males being 48 percent and female students being 52 percent. This is certainly an important finding and has a useful lesson for the students to take their internships seriously in the course of doing their degree over three years. The share of students who have done an internship while in college. The student survey highlights a very important fact that most students choose not to do an internship during the summer break while pursuing their undergraduate degree. This is in contrast to the preference of the firms for someone with this particular qualification.

Hence the placement cell must persuade the undergraduate students to utilize their summer break to do an internship and increase their chances of finding good employment straight after graduation. This helps to increase their employability.

CONCLUSION

The above analysis shows that the college placement cell has an important role to play in providing opportunities to students to get a job soon after they graduate from colleges. This is especially relevant given that two-thirds of the sample of students interviewed wish to work after their Bachelor's degree is over. The placement cell must re-invent itself and play a more pro-active role in establishing a regular internship programme for students. This is in line with the expectations of companies which come to the college campus and prefer students who have done an internship or have some work experience. For this the companies must also be forthcoming in accepting students as interns during their undergraduate degree.

The main findings of the surveys can be summarized here. CVS not only needs to work on its strengths and make its brand value better known to increase the awareness among the prospective companies who come for placements but also consider opening up of more courses like English and Hindi Honours. Most preferred course for the firms is B. Com (H) followed by MMRB, Computer Science, HRM, BMS and English. Maximum number of students interviewed belong to B. Com (H) followed by B. A. Vocational Studies. The most preferred sector for students is Finance followed by banking, IT and start-ups. Course specialisation and the ability to apply knowledge acquired practically are the most important considerations at the time of recruitment on campus. Work related skills and English proficiency along with internship are other important considerations firms have while recruiting. The role of extra-curricular activities is relatively less important. Companies and students highlight the role of placement cell in providing the opportunity for adequate and satisfactory employment and arranging for internships and apprenticeship programmes especially the students of vocational courses. A large majority of students are aware of their college placement cell but much less number of students

feels satisfied with its working. Salary is the most important factor students have in mind while looking for a job followed by good career development.

In sum, internships must be made part of course structure and a mandatory requirement for the degree. Companies must regularly visit the campus to present themselves as future employers and the placement cell along with the college administration must facilitate this process. In this regard the colleges especially CVS need to work on infrastructure and hospitality aspects for placements. The students and companies both feel that the course curricula and the speed with which the courses are updated are both inadequate. These are changes which have to be made at the University level and adequate attention must be paid in this regard. Finally the companies are not satisfied with the communication, work-related or IT skills students possess at the time of finishing their undergraduate degree. This is another area which the University and colleges both have to work on and make the skill set relevant to the needs of the future employers.

Further research on the working and significance of placement cells in colleges and the university can be done in a comparative framework especially with more professional institutions like the IITs and the IIMs. This will help the colleges and the University to understand the dynamics of placement and how the system can be altered to enhance the students' prospects of finding a job.

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educator

The Imbroglia of Post of Parliamentary Secretaries Vis-à-vis Office of Profit in National Capital Territory of Delhi

The raging controversy concerning appointment of Parliamentary Secretaries in National Capital Territory of Delhi is a whole new ball game

Dr. Rajender Goyal

The contentious practice of appointment of Chief Parliamentary Secretaries and Parliamentary Secretaries by certain state governments in the teeth of 91st Amendment to the Constitution prescribing a ceiling of 15 percent of strength of the House on the size of Council of Ministers remains a topic of political and media discourse unabatedly. In National Capital Territory of Delhi (NCTD), the Article 239AA puts the said cap at 10 percent. The vexed issue of appointment of 21 AAP MLAs as Parliamentary Secretaries to the ministers of government of National Capital Territory of Delhi (GNCTD) by the Chief Minister Arvind Kejriwal of National Capital Territory of Delhi has upped the ante. However, to club and equate the matter of appointment of Chief Parliamentary Secretaries and Parliamentary Secretaries by other state governments with the appointment of Parliamentary Secretaries by the present government of NCTD is akin to comparing apple with orange. In states like Himachal Pradesh, Goa, West Bengal, Punjab and Haryana, the appointee enjoyed/enjoys the status of Cabinet Minister or Minister of State with associated remuneration, perk and entitlement viz. salary, allowance, luxury car with police escort vehicle, office in the secretariat with staff, fully furnished government house and other facilities in tune with conferred status/rank.² Conversely, it is noteworthy that GNCTD's order dated March 13, 2015 whereby Parliamentary Secretaries were appointed explicitly states that "Parliamentary Secretaries will not be eligible for any remuneration or any perks of any kind, from the government. However, they may use

government transport for official purposes and office space in the minister's office would be provided to them to facilitate their work".

But soon thereafter, an NGO namely Rashtriya Mukti Morcha³ challenged the constitutional tenability and propriety of such appointments in the High Court of Delhi and the matter is still pending for adjudication. On the close heels of this, a Delhi lawyer Prashant Patel invoked the jurisdiction of Section 15 of the Government of National Capital Territory of Delhi Act, 1991 (it is worded largely on the lines of the provisions contained in Articles 102/103 and 191/192 of the Constitution relating to disqualification for membership of either House of Parliament or either House of Legislature of State, respectively) and filed a petition before the President of India Pranab Mukherjee for disqualification of said 21 MLAs for allegedly holding "offices of profit" of Parliamentary Secretaries. The Hon'ble President has referred the petition for the opinion of the Election Commission of India and latter is now seized of the matter. The President is legally obliged to take a final decision in accordance with the opinion rendered by Election Commission. The May 10, 2016 was the last and final opportunity accorded to the said 21 MLAs to tender their explanations as to why they should not be disqualified for being, members of the Legislative Assembly of NCTD? As reported in the media, all the 21 MLAs (Parliamentary Secretaries) have apprised the Election Commission that they are not holding any "offices of profit" because neither any pecuniary benefit is receivable by them from GNCTD nor they are in fact provided with any remuneration,

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allowances, facilities etc by GNCTD in lieu of their performing duties as Parliamentary Secretaries.

The next question here is that whether Parliamentary Secretaries appointed by the Chief Minister of present GNCTD are holding any 'office of profit' entailing their disqualification for being MLAs under the law? If so, whether the Legislative Assembly of NCTD is competent to pass a law to remove the disqualification with retrospective effect?

The term 'office of profit' is not defined in the Constitution or in any other relevant statute and is left for the judiciary to interpret its meaning. The Supreme Court in 1993 in the case of *Navanna Subanna vs. G.S. Raggereayya*¹ held that the remuneration which the person gets while holding the office to enable him to carry out day to day expenses (i.e. compensatory in nature) should not be considered as accruing any profit to holder. The Supreme Court in 2010 in the case of *Jaya Bachchan vs. Union of India*² held thus: "An office of profit is an office which is capable of yielding a profit or pecuniary gain. For deciding the question as to whether one is holding an office of profit or not, what is relevant is whether the office is capable of yielding a profit or pecuniary gain and not whether the person actually obtained a monetary gain. If the 'pecuniary gain' is 'receivable' in connection with the office then it becomes an office of profit, irrespective of whether such pecuniary gain is actually received or not."

The bare purview of said appointment order of Parliamentary Secretaries by GNCTD bears out that that no pecuniary gain is receivable by 21 AAP MLAs in connection with their offices of Parliamentary Secretaries. Hence it may be said that they are not holding any offices of profit so as to incur any disqualification under the law.

Even assuming that said 21 MLAs are holding of 'offices of profit' of Parliamentary Secretaries, it is germane here to mention that the Legislative Assembly of Delhi in 1997, enacted Delhi Members of Legislative Assembly (Removal of Disqualification) Act, 1997 in order to exempt certain offices from being disqualified for being chosen as, or for being, a member of the Legislative Assembly of NCTD. Certain offices prescribed in the Schedule appended to that Act of 1997 got exempted from disqualification. In the year 2006 an interesting development took place in NCTD while Sheila Dixit was leading the GNCTD. The then BJP Legislator Vijay Jolly filed a petition with the then President A.P.J. Abdul Kalam seeking disqualification of 18 Congress MLAs for

holding 'offices of profit'. Subsequently, the matter moved to Election Commission and notice was issued to concerned 18 MLAs. In the meanwhile, Delhi Legislative Assembly passed the Delhi Members of Legislative Assembly (Removal of Disqualification) (Amendment) Bill, 2006 with retrospective effect from September 9, 1997 exempting 14 posts/offices from the purview of 'office of profit' and the then President of India also readily accorded assent to said Bill. Most importantly in present context, by virtue of said amendment of 2006, the entry 7 inserted in the Schedule of the Act of 1997 specifically exempted the office of Parliamentary Secretary to the Chief Minister. It may be noted that BJP Chief Minister Sahab Singh Verma in 1997 appointed one Parliamentary Secretary. Then Congress Chief Minister Sheila Dixit also appointed one Parliamentary Secretary and she subsequently increased the number of Parliamentary Secretaries to 3 in the year 2009.

In the wake of Prashant Patel's petition before President of India, possibly to avert any disqualification of 21 AAP MLAs appointed as Parliamentary Secretaries to the ministers of GNCTD, the Delhi Legislative Assembly passed the Delhi Members of Legislative Assembly (Removal of Disqualification) (Amendment) Bill, 2015. Consequently, it amended the entry 7 of the Schedule of the Act to the effect that "Parliamentary Secretaries to Ministers were also exempted from disqualification with retrospective effect from February 14, 2015 besides the Parliamentary Secretary to Chief Minister (Although none of the Parliamentary Secretaries is attached to current Chief Minister of NCTD). Be that as it may, the Bill of 2015 has not yet been given assent by the President of India. However, some people are raising a cavil that even if the said Bill gets Presidential nod still it would not suffice to save the disqualification of said 21 AAP MLAs since no such law may be passed with retrospective effect. However, this issue is not res integra. The Delhi Members of Legislative Assembly ((Removal of Disqualification) (Amendment) Bill, 2006 had exempted 14 posts/offices from the purview of 'office of profit with retrospective effect from 9 September 1997. Parliament (Prevention of Disqualification) Amendment Act, 2006 had excluded 45 posts/offices held by Members of Parliament from the operation of Article 102 with retrospective effect from the year 1959. BJP and Samajwadi Party dispensations in Chhattisgarh, Jharkhand and Uttar Pradesh have passed similar laws in the past.

The Apex Court in 2009 in the case of *Consumer Education and Research Society vs Union of India*³. Writ Petition (Civil) No. 448 of 2006 decided on August 24, 2009 held thus "when the Amending Act retrospectively removed the disqualification with regard to certain enumerated offices, any member who was holding such office of profit, was freed from the disqualification retrospectively". The Court further said that the power of Parliament to enact a law declaring with retrospective effect that certain offices of profit will not disqualify the holder from being chosen as, and for being a Member of Parliament has already been upheld by this Court in the 1969 in the case of *Srimati Kamla Kalluraj v. Manak Chand Surran*⁴. The Court also intimated that there is no doubt that the disqualification, when declared by the President will become operative from the date the Member accepted the "office of profit". It is also not in doubt that the vacation of the seat is consequential. However, the question is whether the seat of the Member becomes vacant without anything more when a person accepts an "office of profit"? The obvious answer is 'no'. While a disqualification results in the vacation of the seat of a Member, the vacancy occurs only when the President decides and declares the disqualification under Article 103⁵.

As of the date, none of the 21 Parliamentary Secretaries has been declared to be disqualified by the President for holding "office of profit". Hence, it would be in the fitness of things for the President of India (in fact Government of India) to accord assent to said Amending Bill of 2015 to save the said 21 elected MLAs from impending disqualification (assuming that they are holding "offices of profit") as has been done in the past in the similar circumstances. It is a matter of survival for 21 AAP MLAs vis-à-vis saving of their current terms as MLAs. It may be apt to quote from the recent Uttarakhand High Court Judgment authored by Justice U.C. Dhyani that "to err is human, Nobody is infallible. Cold calculations are normally avoided in intangibles. Life, like law, is never static. Both are dynamic concepts".

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1. The Himachal Pradesh High Court in the case of *Citizen Rights Protection Forum vs Union Of India and Ors* (decided on 18 August, 2006) held the appointments of Chief Parliament Secretaries/Parliamentary Secretaries unconstitutional. Later on, the Supreme Court stayed the High Court verdict and matter is still pending before it. Now, the Congress government in Himachal Pradesh

has nine Chief Parliamentary Secretaries. The Bombay High Court in the case of *Aires Rodrigues vs State of Goa* (decided on January 22, 2006) also ruled the holders in the post of P/S as usurpers of public office since their appointments were not anchored in any constitutional or legal provision and they were appointed by persons not vested with the power to do so.

2. The Calcutta High Court in the case of *Vienak Bhattacharya vs State of West Bengal* (decided on June 1, 2015) struck down a law enacted by the Mamata Banerjee's Trinamool Congress government with name "West Bengal Parliamentary Secretaries (Appointment, Salaries, Allowance and Miscellaneous Provisions) Act, 2012" and consequently the appointments of the MLAs as Parliamentary Secretaries were set aside. The West Bengal government moved the Supreme Court against the said order of Calcutta High Court but till date there is no stay on the operation of impugned order of Calcutta High Court. The SAD-BJP Punjab Government in 2012 appointed 18 MLAs as Parliamentary Secretaries. The appointment was challenged by an Advocate Jagmohan Singh Bhatti by way of a PIL (CWP 5715/2012) in the High Court of Punjab and Haryana and the High Court reserved its orders on this petition on 28.07.2015. However, the same Punjab government appointed 7 more MLAs as Chief Parliamentary Secretaries (although former Indian hockey captain Parag Singh, a SAD MLA, who was offered the post of Chief Parliamentary Secretaries declined to take oath). The same lawyer has now filed another PIL, pleading that it be merged with his 2012 petition. The Congress Haryana government in 2012 appointed 12 MLAs as Chief Parliamentary Secretaries. The current BJP Haryana government has appointed 4 MLAs as Chief Parliamentary Secretaries. The same lawyer namely Jagmohan Singh Bhatti has challenged it by way of a PIL (CWP-15186/2015) in the High Court of Punjab and Haryana and matter is still pending.
3. *Rashtriya Mukti Morcha vs Govt. of NGT of Delhi & Ors* [W.P. (C) 4714/2015]
4. E.g. Parliamentary Secretary to the Chief Minister, Chairman and Vice-Chairman, Trans-Yamuna Area Development Board and Delhi Development Rural Board; Chairman, Vice-Chairperson, Delhi Jal Board; Chairman, 5 District Development Committees; Chairman, Delhi Waki Board; Chairperson, Scheduled Castes/Scheduled Tribes Welfare Board; Chairperson, Vice-Chairperson and members of the Fire Prevention Advisory Committee, the Hospital Advisory Committee and Governing Body of Government-sponsored college; Chairman and member of cooperative institution; Chairman, Director or member of statutory or non-statutory body or Committee or corporation of society constituted by the Government.
5. AIR 1970 SC 694
6. *Sh. Subodh Unayal & others vs Speaker, Legislative Assembly & another* [WP No. 826/2016(M/S)] decided on May 9, 2016

Ethnographic Research Studies : Its Importance in Our Cultural Conservation

Dr. Zehra Banu

Abstract : The paper discusses the importance of ethnographic research studies, pointing to the role of these researches towards the preservation of our rich cultural heritage. The author advocates the need for conducting these researches at various levels, the major precautions and qualities which should be taken into account while doing these researches is also elaborately expressed.

INTRODUCTION

Ethnographic research studies are also known as Cultural Anthropology. It's a method of field study-observation aiming towards accessing the heritage and values of a society. It tends to study the interaction pattern in a cultural group deducing its influence on a larger social group.

Ethnographic research studies are very vital and important in today's world, where we are witnessing a huge transition from our age old values and customs, owing to the mass effect of globalization, privatization and liberalization. Our thoughts and way of livings getting transformed and we are forgetting our rich heritage due to modernization and imbibitions of various new trends and ideas into our daily life.

For preserving our nostalgic ways of working and traditions in various dimensions of social, cultural and religious customs we need to conduct Ethnographic research studies.

The Ethnographical research worker is commonly known as field worker who investigates, records and elucidates the cultural behavior, prevailing cultural activities, social structure, mode of life, goal of life, values, patterns and influence of outer world on a study group. Thus creating a data base of deep and credible values which need to be conserved.

The major factors of a culture like ethnicity, language, dialect, social values, interest, hobbies,

cuisines, traditional medical treatments, use of various herbs, traditional dance forms, vocal music, songs, religious customs, social traditions, family structure, relationships and dressings are our traditional bounties which have evolved our society and maintained the richness of our cultural legacy and given us a position of esteemed reverence in the global world. Thus to conserve this heritage we need to conduct Ethnographic research studies.

The steps towards performing an Ethnographic research includes all the basic steps of a research design in which statement of the problem is the first step wherein these researches one should focus on defining and selecting a problem based on accessing the real need for conservation of our society. After selecting a problem, research questions regarding the specificity of the problem should be framed. In Ethnographic research questions besides seeking to observe the culture one should also focus on discerning and understanding the pattern and tradition of the culture, thus allowing the researcher to explain and interprets the culture.

To be precise the Ethnographic research question should include:

1. Finding what is happening in the cultural aspects of the study
 2. Why it's happening
 3. What is the significance of that in the culture
- Now coming to the technique of Ethnographic

research study, it usually follows the technique of observation which serves as the primary data collection strategy. For performing scientific and objective observations one should take into account the following steps:

1. Taking prior permission of the people to be observed
2. Letting the subject aware of the study would make the study unobtrusive
3. Careful notes and wise record of the events, language and interactions should be taken

Ethnographic research studies also gather information about the phenomenon of investigation from multiple perspective and thus interviews with the member of the culture is also conducted, which helps to collect subjective and in-depth perspective of the people. While designing interviews one should keep in mind the following points:

- Purpose of the study
- Prior willingness of the person to give interview
- Maintain friendly and enthusiastic approach
- Preparing before interview (the interviewer should have knowledge of the facts under study)
- More open ended questions should be designed to access the subjective perspective

In Ethnographic research studies certain artifacts, tools and equipments are also collected.

While collecting these specimens attention should be paid on accessing the authenticity and genuineness of the artifacts keeping in mind the metamorphical and symbolic reality. Sometimes secondary authentic sources could also be investigated like already available literature and text material.

Thus Ethnographic research studies should take into account the mentioned conventions for perfection in the result accumulation.

Indeed Ethnographic research studies needs to be accelerated and conducted in more voluminous amount keeping both quantity and quality at its base. In the present global scenario where we are talking of sustainable development, we need to conduct these researches to hold on our traditional and cultural heritages and facilitating the compilation and preservation of our cultural legacy.

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"To Be" or "Not to Be" (Part -A)

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Abstract : Performance of an organization, as we all know, is driven by its mission and its growth vector is guided by the vision, within the considerations and limitations of the environmental forces (both internal and external). Formulation and implementation of strategic alternatives needs a strong commitment from the leadership of the organization. Successful implementation of strategic alternatives deliver positive results leading to the growth of the organization if there exists, a synergy between the managerial initiatives and the environment in and around the organization. Corporate level strategies generally pertain to large corporations with multi-businesses as to how they manage and allocate resources among these businesses. Such a strategy helps the management in balancing resources with market opportunities in each business area. Top managers are responsible for formulating corporate level strategy, and they generally look ahead for five years or longer. Strategic initiatives are broadly classified as i) Grand Strategies, ii) Stability Strategies and iii) Retrenchment Strategies. The case study focuses on the dilemma of a leader in accepting the challenge of leading a Cement manufacturing organization (M/s Mysore Cements Ltd) having suggested a leading Multi National (M/s Heidelberg) to acquire it. Performance of an organization, as we all know, is driven by its mission and its growth vector is guided by the vision, within the considerations and limitations of the environmental forces (both internal and external). Formulation and implementation of strategic alternatives needs a strong commitment from the leadership of the organization. Successful implementation of strategic alternatives deliver positive results leading to the growth of the organization if there exists, a synergy between the managerial initiatives and the environment in and around the organization. Corporate level strategies generally pertain to large corporations with multi-businesses as to how they manage and allocate resources among these businesses. Such a strategy helps the management in balancing resources with market opportunities in each business area. Top managers are responsible for formulating corporate level strategy, and they generally look ahead for five years or longer. Strategic initiatives are broadly classified as i) Grand Strategies, ii) Stability Strategies and iii) Retrenchment Strategies. The case study focuses on the dilemma of a leader in accepting the challenge of leading a Cement manufacturing organization (M/s Mysore Cements Ltd) having suggested a leading Multi National (M/s Heidelberg) to acquire it.

INTRODUCTION

It all started after Ms Ashish Guha had closed another deal in 2006. Guha was advising German cement behemoth M/s Heidelberg Cement AG in its acquisition of the S.K.Birla-owned Mysore Cements Limited (MCL). He is an investment banker, known for his promptness in closing deals. While congratulating Guha on a deal well struck, Daniel Fritz, Head of the multinational's Asia Pacific market asked Guha if he would be willing to take up the

position of CEO and managing director of Heidelberg Cement India (HIL). The new entity also includes M/s Indorama Cement, which the German company had bought earlier. It is a really risky choice to accept the offer to 56 year-old with a clean record of successful career as investment banker.

In Guha's words "While closing a deal is sweet, what makes it sweeter is if it turns out to be a win-win for both the seller and the buyer". MCL had been relatively cheaper at a valuation of \$80 per tonne as against \$180 per tonne that Heidelberg was willing to pay for another local cement maker. It is a fact

"To Be" or "Not to Be" (Part -A)

Mycem did not record any profit since 1996. It remained sick with accumulated losses of Rs 461 crore and debt of over Rs 300 crore.

In this context, while providing consultancy to the clients about acquisitions and takeovers is one part of the game, leading the team and realizing the anticipated growth of the new entity completes it. It is the real testing time to Mr Guha, whether he would accept the offer and will "Be" the leader or opts out of the deal and prefers "Not to be" the leader.

Mr Ashish Guha, Investment Banker

Mr. Ashish Guha, a Bachelor in Economics (Hons.) and an alumnus of London Business School, served as a Deputy Chief Executive Officer and Partner of Ambit Corporate Finance Pvt. Ltd. He served as an investment banker, a career spanning over two decades. He has an extensive experience in corporate finance and securities business. He joined Ambit Corporate Finance in 2003 from Lazard India where he served as Chief Executive Officer. At Lazard, Mr. Guha assisted leading corporations both global and domestic in developing and implementing their M&A strategies. He was also responsible for the telecom and building materials industry practices and directed the privatization initiative at Lazard India. Eminent transactions led by him include Bharti's acquisition of Spice Calcutta, GOM divestiture of ITDC hotel properties, Italcementi JV with Zuari Cement, Zuari's acquisition of Shri Vishnu Cement and Baxter's acquisition of Wockhardts IV Fluid business. Prior to Lazard India, he served as Chief Executive Officer of Merwanjee Securities, an arm of the Lazard Group. Mr. Guha has been an Additional Director of Ballarpur Industries Ltd. since July 29, 2008. He has been a Director of Bharat Sanchar Nigam Ltd. since May 21, 2010. He serves as a Director of Ambit Corporate Finance Pte. Ltd. He has been a member of Indian business delegations to the United States and other countries. He has been a part of the World Economic Forum Annual meets held at Davos.

The most famous of these was a 12-day affair in 2001, when he advised Sunil Bharti Mittal to acquire Spice Cell, owned by fellow billionaire B.K. Modi. Apart from the pace, it was the finish that gave him a high. As Guha says, "The sweetest part is closing a deal, especially when the conversion rate in investment

banking is two out of 10". Guha was scoring high on that parameter when a dramatic shift is about to take place in his career in 2006.

Cement Industry - India

Back in 1942, during the second world war, when India's cement capacity came under price control, the private market shrank to one tenth of its size. Even after the war was over the government continued to regulate the prices directly from 1945 to 1956. As it became obvious that regulated prices from central government could not provide the cement that the country was demanding, the control was withdrawn in steps. And so the industry stepped into a free market from 1989 onwards. A market, where price would be controlled by laws of supply and demand, the de-regulation led to massive expansion of cement capacity as the country opened-up its economy to embrace development.

The cement industry stands at the tipping point, when the economy is poised to takeoff. Global brokerage houses like CLSA and Goldman Sachs have turned bullish on the cement sector that has undergone seven years of contraction in the utilisation rate. And though the stock market is full of optimism of the sector's performance, the cement industry has to deal with yet another price control. This one imposed by representatives of builders and developers in the country.

The rise in cost of fuel, power and logistics is compelling manufacturers to push-up cement price by Rs 1 per kg. But even this marginal price hike was strongly detested by the builders' associations. Surprisingly, the state governments too were hand-in-hand in these protests and played a key role in pushing the cement industry a step back on the pricing front.

Would the marginal price hike really make such a big impact on the profit margins of developers that the government too had to get involved in this tug of war? Considering that roughly 25 kg of cement is required for a square foot of construction, even at the elevated price of Rs 360 per bag, the total cost of cement in a square foot of construction is just Rs 180. The builders sell apartments at anywhere between Rs 2,500 and Rs 20,000 per square foot in general. How much would a hike or fall of Rs 20-25

per square foot matter in a product that is sold at a price 100 to 1000 times more? It seems like, with the price control, the cement industry is about to lose more than what the builder community at large is about to gain.

The housing sector accounts for 65 per cent of cement consumption in India. Infra led growth in the housing sector is poised to increase in the next six to nine months.

Looks like the representatives of these associations have caught the cement industry at a delicate point. Hopefully the government will do away with populism and look at the hard facts. The price control will only make it unviable for the smaller players to survive in the market, while the larger companies survive on the economies of scale and better technologies. These smaller companies will then become acquisition targets of larger firms with the markets becoming monopolised by a few select players. And that will in turn create a non-competitive environment in the cement market, pushing the prices higher.

MCL - PRIOR TO TAKEOVER

Detailed study of the scenario prior to take over revealed the following facts. Its brand 'Diamond' was languishing at the bottom of the market and was known as 'contractor's cement' because of its low price and poor quality. There was hardly any synergy between the units that functioned as separate companies, the morale of the workforce was uninspiring. It was felt there is a need for an improved product from well-equipped plants. Procurement was not integrated across the four units, in Madhya Pradesh, Maharashtra, Karnataka and Uttar Pradesh. Manpower too had to be rationalised. It was observed that the attitude of the staff had to change as they were not aligned towards one vision.

It was found that the organization never had a customer service department. The HR team, led by Director Ms Poonam Sharma, who had joined the company in 2002 said "We never plan any training programmes to the employees." Required synergy was not evidenced like sourcing and mixing Limestone from multiple mines for better efficiency. The cement had around 20 percent of fly ash where

as it can be further increased according to operations in-charge. Procurement policies never addressed the delay in supplies and variation in quality specified in purchase orders with any kind of penalty. Added to the misery of the state of the company, there was no check on quality. Logistics expenditure touched nearly 25 percent of total costs as the target markets are not properly identified. Dealers were treated not more than the entities enabling the products reach the customers.

Post Takeover Scenario of Mysore Cements (M/s HCIL)

Mysore Cements Limited (MCL), a Heidelberg Cement Group Company, was promoted in 1958 as a public limited company by a Karnataka based industrialist in technical and financial collaboration with Kaisers of USA. Heidelberg Cement, with its core products being cement, ready mixed concrete, aggregates and related activities, is one of the leading producers of building materials worldwide. The Company produce and markets cement under the brand name of 'Mycem'. MCL's plants are located at Karnataka, Madhya Pradesh and Uttar Pradesh. The first one lac ton per annum dry process cement plant with an investment of Rs.220 lacs at Ammasandra Dist. Tumkur, Karnataka was commissioned in 1962. Immediately thereafter, an expansion was planned which doubled MCL's capacity to 2 lac tpa in 1966 at an investment of Rs.170 lacs Kaisers subsequently took control of the company. During the year 1974, the mining lease was acquired for limestone deposits in the area. The second hand power plant was purchased from Madhya Pradesh Electricity Board to meet 50% of the requirements of Damoh unit. MCL made steady progress and increased the capacity at Ammasandra to 6 Lac tpa with an investment of other Rs.230 lacs in 1978. Damoh in Madhya Pradesh, a 5 lac tpa green-field cement plant was commissioned its production in the year 1983, which was set up at an investment of Rs.2950 lacs. MCL also modernised its Ammasandra unit at an investment of Rs.3600 lacs, which was successfully completed in January, 1989 and also in the same year commissioned state of art 6 stage preheater Kiln at an investment of Rs.8000 lacs. The Company received a letter of intent in the year 1990 for establishing a new cement plant

in Raipur district of Madhya Pradesh with a capacity of 1.4 million tonnes per annum. The Damoh unit of the company had started to export slag cement to Bangladesh since 1992. MCL had concluded power projects in the year of 1998 to become self-sufficient in power at its three plants across the country. During the year 1999, the company made a joint venture with Neshor Israel Cement Enterprises of Israel to set up worth of Rs 600-crore 1.5-million-tonne cement plant at Gulbarga in Karnataka. MCL had shelved its plan to sell off its plants at Jhansi, Damoh and Narsingarh in the year of 2002. During the year 2003-04, in caution of loss in cement business, the company had entered into production of sponge iron in idle Kiln at Ammasandra. After a year, an induction furnace was added which went in to production in March of the year 2005. The sponge division of the company was discontinued in its entirety in the year 2006. The acquisition will give the company a presence in central and south India through Mysore Cement's plants in Damoh (MP), Jhansi (UP) and Ammasandra (Karnataka). Mysore Cement sells its cement under the 'Diamond' brand in these regions

Heidelberg Cement AG

Heidelberg Cement AG is a Multinational company based out of Heidelberg, Germany founded in 1873. At present it is operating in more than 40 countries across the world with 110 MTPA cement capacity. Heidelberg Cement AG is the global market leader in aggregates and a prominent player in the fields of cement, concrete and other downstream activities, making it one of the world's largest manufacturers of building materials.

Answer the following questions

1. Do you suggest Mr Ashish Guha to go ahead 'To be' the leader of the new entity? If so/ if not justify your suggestion with suitable analysis of the data available.

2. If suggestion to Mr Guha is to go ahead and 'To be' the leader of the new entity, suggest him a suitable approach to manage the business and make it profitable.

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Air India: Becoming the Real King of Good Times?

Chaahat Khattar

CLEAR SKIES FROM A LONG TURBULENT JOURNEY

It would have been much awaited celebration week at Indian Airlines House, New Delhi. After all, as envisaged by Prime Minister Narendra Modi's government back in March 2016, Air India posted an operating profit of Rs. 105 crores for FY 2015-16 against an operating loss of Rs 2,636.18 crores in FY 2014-15. This historic achievement came after almost a decade (9 years to be precise), since the merger of Air India and Indian Airlines and over Rs. 30,000 crores pumped in by the exchequer in stabilizing the national carrier. It is a big news for the 85-year-old Maharaja which has been steadily losing market share to rivals such as IndiGo and Jet Airways. At present, Air India's share in the pie stands at around 15% compared to over 35% at the time of the merger. While the ticket yield did not help much in Air India's strong financial performance in FY 2015-16, the carrier strongly leveraged upon fall in oil prices and better aircraft utilization to turnaround its fortunes.

THE NEXT BIG PROBLEM FOR AIR INDIA

However, the carrier still has a long way to go to, Air India is surviving on a Rs. 30,000 crores bailout package from the government that is spread over ten years. Over Rs 22,000 crores has been provided to Air India under the turnaround plan which includes financial support towards repayment of principal as well as interest on government guaranteed loans taken for aircraft acquisition. Summing up, the carrier owes over Rs. 50,000 crores to a consortium of 19 lenders. On this gigantic liability, the carrier pays over Rs. 4,000 crores as interest annually.

To reduce its interest cash outgo burden and to further push itself into green, the national carrier has

started negotiating with its lenders under the Reserve Bank of India's ('RBI') Scheme for Sustainable Structuring of Stressed Assets (also commonly referred to as 'S4A'), which gives struggling companies another chance at recovery.

WHAT EXACTLY IS THE S4A?

RBI earlier in 2016 announced S4A which is a scheme meant to assist in restructuring large ticket loans where the project is up and running. Under this scheme, the lenders are required to separate a sustainable loan (loan for which timely repayment is foreseeable) from an unsustainable loan. The lenders will then be able to convert the unsustainable debt into equity or equity related instruments.

As a result, on one hand, the debt burden of the borrower is substantially reduced and on the other hand promoter's equity stake is also reduced. The idea behind the scheme is that banks will get the upside if the company regains its old glory (gain from the improved valuation a turnaround at the company will bring) and it also gives the borrower a second chance to revive the company.

MODALITIES FOR AIR INDIA FOR S4A

The sustainable debt, as per RBI norms for S4A, is defined as the portion of the loan that can be serviced through the existing cash flow and sustainable loan should be at least 60% or more of the unsustainable debt. The same should be approved by the Overseeing Committee of RBI to be classified under the S4A.

Several officials of Air India who are involved in negotiations with the financial institutions and the central banker have confirmed that about Rs 20,000 crores of Air India's loans have been found to be

Air India: Becoming the Real King of Good Times

sustainable (which can be serviced through its cash flow) and about Rs 10,000 crores is (proposed) to be converted into equity. People working closely with Ashwani Lohani, Chairman of Air India, have confirmed that the national carrier has started negotiating with lenders (led by SBI Capital Markets which is acting on behalf of the 19 lenders to Air India) to convert Rs 10,000 crores of its debt into equity under the S4A.

IMPACT ON AIR INDIA

As a portion of carrier's loans are converted into equity, the annual interest payment outlay will reduce at least by Rs 1,000 crores. A lower interest outgo will boost the airline's efforts to further increase its profits.

This in turn will give the banks a major say in Air India's functioning and in case the process gets green signal (which could take at least six months), it will be first time that a Public Sector Undertaking ('PSU') avails the scheme. Furthermore, successful implementation of this scheme may prompt other struggling PSUs to look into S4A to tackle their stressed financial structures as well.

Loose Ends

The S4A might lead to slightly healthier financial statements of debt ridden Air India but the history teaches us that the presumption, conversion of debt into equity is a panacea for all ills, can be incorrect. Take for instance, in November 2010, a consortium of banks converted Rs. 1,355 crores of debt of Kingfisher Airlines into equity, owning 23.21% of the airline. The infamous promoter, too, converted Rs. 648 crores of debt into equity. Still, the airline could not be saved. Theoretically, equity is a perennial liability and costlier than debt, which has tax advantages. It will be too much for the bankers (and the government) to expect white knights coming to

their rescue. Also, RBI's scheme is silent about unsecured creditors such as the suppliers of aviation fuel. Who will protect their interest? They may not get their dues, but they can certainly delay the process especially if they tend to approach a court of law and play spoilsport.

We have learnt from historicity that financial engineering can only help gain confidence of investors and make the financial statements greener but for sustainable and long term growth, real engineering i.e. increasing operational efficiencies and multiplying the top line growth are critical for real turnaround of Air India and for it to become the real Maharaja of Indian skies.

Nonetheless, Air India after a very long time have witnessed real efforts being put in by the government and bureaucracy (rather than just being pumped in with taxpayers' money) which may well be a resurrection stakeholders of Air India has been looking for.

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FIMT is the Country's 1st ISO 14001:2004 and 9001:2008 certified Fairfield Institute Of Management & Technology (FIMT), New Delhi, established by "The Fairfield Group of Institutions". From a very humble beginning the Institute has grown in Stature and Size. At Fairfield Institute Of Management & Technology you will discover new experiences in a dynamic and supportive environment. Our students engage in numerous extended learning experiences that connect their course content to community-based activities. Service learning, volunteers, field-based research and more contribute to a rich and meaningful academic environment.

It is our firm belief that value-based learning has far greater relevance in a dynamic and ever-changing work environment and we ensure this through easy accessibility to faculty guidance, firm assurance of staff support and a caring and nurturing environment. Students are provided individualized attention, enhancing their ability to acquire and apply knowledge. A vibrant and skilled faculty base inducted both from academia and industry, in addition to impressive credentials, possesses a missionary zeal for teaching and shaping careers. It's often said that building a strong future starts with building strong communities. The Institute is multi-Blocks and share the goal of responding to the training needs of business, industry, health care industry, the public health service sectors and the range of educational needs and career needs and career paths of vocationally-oriented secondary school students.

Fairfield Institute Of Management & Technology is an exciting place to study and grow. The FIMT is providing the education on BBA, B.Com, BCA, BJMC, BA(LLB) and B.Ed under the GGSIP University. It is a place where thinkers become leaders, a place where the thirst for knowledge fuels our desire for distinction. We are committed to educating tomorrow's leaders who are analytical and creative thinkers, as well as effective team players. If you want to Change Your World for the best Fairfield Institute Of Management & Technology is the right place.

The FIMT family is dedicated for the creation and distribution of knowledge. For this purpose we are organising the expert lecturers of the senior corporate executive on regular basis. Further for the knowledge enhancement of faculties we have conducted the faculty development programme in the month of December 2012. In which various speakers from the industry and academia has explained the research avenues and methods to the faculty members, participated in the FDP.

The college is playing an important role in the creation of knowledge and its disbursement to the person in industry and in Academia. The Journal *Educator* - the FIMT Journal is another step in the same direction.

"The VIDHI Darpan"—Law Journal is a journal which promote the research in the field of Law.

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The FIMT knowledge initiative welcomes original research papers/articles for its bi Annual Journal of Applied Management Theory and Practice Journal from both academicians and practitioners of Business, Management and related areas. Papers based on theoretical/empirical research and experience should satisfy good quality research and must reflect the practical applicability of the research

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(b) Book references should appear as follows :

- Verma, Harsh V (2008), Marketing of Service : Text and Case, Pearson Education, New Delhi, India.

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- Objective (s) of the Study
- Hypotheses (if any) to be Tested
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Intimation of Acceptance of paper of Review	: 30 May 2017
Publication of Journal	: 30 June 2017

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