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3 F ADDICTION: FACEBOOK FEVER VS. FEMALES

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ABSTRACT

Facebook is used widely by the students in fulfilling their basic needs and conversation. It is the most well known way of being social online and tools to aid friendship. Female students utilised Facebook for various motives from socialinteraction to communication. Repetitive use of Facebook brought an addiction toward the site and simultaneously influenced students' daily life. The circumstance of Facebook addiction in India is rising among Mumbai students particularly women. The purpose of this study is to identify the relationship between female students' motives for Facebook use and Facebook obsession. Thefive objectives pointed out were social interaction, passing time, entertainment, companionship, and communication. This study involved 140 female students (Facebook users) from different management college from Mumbai city. Findings of the study showed that there is a significant relationship between a female students' motives for Facebook use and Facebook addiction. As a culmination, entertainment, social interaction, passing time, companionship and communication motives were among the major contributors to the addiction of Facebook site. It is hoped that the eventuality of the study will be applicable to current users, service providers, and potential users of Facebook. This study advocates that motives for Facebook use is one of the factors contributing to Facebook addiction among students.

KEYWORDS: *Social Networking Site (SNS); Addiction; Motives; Female students.*

INTRODUCTION

Facebook is the most popular social networking website which becomes the global phenomenon for the past few years (Foregger, 2008). It was created by Mark Zuckerbeg, a student at Harvard University in 2004 as the network to access college students' information. At the beginning, Facebook become a virtual medium for students of Harvard in identifying each other and making new social relationship (Markoff, 2007). Later, the use of Facebook was spread to other universities students and becoming a public domain in 2006 (Boyd & Ellison, 2007). In 2007, Facebook was reported to have more than 21 million active users generating 1.6 billion page views each day. The website currently has more than 300 million users worldwide (comScore, 2010).

The use of Facebook was dramatically increased especially among female college students aged 21-24 years old. As of today, many students in colleges sign up for Facebook account, indicating that most college students do use the site (Shanaz , 2010). Female students and social site is synonym. According to Joiner (2008) female students like to socialize online and they use Facebook more as a tool for social connection. Overall, female students primarily used Facebook as a way to keep in touch with high school friends.

Female students basically use Facebook for more social intent, to conversate and socialize with colleagues, friends and family through the correlative features offered by this social site (Laurie

and Paula, 2007). Foregger (2008) in her study on the uses and gratifications of Facebook found that there were nine motives relate to the use of social network site such as passing-time, , utilities and upkeep, channel use, social information, marketplace, continue, and establish old ties, social comparison, attractiveness, and interrelated. Facebook seems to be a strong attraction for students to go online because the web support the motivations like self discovery, social enhancement, and interpersonal connectivity for them to join the site.

For as much as the rising of global networking phenomenon in India, this research is aimed to examine the motives that persuade female students to fulfil their needs and desires through Facebook and identifying which motive that contribute more to the addiction of the social website.

FEMALE STUDENTS AND SOCIAL NETWORKING SITE ADDICTION

Social networking sites (SNSs) had been available to university students for the past few years. Popular example of social networking site in India includes Facebook, MySpace, Friendster, Twitter and Tagged. The accession of Social networking sites (SNSs) shows a shift in the organization of communities online. Facebook is among the recent virtual spaces that allow people to establish connections between people throughout the world (Milani , 2010). Boyd & Elisson (2007) found that social networking sites (SNSs) such as Facebook were changing the nature of social connect. Thesedays , female students getting busy with Facebook in order to fulfil their needs and desire as a result time spend on such site increase dramatically. According to Jalalian (2010) the online world has already proven to impact on numerous aspects of human life inclusive of commerce, education, and health.

Facebook addiction is a growing concern among society and mass media. Facebook seems to be the ultimate isolating technology that further reduces young female participation in many activities in the real world. Using Facebook is the common trend for today's female regardless of age. Many of them use Facebook for various reasons such as communicating with friends through e-mail or instant messaging (Ridings & Gefen, 2004). The main predicament over the use of Facebook is that female students has already busy with their class assignment and the time spent on Facebook only contribute to the addiction of the site. Caplan (2008) found that the overuse of Facebook has the potential to bring negative effect on work, health, individual's study, and personal relationship as well.

Uses and Gratification Theory (U&G) was developed by Katz (1959) to explain peoples' motivations for media usage, access and attitude toward a particular medium. The theory is concerned with the way people use the media (Hanjun, 2000). Severin and Taknard (2007) states that the uses and gratifications theory is a psychological communication perspective that focuses on how different people use the same media messages for different purposes to satisfy their psychological and social needs and achieve their goals. They found that there were five motivation factors relate to the social networking use: pass time, social escapism, information, interactive control, and communication which influence user's motivations towards the Facebook site and the relationship with Facebook addiction (Severin and Taknard, 2007).The study on which this research is based examined the usage motives that persuade female students to the Facebook addiction. This research is important due to the rising number of user especially young female who have the addiction to Facebook in India. According to New Sunday Times

(2010) over 3 million female regarding of ages are actively Facebook. Findings of the study may be generally applicable to service providers, current users, and potential users. Their objectives of the study was to determine female students' motives for Facebook use and to examine the relationships between female students' motives for and Facebook addiction.

METHODOLOGY

This study adopts a quantitative research method, using survey method. A set of Self administrative questionnaire was distributed to the selected respondents during the class time using "drop and collect" method. The respondents are given 15 to 20 minutes to complete the questionnaires and it will be collected by the researcher as soon as possible to avoid class interruption. This data collection takes a month to finish.

The design of the study required data to be collected from female students from public and private colleges and business schools in India. The respondents consisted of undergraduate and postgraduate students of Management colleges in Mumbai. The survey questionnaires were randomly distributed among 140 female respondents from different colleges Responses were voluntary and those who never had a Facebook account did not participate in the survey.

The instrument used in this study is a survey questionnaire which was designed to achieve our research objective. A set of questionnaire consist of 51 questions was developed to investigate female students' motives for Facebook use. A pool of Part A contains 6 questions design to capture the demography background such as age, gender, Discipline of study, current level of study, year of study in university. Part B contains thirty questions design to understand the users' motives for Facebook (passing-time, entertainment, companionship, social interaction and communication) and Part C contains 11 items structured to investigate the Facebook addiction level among female students.

The pre-test of questionnaire was carried out to determine the clarity of instruction, face validity and reliability of the research instrument..There were 30 respondents involve in this research. The results of the test on the variables in the pre-test met the requirement of 0.70 Cronbach's Alpha value for reliability test in social science studies ranged from 0.65 to 0.95.Validity and reliability were obtained by means of following procedure: Second, the Reliability tests on all items in the form Likert Scale were done. It was found that the Alpha Cronbach values on most of the questions were relatively high (0.7-0.8). Therefore, the reliability of research instrument was acceptable.

The data for this study consisted of nominal, ordinal, and scale. They were analyzed using computer software of Statistical Package for Social Science (SPSS version 19.0). Descriptive statistics, Correlation and Regression test were used to analyze the data with regard to aim of the study. Descriptive statistics such as frequency, percentage, mean, median, range, and standard deviation were used to determine demographic characteristics of the respondents, motives for Facebook use, and Facebook addiction. The Pearson's Correlation was used to determine the direction and strength of relationship between motives for Facebook use with Facebook addiction. Multiple regression and ANOVA analysis were used to examine the strength of the association between Motives for Facebook use and Facebook addiction. For this study, a five percent (0.05) level was determined as the accepted level of significance for statistical analysis.

RESULTS AND DISCUSSION

The respondents of this study were female students only (100%) because the researcher wants to study female students' motives in the usage of Facebook. The most respondents aged (39.2%) was in the range of 24-28 years old (refer to Table 1). Many of the participants were students from MMS (37.8%) and another 34.2 percent from BMS. The total respondent of 140 have received and analyse din the following way.

TABLE 1: DISTRIBUTION OF RESPONDENTS BY DEMOGRAPHICBACKGROUND (N=140)

Demographic	Frequency	Percentage
Gender		
Female	140	100
Age		
19-21 years old	35	25.0
22-23 years old	50	35.7
24-28 years old	55	39.2
Discipline of study		
BMS	48	34.2
MMS	53	37.8
Diploma	39	27.8
Current level of education		
Bachelor degree	48	34.2
Master degree	53	37.8
Diploma	39	27.8
Year of study in the university		
First Year	70	50.0
Second Year	50	35.7
Third Year	20	14.2

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Source: Primary data collected from various organizations in Mumbai

MOTIVES FOR FACEBOOK USE

One of the research objectives is to find out the prior motives that influence female students to use Facebook site. The researcher identified five main motives for Facebook use including (1) social interaction, (2) companionship, (3) entertainment, (4) passing time, and (5) communication. The quantitative data are presented in term of mean and standard deviation in Table 2, Table 3, Table 4, Table 5 and Table 6.

SOCIAL INTERACTION MOTIVES

Table 2 describes the social interaction motive among different management students. The highest mean value of 16.7 was noted for item "To stay in touch with friends", followed by item "To maintain existing Friendships" (mean=13.5). Other popular item included "To check on birthday invitations from friends" (mean=12.6). Findings of the study show that students mostly use of Facebook to keep in touch with friends. They used Facebook message application to nurture online and offline friendships and build social ties across distance.

TABLE 2: DISTRIBUTION OF RESPONDENTS BY SOCIAL INTERATIONMOTIVES (N=140)

Items	Percentage							
	1	2	3	4	5	6	Iean	SD
To stay in touch with friends	2.8	6.7	11.6	15.6	31.2	32.5	16.7	11.8
To maintain existing Friendships	0.6	4.7	23.5	15.5	17.2	19.8	13.5	08.1
To share my recent activities with friends	0.54	1.7	5.6	32.1	14.5	16.8	11.8	10.8
To invite friends to my party	1.1	0.9	0.5	2.3	17.6	31.9	9.0	11.4
To check on birthday invitations from friends	3.6	4.8	12.6	12.4	21.2	21.1	12.6	06.9
To check on wedding invitations from friends	0.89	0.67	1.4	0.6	11.3	14.3	4.8	05.6

Source: Primary data collected from various organizations in Mumbai

PASSING TIME MOTIVES

Passing time motives explained on how students using Facebook to fill in their free time (Table 3). The findings showed that most of the respondents use Facebook "to pass the time when feeling bored" (mean=23.4), followed by item "to routinely do it every time I go online" (mean=19.2), and "to update my profile from time to time" (mean=15.3). Students primarily use Facebook to pass time when they feel bored and this relate to the idea of being socialized with friends online.

TABLE 3: DISTRIBUTION OF RESPONDENTS BY PASSING TIME MOTIVES(N=140)

Items	Percentage							
	1	2	3	4	5	6	Mean	SD
To pass the time when feeling bored	11.9	23.4	24.4	25.6	26.8	28.3	23.4	5.3
To routinely do it every time I go online	4.9	13.7	25.2	26.2	19.2	26.3	19.2	7.8
To update my profile from time to time	3.6	11.2	5.9	17.7	19.6	34.2	15.3	10.1
To exchange virtual greetings	0.8	6.3	5.8	16.9	27.2	13.9	11.8	8.7
To add more applications on my profile	0.7	4.2	4.6	15.2	25.7	13.9	10.7	8.5
To exchange virtual gifts	23	15.6	12.6	16.5	18.3	4.9	15.1	5.5

Source: Primary data collected from various organizations in Mumbai

ENTERTAINMENT MOTIVES

In terms of entertainment, the findings in Table 4 showed that the highest mean value of 26.9 was noted for item "to play games", followed by mean 25.3 "to share music video" and "to share song lyrics" (mean=20.6). Facebook was the source of entertainment for many of students. They were numerous of interactive features offered by Facebook such as games, notes, photographs, videos available on Facebook which enable users to relax and have fun.

TABLE 4: DISTRIBUTION OF RESPONDENTS BY ENTERTAINMENT MOTIVES (N=140)

Items	Percentage							
	1	2	3	4	5	6	Mean	SD
To share music video	41.2	12.3	18.9	34.5	25.6	19.5	25.33	9.8415
To share movie preview	6.7	3.9	7.9	6.9	9.2	12.7	7.883	2.6823
To play games	11.9	6.9	45.2	34.6	45.2	17.9	26.95	15.465
To share song lyrics	8.2	5.9	56.7	16.9	22.1	13.8	20.6	17.006
To play quizzes	1.8	8.9	16.1	23.2	23.2	16.9	15.02	7.6458
To listen to music	5.9	7.8	8.9	9.5	6.5	4.7	7.217	1.6817

Source: Primary data collected from various organizations in Mumbai

COMPANIONSHIP MOTIVES

Table 5 shows the distribution of respondents by companionship motives. The highest mean value of 11.5 was noted for the item "to find long lost friends", followed by item "to share thoughts with friends" (mean=11.4), and "to feel less lonely" (mean=11.3). Facebook has the function to facilitate friendship. The majority of the respondents used Facebook to find long- lost friends as it were not difficult because most of the Facebook profiles begin with the real nick name and they can easily type their friends' real name.

TABLE 5: DISTRIBUTION OF RESPONDENTS BY COMPANIONSHIP MOTIVES (N=140)

Items	Percentage							
	1	2	3	4	5	6	Mean	SD
To find long lost friends	2.6	5.3	21.5	11.5	16.7	11.5	11.5	6.386
To share thoughts with friends	3.9	6.9	12.7	11.2	19.2	14.9	11.4	5.0215
To feel less lonely	4.2	5	11.6	12.6	18.1	16.9	11.3	5.3138
To find people with similar interests	0.5	1.1	3.6	3.9	30	23.2	10.3	11.697
To make new friends	2.9	4.5	12.8	8.9	15.6	17.9	10.4	5.5129
To find friend to be with	0.8	0.3	6.7	4.9	12.4	12.8	6.3	4.9637

Source: Primary data collected from various organizations in Mumbai

COMMUNICATION MOTIVES

As displayed in Table 6, the highest mean value of 13.9 was noted for the item "to share information", followed by item "to send message to friends" (mean=11.8) and "to post a comment on my friends wall" (mean=9.8). Facebook operates primarily as a tool for communication among university students. They use Facebook to send message and share information with their fellow friends. The uses of message in Facebook can save time and money and it was the fastest way to share information from one to another. Students can share information regarding their university activities, class notes, and assignments

TABLE 6: DISTRIBUTION OF RESPONDENTS BY COMMUNICATION MOTIVES (N=140)

Items	Percentage							
	1	2	3	4	5	6	Mean	SD
To post a comment on my friend's wall	0.8	2.6	8.2	7.9	23.9	15.6	9.8	7.8
To send message to friends	8.9	1.9	6.9	23.8	12.6	16.7	11.8	7.0
To share information	2.9	5.9	9.6	32.5	13.6	18.6	13.9	9.7
To chat with friends	0.6	5.7	10.3	11.2	12.4	14.6	9.1	4.6
To build network with others	0.3	3.6	3.9	4.9	11.7	17.2	6.9	5.7
To get gossip about others	0.9	1.5	2.8	3.9	34.7	13.4	9.5	12

Source: Primary data collected from various organizations in Mumbai

FACEBOOK ADDICTION

As displayed in Table7, the majority of the respondents agreed with the statement "I often spend time play games with friends through Facebook" (mean=18.4), followed by item "I neglect everyday responsibilities to spend more time on facebook" (mean=18.3) and "My grades getting lower because of the amount of time I spend on facebook" (mean=17.8). Facebook has become the first thing for the students when they logged to the Internet and many of the respondents are becoming addicted to Facebook. Student life without Facebook is almost impossible because they live far from their family and old friends which require a form of communication. Through Facebook, they can share and talk more about their experiences or express their feelings. This indicates that Facebook deeply penetrate students' everyday life.

TABLE 7: DISTRIBUTION OF RESPONDENTS BY FACEBOOK ADDICTION(N=140)

Items	Percentage							
	1	2	3	4	5	6	Mean	SD
Facebook has become part								
Of my daily routine	0.2	0.7	6.2	1.5	50.1	31.1	15	19
I find that I say on Facebook								
longer than I intended	0.4	0.8	11.5	4.9	42.8	32.1	15.4	16.3
I feel out of touch when I haven't logged onto Facebook for a while	2.4	3.2	14.5	3.6	43.9	19.7	14.6	14.6
I think life without facebook								
would be boring	2.1	7.2	27.5	4.5	36.5	14.2	15.3	12.6
I tend to spend more time in								
Facebook over going out with								
Others	9.2	8.9	32.5	11.1	29.5	10.1	16.9	10
I often spend time play games								
with friends through Facebook	15.3	12.4	35.3	9.2	26.8	11.1	18.4	9.48
I often think about Facebook								
when I am not using it	17.2	13.7	21.7	11.2	21.7	8.6	15.7	4.98
I often lose sleep due to late-								
night login to facebook	19.5	15.6	23.8	9	19.9	11.3	16.5	5.13
I neglect everyday responsibilities								
to spend more time on								
Facebook	21.5	16.9	32.8	11	16.7	11.1	18.3	7.42
My priority is to log on Facebook								

rather than doing other things	25.7	17.9	31.7	12.1	10.1	7.7	17.5	8.65
My grades getting lower because								
of the amount of time I spend								
Facebook	26.4	18.2	32.6	11.1	12.3	6.1	17.8	9.18

Source: Primary data collected from various organizations in Mumbai

RELATIONSHIP BETWEEN FEMALE STUDENT'S MOTIVES FOR FACEBOOK USE AND FACEBOOK ADDICTION

Pearson Correlation Test explained the relationship between female students' motives for Facebook use and Facebook addiction. Findings show that there is significant relationship between passing time, companionship, social interaction, entertainment, and communication with Facebook addiction. These five motives of Facebook use do influence students' addiction toward the site.

ANOVAs test for regression analysis shows that there is a significant relationship between both dependent variable (motives for Facebook use) and independent variable (Facebook addiction) at the 0.05 significant levels. The analysis shows that passing time (Model 1) gives a significant result with F=68.864, $p<0.05$. As well as the combination of passing time and entertainment (Model 2) which also gives a significant result (F=43.993, $p<0.05$). Hence, the combination of passing time, entertainment, and communication (Model 3) contribute more to Facebook addiction. Model 3 gives a significant result (F=29.427, $p<0.05$).

Meanwhile multiple regression test shows that passing time significantly contributes to 17.3 percent of variance ($R^2 = 0.153$) towards Facebook addiction for the total of 380 respondents in the study. This means that passing time (_=0.42, $p<0.05$) is the main contributor that caused females students addicted to Facebook. However, with the combination of predictor between passing time (_=0.21, $p<0.05$), entertainment (_= 0.24, $p<0.05$), and communication (_= 0.15, $p<0.05$) the contribution value of variance towards Facebook addiction is increase to 23.9 percent. Therefore, the increment is nearly 7%. Whilst the factors which are not significantly contribute in this study are social interaction and companionship. Therefore, it can be concluded that among five motives of Facebook use, passing time, entertainment and communication were the strong predictor of Facebook addiction.

The demographic background revealed that female students aged between 19-23 years old were the larger segment of Facebook users. Students are engaging with Facebook site and each of them has own Facebook personal account. Most of the female Facebook users were undergraduate student in the first and second semester. Results of the study showed that passing time social interaction, , entertainment, companionship, and communication motives were the strong predictors of positive attitude towards social site and these motivational factors influence students' Facebook addiction. Those 5 motives were strongly related to the basic human needs of communication, socialization, being an active part of a group, or maintaining long-distance friendships. The student's psychology needs was totally fulfil by the interactive features of

Facebook. The most popular activities students do in Facebook is writing in friend's wall, posting comments, viewing video, and posting photos.

It was impossible to deny the dominance of Facebook phenomenon in India. It is being used widely by our young generation specifically university students. One explanation for this popularity is that Facebook can enhance social relationship at large. The wider uses of Facebook mostly associate with the interactive features offered by the website. Students able to chat with friends make comments and even write to one another. Facebook is becoming an essential part of students daily life and the problem of Facebook addiction started being recognized as students spent too much time on Facebook. The results also affirm the findings of an earlier study indicating that female students are addicted to Facebook when they use the site for more than four hours per day (Grindeland and Harrison, 2009).

Facebook has become more of an addiction than a fun activity for the large number of female students. The researcher believes that there are some limitations to this study. Like any research, the investigation has many limitations that should be considered before generalizing the results to other contexts and recommending for future research. First, the survey only sought opinions of female students from just two universities. However, there are many universities in India. To understand the phenomenon of Facebook addiction in India, it is necessary to take a look at female student's usage motives toward Facebook. The findings of this study have some important theoretical and practical implications to the research related to Facebook in India. Therefore, further investigation is needed to learn more about Facebook addiction phenomenon in India. Some supplementary issues that should be considered in in future research include factors influencing Facebook addiction.

CONCLUSION

As a conclusion, students' motives for Facebook use have become the main influences to the addiction of the social site. Female students mainly used Facebook for these following motives; social interaction, passing time, entertainment, companionship, and communication. However, passing time, entertainment, and communication were among the motivational factors that contribute more toward students' Facebook addiction. There is no doubt that female students were among the active users of Facebook site in India and this was an indication of good ICT skills and good use of technology. In fact, female students tended to view Facebook as a powerful tool of communication and the place for socialized with friends and family. The existence of Facebook seemed to satisfy the basic human need for connectedness and community. The results of the study will be applicable to service providers in giving the best services and opportunity to the current users and potential users of Facebook in identifying the negative and positive impacts of social networking site as well. Therefore, the greater use of Facebook would tend to create a problem of addiction to the site and it is recommended that these young generations should be educated on any danger that this new trend may lead to.

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WOMEN ENTREPRENEURSHIP IN INDIA- ROLE OF WOMEN IN SMALL AND MEDIUM ENTERPRISES

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ABSTRACT

In the Globalised world, women entrepreneurs are playing a vital role and they have become important part of the global quest for the sustained economic development and social progress. In India, though women have played a key role in the society, their entrepreneurial ability has not been properly tapped due to the lower status of women in the society. In India, the women role has been explicitly recognized with a market shift in the approach from women welfare to women development and empowerment from the Fifth Five Year Plan (1974-79) onwards and today the significant role of women in entrepreneurship constantly increasing due to various global factors. The Government of India has been implementing several policies and programmes for the development of women entrepreneurship in India. In India, entrepreneurship among women is of recent origin. Socio – economic background is an important factor that influences the woman to start their business. Despite all the social hurdles, Indian women stand tall from the rest of the crowd and are applauded for their achievements in their respective field. The transformation of social fabric of the Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the life style of Indian women. She has competed with man and successfully stood up with him in every walk of life and business is no exception for this. These women leaders are assertive, persuasive and willing to take risks. They managed to survive and succeed in this cut- throat competition with their hard work, diligence and perseverance.

The present paper focuses on the factors influencing women entrepreneurship and the constraints faced by them in small and Medium Enterprises in India.

KEYWORDS: *Women entrepreneurship, Economic development, Global economy, Gender, Small and micro enterprises etc.*

INTRODUCTION

In developing economies, the small, medium and cottage industries are able to create livelihood to the poor and needy of the society. The small savings of rural areas are contributing more in establishing the small and micro enterprises in India. In the light of demise of rural artisanship, entrepreneurship has been given much importance as well as empowerment too. The women empowerment has been important role of Governments and other non-governmental

organizations. The women are endowed with innate power that can make them successful entrepreneurs. Women entrepreneurship is inherent and also a natural process. Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. Entrepreneurs have been considered instrumental in initiating and sustaining socio-economic development. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries, which have lesser percentage of them in the society.

Women entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined a woman entrepreneurship as "an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women". In India, women constitute around 48 percent of the population but their participation in the economic activities is only 34 percent. As per the Human Development Report (2007), India ranks 96th on the gender related development index of 137 nations. The gender empowerment measures, which estimate the extent of women participation in the country's economic and political activities, rank India as 110th of the 166 nations. In the emerging complex social scenario, women have a pivotal role to play. Now women have taken up entrepreneurial role in order to create a meaning for themselves. The traditional roles of housewives are gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income. When proper exposure, education and knowledge are imparted to them, Indian women will prove themselves to be highly potential productive force for the development of the nation.

REVIEW OF LITERATURE

Women in India reveal that empowerment of women and development of women entrepreneurs to bring actual reality through constitutional goal of equality. Lalitha Iyer''s study (1991) on "Women Entrepreneurs Challenges and Strategies" analyses major constraints faced by women entrepreneurs and reflects upon specific policies and programmes for women entrepreneurship development. Kamala Singh''s study (1992) on Women Entrepreneurs has made an attempt to diagnose the women entrepreneurs profile and has identified dominating entrepreneurial traits, their motivational forces and performance both quantitatively as well as qualitatively. This work aimed at understanding the entrepreneurial development among women is a unique attempt for highlighting their existing status and contribution in the national economy.

The study by Rani (1996) found that the availability of leisure time motivated women entrepreneurs from higher income classes. Contrary to the above, women entrepreneurs are forced to take entrepreneurship in the absence of any other means of contributing to family income (D'Cruz, 2003). The study also found that, family support and encouragements are the highest facilitating factor which helped women to aspire entrepreneurship (Pillai and Anna, 1990). Traditional concept of the entrepreneurship cited the desire to self-employed, to generate income and to utilize skills according to Hookoomsing and Essoo (2003), (Richardson et al., 2004). Women's reasons for starting business are not always often driven by positive factors but also due to negative circumstances such as low family income, lack of employment opportunities, dissatisfaction with a current job or the need for flexible work(Robinson, 2001),

These factors tend to be most predominant among women within developing economies (Dhaliwal, 1998). A previous study also observed that the primary concern of women NGO founders in India is pursuing the NGO's mission than the earnings (Handy, Kassam and Ranade, 2003).

OBJECTIVES AND RESEARCH METHODOLOGY OF THE STUDY:

The study is based on secondary data which is collected from the published reports of RBI, NABARD, Census Surveys, SSI Reports, newspapers, journals, websites, etc. The study was planned with the following objectives:

1) To discuss the development of women entrepreneurs through small and medium enterprises
2) To highlight the factors influencing the women entrepreneurs
3) To study the major constraints faced by the women entrepreneurs.
4) To draw conclusions and offer suggestions

WOMEN ENTREPRENEURSHIP

Women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development. Women entrepreneurship has been recognized as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organization and business problems. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms limited mobility and access to information and networks, etc. Women‟s entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women‟s empowerment, thus contributing to the Millennium Development Goals (MDGs). Thus, governments across the world as well as various developmental organizations are actively undertaking promotion of women entrepreneurs through various schemes, incentives and promotional measures.

Over the past few decades the sex role of women has been breaking the barriers of four walls. Today the roles of women are not confined to the traditional on as a mother / housewife. The role of modern women is much more than, what it was previously. However even after the 63 years of India‟s independence the bias against women continues because of the cultural and traditional mores, which has affected lot on the female status and role. A woman has to play multiple roles. Besides playing the role of housewife/mother/daughter, she has to play different roles in community in the social settings simultaneously. Playing all the roles, women sometimes submerged her own self-role and her own real identity.

DEVELOPMENT OF WOMEN THROUGH ENTREPRENEURSHIP IN SMALL AND COTTAGE INDUSTRIES

Status of women freedom depends on economic conditions even more than political. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else, and dependents are never free. These were the ideas of Pandit Jawaharlal Nehru, the first

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Prime Minister of India, who vividly highlighted the importance of economic independence of women. These views are antagonistic to the laws of Manu written early in the Christian era which stress the need to control women because of the "evils" of female character.

The 1991 Industrial Policy has envisaged special training programmes to support women entrepreneurs. Accordingly women entrepreneurs are receiving training through Entrepreneurship Development Programmes (EDPS) conducted by various institutions and organizations both at central and state levels. The Small Industries Development Organization (SIDO), with its field offices all over the country has been carrying out development programmes for women entrepreneurs and is providing technical schemes for setting up of SSI units. In view of the changing outlook for the promotion of women enterprises, the SSI Board in 1991 revised the definition of women enterprises by omitting the condition of employing 50 per cent of women workers. This provided a boost to women entrepreneurs to take up business and avail all facilities / concessions as are applicable to SSIs. "Women in business" is considered a recent phenomenon in India. The fact that almost half the population of this large country comprises of females while businesses owned and operated by them constitute less than five per cent is a reflection on social, cultural as well as economic distractions in the decades of development. Indeed, women"s participation in economic activity and production of goods and services is far greater than formal statistics might reveal, since much of it takes place in the informal sector as also in the households.

FACTORS INFLUENCING WOMEN ENTREPRENEURS

Setting up an enterprise is not an easy job for women entrepreneurs and at the same time running the enterprise is a greater task. A challenge is always there for these women entrepreneurs to run their enterprise successfully earning profit and ensuring the growth of the enterprises which will severely test their entrepreneurial skill and survival of the unit. Despite various odds against them, several women are off to run their own enterprises. Even though there has been a considerable increased in the number of women entering in entrepreneurial activity, they are being introduced to many constraints and difficulties with regard to control and decision making, social status and enthusiasm in the product or serviced in which they are dealing. It is found that women are entering more in this venture as compared to man to start their own business to make social contribution in addition to desire of exploring their inner self and fulfilling their means of livelihood.

THE VARIOUS CONSTRAINS FACED BY WOMEN ENTREPRENEURS ARE

SOCIAL ATTITUDE AND SUPPORT: The society plays a prominent role in entrepreneurial venture and success. Many researchers have been conducted to study the attitude and support to women entrepreneurs across the region. Some research concludes that, women received strong support from their social environment which she may have built either due to start up types requiring more social support or hesitation to enter the business formation forces.

MARKETING: The other hand women face marketing challenges in the form of competition from cheaper and substitute product, delayed payment and liberal credit terms. Women entrepreneurs neither have knowledge nor access to proper market, thus they sell their product through the middle man. This middle man exploits them and entrepreneur received for price than desired even if the demand of product is high.

FINANCE: Finance is a critical resource for venture creation. It is very important that women entrepreneurs have adequate knowledge and information of the various financial institutions which are rendering financial incentives and many other help for the women entrepreneurs in the region.

OPERATIONAL: Women entrepreneur in India not only struggle at the time of establishment of enterprises but at operation stage also, they have lots to overcome with different functional difficulties. Usually women faced two fold operational problems and she has to overcome with problems of production process like, scarcity of raw material, lack of technical skills, lack of utilities and infrastructure facility.

MANAGEMENT PROBLEM: It is normally believed that women have low managerial skill. But in fact women are stronger in more logic based skills though they are weaker in self promotion and handling frustration. The increasing number of female students and their excellent performance in management education is a proof to the fact.

MOBILITY CONSTRAINTS: Women in India have got restricted mobility, our society is a conservative society, and the career of women was limited to four walls of kitchen. Although now, women have got relatively more freedom in terms of entrepreneurial activity but also by the family members if they move out after normal hours. Though women faced lots of problems

being mobile in entrepreneurial activity, the mobility problem has been solved to certain extent by the expansion of education awareness to all.

DUAL RESPONSIBILITY: The most exploited individual of the day are the working women, as they have to perform dual responsibility, one at work and another as family as mother of wife. The level of women exploitation on family responsibility ground depends on her social dependence.

RISK-BEARING ABILITY: One pre-requisites of the entrepreneurial success is risk taking. It is normally believe that women being feminist gender have low risk taking ability. They are being suppressed by the protected environment and are not allowed most of the time to take any type of risk even if she is willing or she has the ability to bear.

ABSENCE OF ENTREPRENEURIAL APTITUDE: Many women take the training by attending the Entrepreneurship Development Programmes without entrepreneurial bent of mind. As per a study, involvement of women in small scale sector as owners stands at mere 7 percent. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews etc.

QUALITY OF EDPS: All women entrepreneurs are given the same training through EDPs. Second-generation women entrepreneurs don't need such training as they already have the previous exposure to business.

FAMILY CONFLICTS: Women also face the conflict of performing of home role as they are not available to spend enough time with their families. They spend long hours in business and as a result, they find it difficult to meet the demands of their family members and society as well. Their inability to attend to domestic work, time for education of children, personal hobbies, and entertainment adds to their conflicts.

CREDIT FACILITIES: Though women constitute about 50 per cent of population, the percentage of small scale enterprise where women own 51 percent of share capital is less than 5 percent. Women are often denied credit by bankers on the ground of lack of collateral security. Therefore, women's access to risk capital is limited. The complicated procedure of bank loans, the inordinate delay in obtaining the loans and running about involved do deter many women from venturing out. At the same time, a good deal of self- employment program has been promoted by the govt. and commercial banks.

SHORTAGE OF RAW-MATERIALS: Women entrepreneurs encounter the problems of shortage of raw-materials. The failure of many women co-operations in 1971 such as these engaged in basket making were mainly because of the inadequate availability of forest-based raw materials.

HEAVY COMPETITION: Many of the women enterprises have imperfect organizational set up. But they have to face severe competition from organized industries.

HIGH COST OF PRODUCTION: High cost of production undermines the efficiency and stands in the way of development and expansion of women's enterprises, government assistance

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in the form of grant and subsidies to some extent enables them to tide over the difficult situations. However, in the long run, it would be necessary to increase efficiency and expand productive capacity and thereby reduce cost to make their ultimate survival possible, other than these, women entrepreneurs so face the problems of labor, human resources, infrastructure, legal formalities, overload of work, lack of family support, mistrust etc.

POLICIES AND SCHEMES FOR WOMEN ENTREPRENEURS IN INDIA

Development of women has been a policy objective of the government since independence until the 70s the concept of women,,s development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non government bodies have paid increasing attention to women,,s economic contribution through self employment and industrial ventures.

In India, the Micro, Small & Medium Enterprises development organisations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems. There are also several other schemes of the government at central and state level, which provide assistance for setting up training-cum-income generating activities for needy women to make them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. For instance, under Prime Minister"s Rozgar Yojana (PMRY), preference is given to women beneficiaries. The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme. Similarly, under the MSE Cluster Development Programme by Ministry of MSME, the contribution from the Ministry of MSME varies between 30-80% of the total project in case of hard intervention, but in the case of clusters owned and managed by women entrepreneurs, contribution of the M/o MSME could be up to 90% of the project cost. Similarly, under the Credit Guarantee Fund Scheme for Micro and Small Enterprises, the guarantee cover is generally available up to 75% of the loans extended; however the extent of guarantee cover is 80% for MSEs operated and/ or owned by women. Some of the special schemes for women entrepreneurs implemented by the government bodies and allied institutions are provided below.

At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

* Integrated Rural Development Programme (IRDP)
* Khadi And Village Industries Commission (KVIC)
* Training of Rural Youth for Self-Employment (TRYSEM)
* Prime Minister's Rojgar Yojana (PMRY)

- Entrepreneurial Development programme (EDPs)
- Management Development progammes
- Women's Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Mahila Vikas Nidhi
- Micro Credit Scheme
- Rashtriya Mahila Kosh
- SIDBI,,s Mahila Udyam Nidhi
- Mahila Vikas Nidhi
- SBI,,s Stree Shakti Scheme
- NGO,,s Credit Schemes
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- National Banks for Agriculture and Rural Development,,s Schemes
- Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
- Priyadarshini Project- A programme for _Rural Women Empowerment and Livelihood in Mid Gangetic Plains,,
- NABARD- KfW-SEWA Bank project
- Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

WOMEN ENTREPRENEUR ASSOCIATIONS

The efforts of government and its different agencies are supplemented by NGOs and associations that are playing an equally important role in facilitating women empowerment. List of various women associations in India is provided below.

DETAILS OF WOMEN ENTREPRENEUR ASSOCIATIONS IN INDIA

- Federation of Indian Women Entrepreneurs (FIWE)
- Consortium of Women Entrepreneurs(CWEI)
- Association of Lady Entrepreneurs of Andhra Pradesh
- Association of Women Entrepreneurs of Karnataka (AWAKE)
- Self-Employed Women's Association (SEWA)

- Women Entrepreneurs Promotion Association (WEPA)
- The Marketing Organisation of Women Enterprises (MOOWES)
- Bihar Mahila Udyog SanghBihar Mahila Udyog Sangh
- Mahakaushal Association of Woman Entrepreneurs (MAWE)
- SAARC Chamber Women Entrepreneurship Council
- Women Entrepreneurs Association of Tamil Nadu (WEAT)
- Tie Stree Shakti (TSS)
- Women Empowerment Corporation

TIPS & SUGGESTIONS FOR WOMEN ENTREPRENEURSTIPS FOR WOMEN ENTREPRENEURS

- Start a business that works for you and your personal life
- Research the product/ service
- Assess the market
- Start business with adequate funds
- Do networking.
- Consult with professionals.

Here are some suggestive measures, to solve the problems confronted by them and for running their enterprise smoothly.

- Proper technical education to the women and opening of women development cells.
- Improvement of identification mechanism of new enterprise.
- Assistance in project formulation and follow up of training programmes.
- Credit facilities, financial incentive and subsidies.
- Adequate follow-up and support to the women enterprises.
- Women Enterprises research and application from time to time have to be documented.

CONCLUSION

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. From these suggestions it is quite visible that for development and promotion of women entrepreneurship, in the region, there is a need for multi dimensional approach from different sector, namely from the government side, financial institutions, individual women entrepreneurs and many more, for a flexible integrated and coordinated specific approach. The principal factor in developing entrepreneurship among women is not in terms of infrastructure or financial assistance or identifying an enterprise but it is a question of clearing the ground for their movement into entrepreneurship. For ages together they have been

confined to a secondary role and confined to the homes and you have to bring out so that they become self-reliant, self-respecting enterprising people. Though there are several factors contributing to the emergence of women as entrepreneurs, the sustained and coordinated effort from all dimensions would pave the way for the women moving into entrepreneurial activity thus contributing to the social and economic development of the members of the family and thereby gaining equality and equal importance for themselves.

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A CASE STUDY ON GROWTH OF INVESTMENT IN LIFE INSURANCEIN INDIA

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ABSTRACT

India has long been known for the diversity of its culture, for the inclusiveness of its people and for the convenience of geography. Today, the world's largest democracy has come to the forefront as a global resource for industry in manufacturing and services. Its pool of technical skills, its base of an English-speaking populace with an increasing disposable income and its burgeoning market have all combined to enable India emerge as a viable partner to global industry. Investment opportunities in India are today perhaps at a peak. Supported by India's natural strengths, India offers investment opportunities in excess of US$850 billion in diverse sectors over the next five years.

OBJECTIVES MAIN OBJECTIVE

To study the Growth of Life Insurance Corporation in India

SECONDARY OBJECTIVES

- *To understand the meaning and different concepts of investment*
- *To study attributes required for growth of Life Insurance sector*
- *To find out the customer loyalty in Life Insurance Corporation*
- *To suggest measures for the improvement of quality of services offered by Life insurance sector.*

During the last 50 years life insurance has become the main vehicle for carrying social security to the public in general and the weaker sections in particular. The institution of insurance has thus proved to be a reliable as well as a viable means of carrying the benefits of social security to the people and it can be said in particular that life insurance ultimately provides social security when it meets the needs of the people. Life insurance market, hitherto dominated by a governmental monopolistic monolith –LIC, had to make way for a slew of private players who paired with local financial institutions to revolutionalise the insurance market in India. The essence of insurance is to share losses and substitute certainty by uncertainty. Human life is also an income generating asset, albeit, intangible.

Being the world's seventh largest country and the second most populous one, the type of opportunity, the country's hold of insurance business can be envisioned. The global penetration level is around 4.7% as against India's 2.6% hence there is tremendous potential to be tapped. Over the past five decades LIC of India has become a household name, when it comes to providing insurance cover to millions of people in India. LIC continues to be the dominant life

insurer even in the liberalized scenario of Indian insurance and is moving fast on a new growth trajectory surpassing its own past records. LIC has issued over one crore policies during the current year. It has crossed the milestone of issuing 1,01,32,955 new policies by 15th Oct, 2005, posting a healthy growth rate of 16.67% over the corresponding period of the previous year. From then to now, LIC has crossed many milestones and has set unprecedented performance records in various aspects of life insurance business.

INTRODUCTION

"To invest successfully over a life time does not require a stratospheric IQ unusual business insights, or inside information. What is needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding that frame work" –Benjamin Graham. Successful investing is a journey and not a onetime event. Individual's personality as an investor takes time and patience, not to mention trial and error. Along with right investing knowledge, personality also contributes for success. Emotional and personality characteristics are correlated with superior trading in recent studies

Investment is the commitment of money or capital to purchase financial instruments or other assets in order to gain profitable returns in the form of interest, income, or appreciation of the value of the instrument. It is related to saving or deferring consumption. Investment is involved in many areas of the economy, such as business management and finance no matter for households, firms, or governments. An investment involves the choice by an individual or an organization such as a pension fund, after some analysis or thought, to place or lend money in a vehicle, instrument or asset, such as property, commodity, stock, bond, financial derivatives (e.g. futures or options), or the foreign asset denominated in foreign currency, that has certain level of risk and provides the possibility of generating returns over a period of time.

The insurance business is going on for more than 150 years in India. The business of life insurance in India was started in 1818 with the establishment of the Oriental Life insurance company in Calcutta. Insurance Act of 1938 was passed and department of insurance under the authority of superintendent of Insurance was established for the administration of the Act. In 1939 – 1955 reveals lack of trust which is the corner stone of life business and nationalization became necessary. In 1956 LIC was formed by an Act of parliament and is fully owned by Government of India. To provide the best customer services they operate through single window system manned by trained personnel. They provide Property Advisory Services free of cost and home services to select customers. During the year 1999-2000, the Company plans to sanction 50000 individual loans for Rs. 1300 crores and disburse over 47500 loans for Rs. 1200 crores. Besides, these individual loans, the Company plans to sanction Rs. 55 crores to Corporate Bodies, Public Housing Agencies and Developers out of which disbursements will be of the order of Rs. 50 crores. By 31st March 2000, the outstanding mortgage portfolio is likely to cross 4300 crores. The insurance sector in India has completed all the facets of competition –from being an open competitive market to being nationalized and then getting back to the form of a liberalized market once again. Insurance Regulatory Development Authority (IRDA) has till now provided registration to 12 private life insurance companies and 9 general insurance companies. If the existing public sector insurance companies are considered then there are presently 13 insurance companies in the life side and 13 companies functioning in general insurance business. General Insurance Corporation has been sanctioned as the "Indian reinsurer" for underwriting only reinsurance business.

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In the case of investment, rather than store the good produced or its money equivalent, the investor chooses to use that good either to create a durable consumer or producer good, or to lendthe original saved good to another in exchange for either interest or a share of the profits. In the first case, the individual creates durable consumer goods, hoping the services from the good will make his life better. In the second, the individual becomes an entrepreneur using the resource to produce goods and services for others in the hope of a profitable sale. The third case describes a lender, and the fourth describes an investor in a share of the business. In each case, the consumerobtains a durable asset or investment, and accounts for that asset by recording an equivalent liability. As time passes, and both prices and interest rates change, the value of the asset and liability also change.
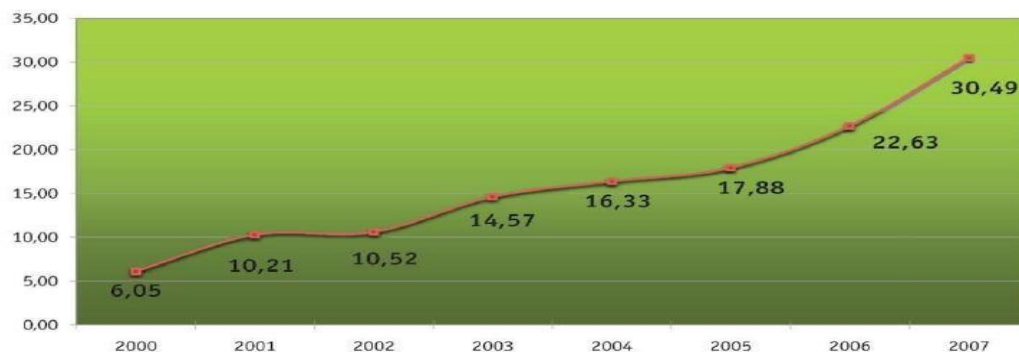
IMPORTANCE OF THE STUDY

Investment has been an activity confined to rich in the past. But today we find that investment has become a household word and has become popular among people from all walks of life. The Gross Domestic Savings (GDS) reached 31.1% of Gross Domestic Product GDP) in 2004-05 when compared to 28.9% in2003-04. The higher saving rate led to phenomenal increase in investment activities. Overall savings rate increased to 33.8%. Household savings in bank deposit increased from 5.1% to 7.8% in 2005-06 due to increase in interest rates and higher return to senior citizen deposits. Savings of household in shares & Debentures increased from 0.2% in 2004-05 to 0.8% in 2005-06, responding to higher resources mobilization through public issues, strong corporate profitability and strong mobilization recorded by mutual funds in view ofassociated higher returns along with tax benefits to investors.

FACTORS RESPONSIBLE FOR INCREASE IN INVESTMENT

- Increase in working population
- Increase in larger family income
- Tax benefit offered by government
- Increase in tendency of people to hedge against inflation
- Availability of large and attractive investment alternatives
- Increase in publicity related to investment

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Increase in return and capital gains from investment It is clear from the above chart that over the period of ten years Insurance market has grown five times. It shows the awareness and confidence the customers have towards Insurance. In spite of Privatization LIC is able to sustain in the market due to the loyalty of policy holders towards LIC.

REVIEW OF LITERATURE

S.Revathy (1998) has concluded in her dissertation that a good insurance company is one that is financially strong and provides fair and prompt claims settlement and offer good service to attract investment.

Ram Mohan Roy (1941) in his thesis entitled "Life insurance in India" has highlighted the significance of life insurance services. This study deals with some of the problems faced by the policy holders and throws light on the several scientific measures to expand the life insurance business. There are different types of investment, but in India many people prefer investing in insurance Investments are often made indirectly through intermediaries, such as banks, mutual funds, pension funds, insurance companies, collective investment schemes, and investment clubs. Though their legal and procedural details differ, an intermediary generally makes an investment using money from many individuals, each of whom receives a claim on the intermediary.

Simplicity also leads to several additional benefits to investor. There is a lower minimum amount that is required for an investor to put their money in different plans which eases the selection process of investor. The investor becomes comfortable hence there is larger amount of confidence then can develop which makes the entire investment process enjoyable.

V N S Pillai (2007) in his dissertation titled "LIC and innovative products including Pension products" says that now day's policy holders feel and expect an assured return as well as security in their old age. Hence like other private insurers LIC has to increase many products to maximize

its business and profit. Affordability makes entire plan to reach large number of investors where they start their exposure to this area and build their confidence for future investments. Innovative product package helps the investors to invest as per their requirements. In case of such unforeseen mishaps, life insurance becomes essential to help the dependents to maintain their life in a normal and regular manner.

Sudarshana Reddy (2005) in his study "Regulation of Insurance through IRDA" that all the respondents felt there is no risk and need not worry about their money since all the private insurance companies also come under the Regulation of Insurance Regulatory Development Authority. An insurance company is a major instrument for the mobilization of the savings of people. Most of the money collected from public is invested in government through the IRDA Act which was made compulsory that a life insurance company has to invest at least 15% of its controlled fund in the infrastructure and social sector of the country.

R.Srinivasamurthy (1982) in his research study titled "Improvement in Productivity of administrative personnel in Insurance sector" has highlighted the major issues relating to the productivity of administrative personnel in LIC. The impact of major issues on productivity have been analysed ion his study

A.Gunitha (2002) in her study "Growth of LIC housing Finance in India" has mentioned the steady growth in Housing finance by LIC. The five basic human needs are Food, Health Care, Education, Employment and Shelter, fulfillment of which affects level of human development and quality of life. In India, the estimated housing shortage is around 40 million units as at the end of the year 2000 and approximately 200,000 crores investment would be required to meet this deficit.

k.Meena (1986) in her dissertation titled "utilization of life insurance by policy holders of Madurai city" has studied the utilization of LIC products by policy holders, analysed the various factors which influence the level of utilization. She has concluded that unless LIC makes its schemes attractive and effective, with good returning capacity and high bonus to the policy holders, it is bound to fail in its operations. She has also suggested that heavy expenditure has to be curtailed so that LIC can pay better returns.LIC has come out with different products to suit investor's needs. The Indian insurance industry is slowly emerging as a destination to the insurance markets all over the world

RESEARCH METHODOLOGY

This study is both descriptive and empirical in nature. Primary data collected from the policy holders of the LIC through the questionnaire with suitable scales. Data collected were analysed by identifying the independent as well as dependent variables. Factor analysis and Cluster analysis tools used in the study. The secondary data collected from reports, journals, newspapers, magazines and websites.

Classification of customers of LIC based on their attributes: Application of K-means cluster analysis on 16 variables on attributes from LIC products leads to the following empirical results. Bracket values denote ranks (1) Strong, (2) Moderate, (3) Weak

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FINAL CLUSTER CENTERS FOR ATTRIBUTES FROM LIC

VARIABLE	CLUSTER -1		CLUSTER -2		CLUSTER -3	
Awareness	(2)	2.90	(1)	4.44	(3)	2.56
Advertisement	(3)	2.86	(1)	4.23	(2)	4.00
Performance	(3)	3.38	(1)	4.56	(2)	3.72
Assured return	(2)	3.28	(1)	4.58	(3)	2.54
Regular income	(3)	2.97	(1)	3.99	(2)	3.36
Agents recommendation	(3)	3.38	(1)	4.27	(2)	4.10
Tax benefits	(3)	3.26	(1)	4.53	(2)	4.28
Speed of decisions	(3)	2.82	(1)	4.24	(2)	2.88
Service behaviour	(2)	3.16	(1)	4.17	(3)	2.72
Appealing facilities	(3)	3.20	(1)	4.00	(2)	3.46
Product features	(2)	3.20	(1)	4.26	(3)	2.44
Transparence	(2)	3.20	(1)	4.23	(3)	2.70
Bonus	(3)	3.03	(1)	4.40	(2)	3.46
Technology	(3)	2.80	(1)	4.26	(2)	3.26
Competence	(2)	3.42	(1)	4.41	(3)	3.08
Corporate image	(2)	3.73	(1)	4.66	(3)	2.62

The above table shows that cluster I of customers are weak in awareness, advertisement, and speed of decisions and adoption of technology. The frequency of cluster I is 44.84% and they possess above mentioned qualities. Cluster II with 43.95% of customers with strong attributes from LIC. The cluster III with a minimum of 11.21% with moderate attributes in assured returns, service behaviour, and information about new schemes, transparency and corporate image.

FACTOR ANALYSIS OF LIC

S. No.	Research Instruments	No. of Variables	Cumulative Frequency	Factors emerged
1	Consumers Perception	16	68.949%	Cognitive operations (7) Consummate services (5) Effectual performance (4)
2	Loyalty	7	58.553%	Progressive operations (5) Corporate Loyalty (2)

From the above total variance table it is found that 16 variables of consumer perception about LIC are reduced to 3 major factors namely cognitive operations, consummate services and effectual performance with total variance of 68.949%. These major factors are identified with the help of eigen values 4.531, 3.541 and 2.960 these eigen values are strictly greater than 1 so it implies the existence of three major factors.

Seven variables of Loyalty towards LIC are reduced to two major factors namely progressive operations and corporate loyalty with total variance of 58. 553%. Their eigen values are also greater than 1 which implies policy holders are satisfied and have greater loyalty towards LIC.

NUMBER OF CASES IN EACH CLUSTER FOR ATTRIBUTES AND LOYALTY INLIC

		Attributes	Loyalty
Clusters		200 196 50	221 – FIRST CLUSTER 115 – SECOND CLUSTER 110 – THIRD CLUSTER
Valid		446	446

Clusters are classified into three divisions based on some attributes. It is clear from the above table that First cluster with 49. 55% of customers are strong in, the reason being loyal to LIC. Reasons like customer satisfaction, corporate image, pre purchase and post purchase services are all important for loyalty. Seven variables like service quality, speed of decisions, efficiency, corporate image, pre purchase service, post purchase service, and size of operations taken in to consideration. Cluster two with 25.78% of customers is weak in a reason for being loyal to LIC. Clusters three with 24.66% of customers are moderate in their reasons like customer satisfaction, and professionalism in services by sales staff. It shows that 50% of policy holders are loyal towards LIC.

FINDINGS

- The annual compounded growth of net worth is 11.999 and the trend is significantly increasing
- There is a quantitative increase in the premium earned and also implied the excellent business performance of LIC.
- Sales volume has strengthened the financial background of LIC in terms of total assets. Heavy competition, and globalization created a high ratio of sales volume and profit before tax
- The customers of LIC have affinity with their agents
- Customers are keen in complaining and the awareness is high on complaining behaviour
- Insurance warns individuals and businessmen to embrace appropriate device to prevent unfortunate aftermaths of risk by observing safety instructions; installation of automatic sparkler or alarm systems, etc. Insurance is the best savings and investment option, restricting unnecessary expenses by the insured. Also to take the benefit of income tax exemptions, people take up insurance as a good investment option.
- When privatization of the Insurance sector started in 2000, many experts were predicting the gradual weakening and ultimate demise of Life Insurance Corporation (LIC). The state owned life insurance monopoly was perceived to be slow, inefficient and behind the curve. But the situation has turned out drastically different. In the face of intense competition, LIC has held on to its own and still commands an awesome 70% of the market share. Even more interesting is the fact that in recent months and years, this percentage has gradually crept up. While the private Life insurance companies have tended to pay higher commission margins to their distributors so that they can generate more sales, LIC has been conservative in their commission payouts and generated sustainable, profitable business.
- With 2 crores Policy holders' assets of Rs 11 lakh crores and 71 % market share in a growth market, LIC's embedded value has been estimated to be at Rs 2.5 lakh crores, give or take a few thousand crores. Embedded value is essentially the present value of profits from the future, and adjusted net asset value. On top of that, a buoyant stock market and an economy growing at 9% can only lead to an increase in valuations. Though it is difficult to establish a clear ratio between market capitalization and embedded value, India's most valuable company by market capitalization is Reliance Industries at Rs 3 lakh crores. LIC, with an embedded value of Rs 2.5 lakh crores is not too far from that. Add in the fact that there will be a premium attached with being the leader in a growth industry; LIC can easily command a market capitalization higher than Rs 3 lakh, were it ever to list in the stock market.
- To meet the varying requirement of different customer groups in the face of growing demand and competition among the HFCs many suitable schemes for the NRIs and Professionals, for the aged and pensioners are devised. The schemes are regularly reviewed and improvised. There are schemes for financing cost of construction of Staff Quarters and Office Premises by the Corporate Bodies. In case of individual loans, loans are sanctioned up to 80% of the Property value subject to income of the applicant.

CONCLUSION

In terms of premium income India is considered as the sixth largest market in the globe. Being the world's seventh largest country and the second most populous one, the type of opportunity,

the country's hold of insurance business can be envisioned. The global penetration level is around 4.7% as against India's 2.6% hence there is tremendous potential to be tapped. One of the greatest takeaways of the liberalization in the insurance sector has been the discernible shift from the sellers to the buyers market. Competition has been the key and has resulted in innovation, new delivery channels and new product offered. Insurance penetration in India is one of the lowest contribution by way of insurance premia has hot up from 1.2% to 4.1% of the GDP. Over the past five decades LIC of India has become a household name, when it comes to providing insurance cover to millions of people in India. Life insurance companies offer a variety of life insurance products to help families of all sizes and income levels to protect the ones they love. The journey of life is full of wonderful dreams. To make them true a person's need for protection, investment and financial liquidity keeps changing at different stages of life.

India is ranked as the fifth most attractive destination for future real estate investments in a list topped by China, according to a latest report of FICCI. In the list of top nine attractive destination for real estate investments, China is followed by the US, UK and Singapore. "India ranks fifth on the overall index, as it scores better on the country economy development index and the real estate market index, but fairly low on the regulatory index," the report released here said.

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AN ANALYSIS OF VARIOUS FACTORS FOR RECRUITING, MANAGING AND RETAINING TOP TALENT WITHOUT DERAILING THE INSTITUTION VISION & MISSION

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ABSTRACT

Human resources are the most invaluable asset of a country to improve its economy and social development and it all depends on the employability of potential skilled manpower. Be it any sector, shaping tomorrow's professionals has to take place on strong substrata of education. Without a proper education or degree, one may not land a job after an academic career of two decades. There should not be a short supply of educated manpower in India. Literacy rate has to be pushed beyond 80%. For this, emphasis is laid on higher education institutes; and generation of human resources has to be structured and streamlined.

The present paper is an attempt to understand and suggest possible ways to understand the prevalent talent management systems. The paper aims at suggesting decisive factors for creation of talent pool, which involves talent recruitment, management and retention. The study would aim at identifying whether the management focuses on various factors for talent retention in educational institutions and have conducive working environment for faculty attraction and retention. Does management caters to faculty need for learning and growth.

KEYWORDS: *Talent pool, Attrition, Retention, Perception.*

INTRODUCTION

The education sector consists of administration, finance, quality but predominantly teaching. For our population, we need to double the number of universities and other institutions of higher learning apart from schools with equal participation of public and private sectors. We need to analyze what is the importance of talent management in education sector? Faculty drives the education and research that boost the modern education system. Ensuring that institute attracts and keeps energetic and productive faculty members is important in maintaining a vivacious department culture. The core component mainly poised to attract, develop and retain quality teachers through effective human resources management. The human capital thus mobilized has to be distributed on levels of „teacher demand and supply" in rural, urban and metro areas. The channeling parameters are: employment requirement, grade separation, domain expertise, training level, working conditions, individual career options, performance monitoring system and continuous knowledge update for development. It is the management"s responsibility that the manpower recruited is utilized fully to the optimum level. Never should skilled staff be underutilized or ignored for want of basic infrastructure, non-availability of students, inadequate compensation and poor working conditions.

A flexible lucrative system will definitely facilitate a continuous inflow of high quality personnel who will join the workforce, year after year. The sixth Pay Review Commission recommended fixing the age of superannuation of all college and university teachers throughout India at 65 years and selective reemployment on contract basis up to the age of 70. This will ensure optimum utilization of resources for the rest of the years. This concept applies to high school, secondary level and university faculty members also. At any point of time, more number of seniors will be available in buffer.

The last decade has seen a proliferation of business schools in India. This rapid growth has posed some serious challenges for attracting and retaining the quality faculty in the business schools. There is a scarcity of good faculty in the country to cater to the needs of more than 900 business schools in India. It is therefore, imperative that faculty members in these business schools should be provided a right environment to enable their retention and long-term growth in the organization. However, the incidences of high faculty turnover in most business schools raise various issues relating to faculty.

The concept of talent management is firmly embedded within enterprise from small business to global organizations and its existence, definition and growth have been charted through reports, analysis and commentary. Existing research has, however, predominantly focused on the employer‟s perspective, those responsible for talent strategy and investment in talent management interventions.

Opportunities to understand the employee view are often limited to internal feedback forms and employee engagement surveys. As a result, we do not really understand the employee perspective on what it feels like to be part of the talent management process. This gap in our knowledge may be significant. Those who are being actively talent-managed through talent programmes or talent pools are often an organisation‟s most valued employees and by not understanding their needs we could be misdirecting talent management efforts to the detriment of both the employee and the organization.

If organization is looking for creating a vivacious talent pool then it has to look the talent pool from different direction. The three vital aspects for talent pool for any higher education institution are: quality of faculty, infrastructure facilities and learning environment. With the increasing demand-supply gap, organizations are facing gigantic war for talent. Like business and industry, education field too is discovering the need for talent so as to meet the new quality standards demanded by the society and is also facing leadership crisis. While most higher education institutions are able to develop the needed skills in students for success in the working world, experience shows that the management of upcoming technical and management institutions has failed to be just and fair in the treatment of their faculties.

This paper has used the survey method based on which faculty members of the various management and technical schools were being interviewed. The objective of the paper is to investigate the issues and factors related to recruitment, talent management and talent retention in business and technical schools, which can contribute to the growth and development of these institutions. For the study faculty are being considered as talent. The finding of this study may be helpful for the management of these institutions and the policy makers for developing a more

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effective and better education system.

Talent management is a process that emerged in the 1990s and continues to be adopted as more companies come to realize that their employees' talents and skills drive their business success.

Talent Management (TM) is an integrated processes, activities and tools in the areas of recruitment, compensation, performance management, succession planning, career planning and learning in order to identify, promote, and retain talents and to increase their performance contribution." The future success of the company is based on having the right talent, so managing and nurturing talent is part of the every day process of organizational life. Talent is needed for success and talent management is the process, which can retain talent. Typical in an organizations talent is judged from the assignments being allocated according to how well they performed on their last assignment. Or we can say organization is a place where the development of every individual's talent is paramount and appreciated, and it also allows people to explore and develop their talent and make it a part of the work routine. There is the competitive perspective underpinned by the belief that talent management is about identifying talented people, finding out what they want, and giving it to them. This tends to be the default perspective if no other perspective is taken, if only as a retention strategy. It is also seen in the professional services firms where they generally adopt the competitive approach because their business proposition is based on the talents of their people. There is the developmental perspective that proposes talent management as about accelerated development paths for the highest potential employees, applying the same personal development process to everyone in the organization, but accelerating the process for high potentials. Hence the focus is on developing high potentials or talents more quickly than others.

Effective Talent Management helps increase organizational efficiency and effectiveness and has a proven strong link to financial returns: eg. in a study of high-performing companies across industries and geographies, those organizations with the top financial results were five times more likely to run mature career development processes than the bottom performers.

TALENT MANAGEMENT IS ABOUT

- Filling positions with the right (knowledgeable and productive) candidates
- Promoting high potentials in order to increase their organizational impact on productivity
- Developing staff to increase their efficiency in their current role
- Increasing performance and consistently retaining the best employees

These inbuilt factors become more relevant in light of the well known demographic factors such as aging, globalization of the workforce and generation x syndrome. Knowledge, experience, competencies and skills are the ingredients of human capital that need to be sustained and increased, not only in service organizations but in all industries that includes education sector also.

Previous research into the subject reveals that the business school labour market is largely a seller"s market demand for suitably qualified and skilled people outstrips supply. There is a serious projected shortfall in staff numbers.

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An institution with talented faculties can develop a reputation for being great place to work, with great learning environment where quality in education is expected. An institution in higher education therefore needs to be able to develop and deploy faculty who can articulate the passion and vision of institution and satisfaction of students. Faculty members as internal customers satisfy the working environment of universities. This implies that in order to enhance faculty performance certain aspects and functions of their job have to be prioritized. The issues related to faculty are sufficiently significant for an analysis to be appropriate, to understand the 'whole picture' and suggest possibilities to sustain quality and leadership in institution of higher education. The first important aspect to consider in structured talent management process for institutions is to align the complete process with the institutes' vision, mission, and strategy as this will define the talent of faculties for that institution, it may vary from research focused or teachings focused institutions. With the idea of competencies required for faculties to define them as talent, institutions can draw the talent management initiatives and model for that institution. This will enable knowledge creation and tapping the full potential of talent available, ultimately results in effective learning.

The objective was to understand the factors important for faculty and their satisfaction so as to suggest factors to be considered in designing talent management process and in attracting, developing and retaining star faculties.

TALENT ATTRACTION

How can institutions attract talent they need? The first step is determining what talent is needed and then being smart about where and how to find it? Many organizations deploy traditional recruitment tactics such as on-campus recruiting at higher education institutions, where they offer attractive financial incentives and multifaceted compensation packages that address salary, bonus, cost of living, research funding, paid leaves and more. One of the biggest attracters of talent into an organization (or sector) is the prevalence of talent already there. Talent attracts talent, and so it is with mediocrity. In any organization, there are "A players" (exceptional performers who inspire others), "B players" (solid performers who show potential), and "C players" (who under-perform and undermine teamwork) "A players" should be promoted, "B players" should be developed, and "C players" should be shown the door. Once an organization earns a reputation as one that rewards excellence and shuns mediocrity, it will become a magnet for talent.

TALENT DEVELOPMENT

Once talented people are on board, they must be trained and developed. Faculties are increasingly realizing that training and faculty development programs must go beyond being an afterthought and become an integral part of an institute"s competitiveness initiatives. While few organizations have these kinds of training resources, forward-looking organizations are placing similar emphasis on faculty development, knowledge-sharing, cross-functional development, resource availability for research, creativity, and network creation. These talent-minded organizations have learned that talent development requires talent empowerment. The larger point here is that talent development cannot remain merely a function of an active human resources department or the domain of a single executive charged with overseeing this process.

For talent to thrive, talent development must be an explicit priority across the board, and the organizational culture, structures, systems, and investments must be aligned with faculty growth plans.

TALENT RETENTION

Proactive organizations are recognizing the importance not only of getting talent in the door but also of keeping it through effective retention efforts. Not only does retention help build and sustain an organization‟s culture and enhance its chances for long-term success, it yields significant savings in time and money. "Employee retention is of utmost importance. With entry of each employee, a unique set of skills is brought. Where talent is already rare and people with requisite skills and experience are difficult to find, retention becomes a critical component of organization building." Where monetary compensation -- salary, perks, paid holidays, incentives – are a given, it is the intangible benefits like career roadmap and bonding of the employee with the organization which determines whether one will seek out greener pastures., The pull is on the side of the people today, with more opportunities and avenues, organisations are increasingly at the mercy of employees making a choice. Recruiting is expensive, and without active focus on retention, the model becomes unsustainable. Organisations that think that "cash" is the name of the game cannot be more wrong on the front. Yes, it is the most perceptible aspect of the employment deal, but of course not the complete deal itself. The best bet to retain employees is to provide them the vehicle of opportunity to grow in their career. Retention efforts must be part of an organization‟s strategic business initiatives and must be carefully aligned with who, what, where, when and how for an organization. That means that there must be complete clarity on who needs to be retained, why they need to be retained, where their skills and expertise is to be used and when they need to be ready to share those skills and that expertise

METHODOLOGICAL FRAMEWORK

The present study is exploratory in nature. The findings of this study are based on a survey conducted with majority of the responses from Delhi-NCR. The objective was:

- To study the factors required for creating talent pool of any organization.
- To study the attribute based perceptual map of employees towards talent recruitment, talent management and talent retention.

Understand the factors important for faculty and their satisfaction so as to suggest factors to be considered in designing talent management process and in attracting, developing and retaining star faculties. A structured questionnaire was used in the survey. Faculties and directors of management institutions were asked to fill the responses. The questionnaire contained about the expectations of faculties and their satisfaction with the actual. Various parameters were used in the questionnaire to analyze the expectations of faculties at different business schools.

DATA COLLECTION

A questionnaire was developed to gather information from the faculty members of management & technical institutions, keeping in view the nature of their work as mentioned in their websites. Faculties have been asked to rate fifteen variables in a 5-point scale on their importance level. Questionnaires were distributed to 200 faculty members of the business institutes. 150 completed

questionnaires were received who satisfy conditions of Experience and publications. The questionnaire was analyzed with the help of SPSS 16 version to perform factor analysis and discriminant analysis.

ANALYSIS

FACTOR ANALYSIS KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.773
Bartlett's Test of Sphericity	Approx. Chi-Square	212.414
	Df	105
	Sig.	.000

KAISER- MAYER-OLKIN: A measure of whether our distribution of values is adequate for conducting factor analysis. In this case it is .773 is meritorious.

The test of sphericity measures the multivariate normality of our set of distribution. It also tests whether the correlation matrix is an identity matrix. A significant value $< .05$ indicates that these data do NOT produce an identity matrix and are thus approximately multivariate normal and acceptable for factor analysis.

COMPONENT MATRIX

	Component					
	1	**2**	**3**	**4**	**5**	**6**
Work ethics	-.751	.058	.166	.063	.096	.015
Attitude	.674	-.313	-.031	-.064	-.013	-.016
Problem solving	.637	.038	-.139	.046	.001	-.035
Social	.531	.268	.249	.313	-.296	-.118
Self confidence	.126	.501	.347	-.302	-.037	.001
Motivation	.104	-.485	-.113	.298	.427	.245
Adaptability	.351	.190	.582	-.087	.145	-.175

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Regulation	.087	-.306	.565	-.202	.225	.473
Criticism	.075	.481	-.517	.271	-.097	.267
Empathy	.085	.270	.323	.596	.005	.049
Pressure	-.190	.128	.120	.490	.297	.144
Awareness	-.337	-.204	.058	-.084	-.590	.064
Communication	-.352	-.126	.344	.245	-.425	.156
Time management	-.383	.361	.008	-.122	.418	-.382
Team player	.052	.500	-.097	-.310	.037	.668

Extraction Method: Principal Component Analysis.

a. 6 components extracted.

ROTATED COMPONENT MATRIX[A]

	Component					
	1	**2**	**3**	**4**	**5**	**6**
Work ethics	-.756	-.040	.042	.149	.096	-.043
Attitude	.693	-.089	.171	-.107	-.120	-.123
Problem solving	.611	.038	-.078	-.214	.040	.044
Time management	-.550	.235	-.163	-.458	-.007	-.136
Social	.518	.365	-.121	.104	.428	-.067
Motivation	.115	-.653	.292	-.199	.153	-.051
Self confidence	-.013	.647	.121	-.095	.029	.194
Adaptability	.190	.517	.353	-.202	.223	-.197
Regulation	.025	-.014	.847	.070	.031	.103

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Awareness	-.146	.012	-.059	.670	-.204	-.054
Communication	-.221	.010	.110	.632	.238	-.079
Empathy	.039	.104	-.016	.053	.726	-.015
Pressure	-.252	-.191	.044	-.120	.544	.057
Team player	-.031	.201	.124	-.066	-.063	.861
Criticism	.093	-.097	-.527	-.067	.211	.560

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.

The output of factor analysis is obtained by requesting principal component analysis and specifying the rotation. There are two stages in factor analysis. Stage one being the factor extraction process, wherein the objective is to identify how many factors are to be extracted from the data. There is a rule of thumb based on the computation of an eigen value ,to determine how many factors to be extracted. The higher the eigen value of a factor, the higher is the amount of variance explained by the factor.

Looking at the rotated component matrix we see that variable Positive attitude and problem solving have loadings of .693 & .611 on factor 1.this suggests that factor 1 is a combination of these two variable. Therefore this factor can be interpreted as Analytical Skills.

Now for factor 2 we see that variable adaptability and self-confidence have loadings of .517 & .647 on factor 2.this suggests that factor 2 is a combination of these two variables. Therefore this factor can be interpreted as Leadership skills.

Now for factor 3 we see that variable regulation have loadings of .847 on factor 3. Since factor 3 is a single variable so we can leave this factor.

Now for factor 4 consists of variable Cultural awareness and Communication and have loadings of .670 & .632 on factor 4 this suggests that factor 4 is a combination of these two variables. Therefore this factor can be interpreted as Interpersonal Skills.

And for factor 5 & 6 we see that variable empathy, pressure and social skills together loads up for factor 5 called Coping Skills and variable team player and criticism votes up for factor 6 called up as Group Interacting Skills

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DISCRIMINANT ANALYSIS

TESTS OF EQUALITY OF GROUP MEANS

	Wilks' Lambda	**F**	**df1**	**df2**	**Sig.**
Salary	.723	27.960	2	146	.000
Learning	.974	1.959	2	146	.145
Growth	.985	1.139	2	146	.323
Performance	.994	.418	2	146	.659
Recognition	.822	15.847	2	146	.000
Work life balance	.669	36.100	2	146	.000
Job satisfaction	.841	13.847	2	146	.000
Excellence	.904	7.742	2	146	.001
Paid leaves	.942	4.491	2	146	.013
Respect	.995	.360	2	146	.698
Teaching load	.938	4.850	2	146	.009
Role clarity	.769	21.884	2	146	.000
Study & research	.887	9.326	2	146	.000
Attrition rate	.751	24.218	2	146	.000
Support	.907	7.519	2	146	.001

Here the value of Wilks"Lambda indicates group differences. A low value of degree of significance also indicates higher group differences. However in this case, the values of wilks lambda are for salary, role clarity and attrition rate. But looking at the last column, all attributes except learning, growth, performance and respect seem to be significantly between the brands.

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EIGENVALUES

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	4.656[a]	77.5	77.5	.907
2	1.350[a]	22.5	100.0	.758

a. First 2 canonical discriminant functions were used in the analysis.

The Eigen value is the ratio of the between-group sum of squares to the within-groups sum of squares. The largest Eigen value corresponds to the Eigen vector in the direction of the maximum spread of the groups mean. The second largest Eigen value corresponds to the Eigen vector in the direction that has the next largest spread, and so on. The percentage of variance column allows you to evaluate which canonical variable accounts for most of the spread. Here, the first Eigen value is able to explain 77% of the variance.

WILKS' LAMBDA

Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1 through 2	.075	359.601	30	.000
2	.426	118.753	14	.000

This table is used to identify the function, which is significant in explaining the differences among the groups. Wilks Lambda is the proportion of the total variance in the discriminant scores not explained by differences among the groups.wilks lambda ranges between 0 and 1. Value close to 0 indicates the group means are different. Value close to1 indicate that the group means are not different. Here since both the wilks lambda values are close to zero they are able to explain the differences in the groups. Thus both the functions are significant.

STANDARDIZED CANONICAL DISCRIMINANT FUNCTION COEFFICIENTS

	Function	
	1	2
Salary	.751	.205
Learning	2.191	.962

Growth	.952	.969
Performance	1.921	.995
Recognition	-.889	1.054
Work life balance	.076	.748
Job satisfaction	.240	.034
Excellence	2.536	-.479
Paid leaves	.901	.713
Respect	.957	.137
Teaching load	.701	1.179
Role clarity	1.931	.354
Study & research	1.046	.055
Attrition rate	1.222	1.137
Support	.555	.641

When variables are measured in different units, the magnitude of an unstandardised coefficient provides little indication of the relative contribution of the variable to the overall discriminant function. Standardizing the coefficient allows one to examine the relative standing of the measurements. The higher value of the coefficients allows one to examine the relative standing of the measurements. The higher value of the coefficients for a particular attribute on a function indicates the higher loading of the same on that function.

STRUCTURE MATRIX

	Function	
	1	**2**
Work life balance	-.309[*]	-.192
Study & research	.164[*]	-.040

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Support	.145*	.061
Growth	.057*	-.022
Performance	.034*	.019
Respect	.032*	-.011
Job satisfaction	-.025	-.372*
Recognition	-.123	.330*
Role clarity	.194	.304*
Salary	-.241	-.288*
Attrition rate	.220	.281*
Excellence	.067	-.251*
Teaching load	.007	.221*
Paid leaves	-.084	-.146*
Learning	-.020	.136*

*. Largest absolute correlation between each variable and any discriminant function

The structure matrix contains within group correlations of each predictor variables with the canonical function. For each variable, an asterisk marks its largest absolute correlation with one of the canonical functions.

FUNCTIONS AT GROUP CENTROIDS

Pool	Function	
	1	2
Recruitment	.433	1.601
Management	-2.838	-.604
Retention	2.349	-1.010

Unstandardized canonical discriminant functions evaluated at group means This table displays the canonical variable means by groups. Within-groups means are computed for each canonical variable.

Canonical Discriminant Functions
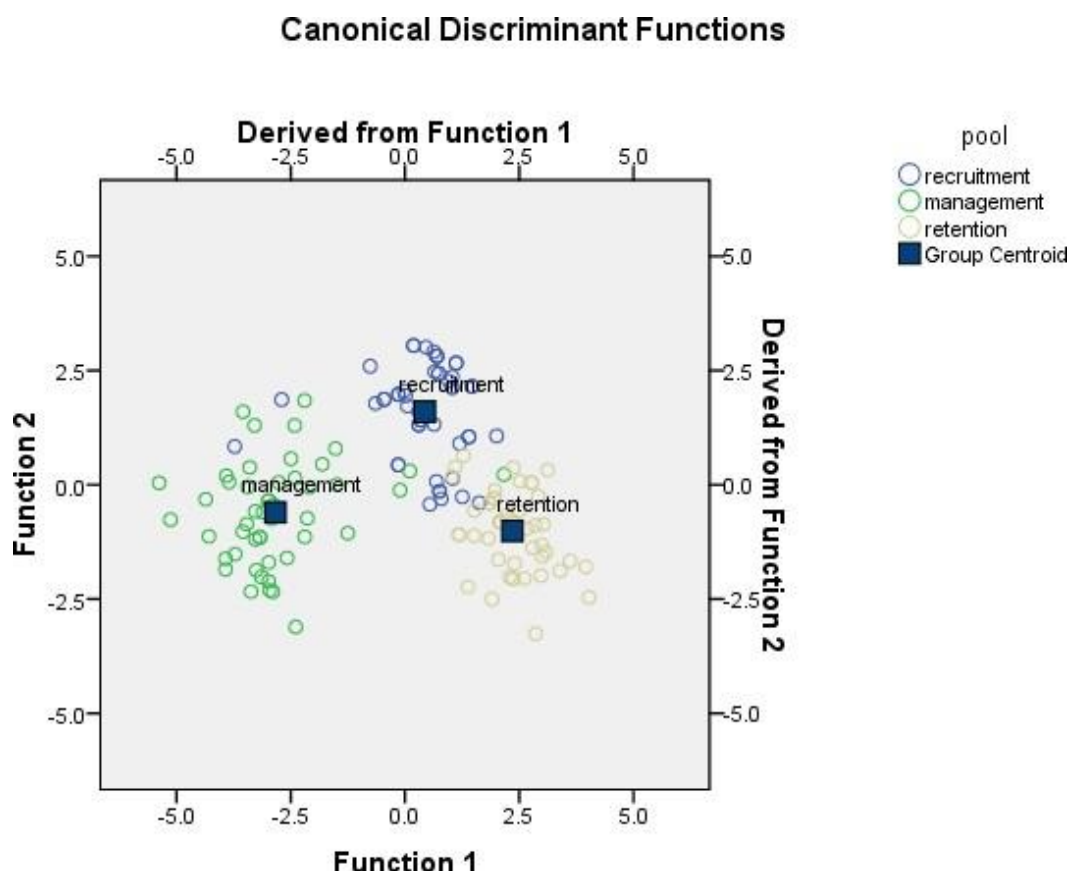
As seen from the graph talent recruitment, talent management and talent retention have their unique positions on the map. In addition, on the same map, we have now plotted values of the attributes on the same two dimensions. As we can see, dimension 1 seems to be combination of Learning, performance, role clarity, study & research, job satisfaction, respect, growth and Attrition rate. This is also evident from the standardized discriminant coefficients for these factors.

Dimension 2 seems to comprise mainly excellence, teaching load and recognition, the vector (arrow) that is closest to the vertical axis. This is also evident from standardized discriminant coefficient of this variable.

TALENT POOL AND THEIR ASSOCIATION WITH ATTRIBUTES/DIMENSIONS

Talent recruitment seems to be stronger on dimension1 (a combination of Learning, performance, role clarity, study & research, job satisfaction, respect, growth and Attrition rate) and Talent Retention on dimension 2(excellence, teaching load and recognition). However Talent Management seems to score low on both the dimensions compared to its compitetiors.

LIMITATIONS & DIRECTIONS

While generalizing the finding of the study for different academic institutions, caution should be made, considering sample size and area of study and that study was conducted in private business schools with similar vision and purpose. Since the study focused only on faculty as talent, other contributors in educational institutions also need to be identified. Future research is needed in establishing a model, which can guide academicians and bureaucrats in understanding and establishing effective learning and research environment.

CONCLUSION

Faculties as talent for business schools require their competencies as per the vision and objectives of business schools. As evident in the conceptual framework, specific competencies required in faculties, which will decide attracting; selecting and developing strategies need to be according to the vision and objective of institution. This study shows that Analytical Skills, interpersonal; Skills, group interaction skills and leadership skills are important factors for creating talent pool. Therefore effective talent pooling should be made in line with the above mentioned skills of faculties with institution vision. A research focused institution will need different competencies in faculties as compared to those in a teaching focused and student centered institute. Present study shows that faculties in business schools consider Learning, performance, role clarity, study & research, job satisfaction, respect and growth as important factors for recruiting talent in an institution. Considering faculty as talent and establishing effective talent management practices with focus on excellence, teaching load and recognition would reduce attrition. A facilitating working environment and support from administration may positively result in internal growth of faculties, which is also ranked an important factor by them. With effective practices of learning and growth opportunities, quality faculties can be built within the business schools which would help in building leadership position of the institution while also achieving internal career growth aligned with the vision and strategies of the institution.

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EFFECTIVENESS OF PACKAGING OF AAVIN DAIRY PRODUCTS IN ERODE TOWN - AN EMPIRICAL ANALYSIS

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INTRODUCTION

Packaging means placing a commodity into a protective wrapper or container for transport and storage or it can also be defined as a tool that protects and contains goods with the aim of minimizing the environmental impact of our consumption. Though great efforts have been made in producing high grade milks or manufactured dairy products, unless they are delivered in a processed fresh, sound and suitable form to the consumer, they are likely to be rejected, thus causing enormous wastage. The loss can be offset to a great extent by adequate protective packaging to withstand the hazards of climatic changes, transportation, handling etc.

Because of rapid growth in the economy and consequent improvement in the living standards of the common people, packaging has become important in the distribution process. In today's busy world, many consumers do not have the time to make it to the market. Internet is used to purchase groceries. Innovative packaging technologies have become a necessity for the development of extended shelf life and value added foods and food products. In food industry, the package serves as a barrier to contamination by microorganisms or other undesirable elements like moisture and light. The secondary role of the packaging material is to care for storage and distribution.

THE PACKAGING MATERIAL SHOULD SATISFY THE FOLLOWING CONDITIONS

- It must protect and preserve the commodity from the time it is packaged till the product is consumed.
- It must be suitable for the selected sales and distribution pattern.
- It must be attractive to the consumer.
- It must be easy to open, store and dispose.
- It must facilitate the handling, storage and distribution.
- It must protect against biological, chemical and distribution damages.
- It must inform the consumer through the medium of labeling.
- It must impart security to the product through a tamper evident design.
- It must act as a marketing and advertising tool.
- It must protect the environment by taking the responsibility of empty packaging material after its use.
- It must be economical i.e it should neither burn the purse of the consumer nor the producer

THREE FOLD FUNCTIONS

A. TO CONTAIN THE PRODUCT

Package should be large one with proper constructional feature so as to avoid leakage and spoilage. It should be as compatible as possible with the product and finally it should have enough strength to with stand handling, transportation and storage hazards.

B. TO PROTECT THE PRODUCT

Protection of the product against contamination or loss and damage or degradation due to microbial action, exposure to heat, light, moisture and oxygen , evaporation etc.

C. TO HELP IN SELLING THE PRODUCT

The shape of the package should be favorable to dispensation and re closure, and to its disposal and reuse.

PRESENT STATUS OF THE PACKAGING INDUSTRY

In developed countries packaging industry has met tremendous advances. With newer marketing systems like super markets, self-services stores etc. packaging technology in these countries has risen to great heights. Newer and better packaging materials, development of packaging machinery and appliances have all advanced in an integrated manner. In developing countries like India, packaging is still in its infancy.

PACKING MATERIAL AND FORMSMATERIALS

Aluminium foil, paper and paper based products, plastics, glass, tinplate**.**

FORMS

Polybags, glass bottle, cartons, cup, sachet, tin container, tetra pack.

STATEMENT OF THE PROBLEM
- The study aim to explore the effectiveness of packaging on environment
- To find out the consumer opinion towards the safeness of the aavin dairy products packaging.
- To check the effect of poor packaging in aavin dairy products.
- To identify the quality and pollution free packaging and health packaging of dairy products.

RESEARCH OBJECTIVES

- To determine the effectiveness of packaging for Aavin dairy milk products.
- To study the level of satisfaction of the respondents towards Aavin dairy milkproducts.
- To identify consumer preference towards packing material.
- To study the various package features of Aavin dairy products.
- To study the socio-economic factors of the Aavin dairy package.
- This study would also help in identifying the various packaging factors that has effectiveness.

METHODOLOGY

- The study is an empirical research based on survey method. Primary data and secondary data used for study.
- A well framed structured questionnaire is used for the collection of primary data. A sample of 100 Respondents has been selected for the study through convenient sampling.
- Care is taken to see that respondents of different demographic characteristics are included in the sample. Master table have been prepared to sum up all Information contained in the questionnaire with the help of the master table classification tables has been prepared.

TOOLS OF ANALYSIS

To know the significant relationship between various demographic factors and the respondents level of satisfaction. The following tools are used in this study Percentage analysis, Chi-square test, Rank analysis, Likert‟s scale.

LIMITATIONS OF THE STUDY

The study is subject to the following limitations.

- Due to paucity of time and other constraints the studies has been limited to 100respondents only.
- The findings are based only on the information given by the respondents.
- The study is limited only to Erode town and the finding cannot be generalized.
- In this survey accuracy of the figures and data are based on the respondent's statementsand views.
- This study has not been compared with other dairy societies in the Erode town.

DEMOGRAPHIC FACTORS DETERMINING THE LEVEL OF SATISFACTION

Generally satisfaction level with regard to any product depends upon demographic factors which have been identifying as follows:

1) Occupation
2) Education qualification
3) Income per month

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To find out whether or not the above factors determine the level of satisfaction of the respondents these were considered as independent variable and the level satisfaction as already expressed by the respondents were considered as dependent variable and the chi-square test inference is drawn.

RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND SATISFACTION LEVEL OF DATE INFORMATION

NULL HYPOTHESIS

There is no significant relationship between educational qualification and level of satisfaction of date.

RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND SATISFACTION LEVEL ABOUT MEASUREMENT

NULL HYPOTHESIS

There is no significant relationship between educational qualification and level of satisfaction of measurement.

RELATIONSHIP BETWEEN OCCUPATION AND SATISFACTION LEVEL ABOUT NUTRITIONAL FACTS

NULL HYPOTHESIS

There is no significant relationship between educational qualification and level of satisfaction of nutritional facts.

RELATIONSHIP BETWEEN OCCUPATION AND SATISFACTION LEVEL ABOUT ECO- FRIENDLY

NULL HYPOTHESIS

There is no significant relationship between occupation and level of satisfaction.

RELATIONSHIP BETWEEN MONTHLY INCOME AND SATISFATCTION ABOUT RATE

NULL HYPOTHESIS

There is no significant relationship between occupation monthly Income and level or satisfaction.

FINDINGS

PERCENTAGE ANALYSIS (TABLE NO.1.1)

- A majority of the respondents preferred polybags material for Aavin dairy products.
- A majority of the respondents are agree the factor „Easy and convenient" to handle the items.
- A majority of the respondents are satisfied with date information printed on the package of Aavin dairy products.
- A majority of the respondents are satisfied in measurement of Aavin dairy products.
- A majority of the respondents are satisfied in nutritional facts information given to Aavin dairy products.
- A majority of the respondents are satisfied with eco-friendly message Aavin dairy products packaging.

A majority of the respondents are satisfied in rate of Aavin dairy products.

CHI-SQUARE (TABLE NO.2.1 THROUGH 2.5)

- There is a close relationship between educational qualification and level of satisfaction towards date information, measurement,
- There is a close relationship between the occupation of the respondents and level of satisfaction towards nutritional facts.
- There is no relationship between the occupation and level of satisfaction towards eco-friendly.

There is no relationship between the monthly income and level of satisfaction towards rate.

HENRY GARRET RANKING TECHNIQUES (TABLE NO.3.1)

The analysis that maximum score given to quality packing material.

LIKERT SCALE (TABLE NO.4.1)

The highest score given for the variable of quality packaging is „Agree". and the variable enhances promotion highest score given to „Strongly Agree" .

SUGGESTIONS

Suggestions are given for the future improvement on the subject analyzed in the present study.

- Modernized packs for reuse with eco-friendly should made available to the consumer
- Effects can be made to improve the quality and packing techniques and materials.
- To increase the sales it is better to pack the milk khoa in the aluminum foil container.

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- Milk packed in plastic pouches or polybag have to be a shelf life of refrigerated. Tetra pack to be introduced for milk. Tetra packs are aseptic laminate packs made of aluminum, paper, board, plastic. Milk stored in tetra packs and treated under ultra high temperature (UHT) can be stored for four months without refrigerate.

- Flavoured milk pack are even better to introduce in the plastic bottle its safety and current tetra packing rather than more like through the technical innovation to insert the straw option.

CONCLUSION

It is concluded from the study that the Aavin dairy package effectiveness. Factors like „Quality packing material" and packing method has the highest impact on the consumer preference. It should give emphasis towards giving better packaging of the products to the consumer, keeping in mind the factors like price of pack and information about the product on the pack if they want to sustain themselves in the environment. Appropriately delivered information on packaging generates strong impact on the consumer purchase decision.

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TABLE-1.1 PERCENTAGE ANALYSIS

S. No	Package form	No. of Respondents	Percentage
1	Polybags	27	27
2	Glass bottle	28	28
3	Plastic jar	18	18
4	Pecoated packing	16	16
5	Aluminium foil packet	11	11
	Total	**100**	**100**
	Convenient Package		
1	Milk	19	19
2	Ghee	13	13
3	Milk khoa	16	16
4	Badam powder	19	19
5	Butter	13	13
6	Curd	13	13
7	Flavoured milk	7	7
	Total	**100**	**100**
	Opinion of Safety		
1	Comfortable	51	51
2	Uncomfortable	20	20
3	Require additional features	18	18
4	Extra packing	11	11
	Total	**100**	**100**

	Effects of long period		
1	Harm health	39	39
2	Not harm health	19	19
3	No idea	42	42
	Total	**100**	**100**
	Factors require to improve Package Effectiveness		
1	Packaging technique	24	24
2	Size of package	26	26
3	Material	12	12
4	Quality packaging	38	38
	Total	**100**	**100**
S. No	**Additional Cost**	**No. of Respondents**	**Percentage**
1	3%	35	35
2	5%	33	33
3	7%	12	12
4	Not willing to pay	20	20
	Total	**100**	**100**
	Poor Package		
1	Milk	9	9
2	Ghee	10	10
3	Milk Khoa	13	13
4	Badam Powder	24	24
5	Curd	14	14
6	Butter	14	14
7	Flavoured Milk	16	16
	Total	**100**	**100**
	Problems		

1	Damage	41	41
2	Inconvenient	40	40
3	Contamination	19	19
	Total	**100**	**100**
	Easy and convenient		
1	Yes	90	90
2	No	10	10
	Total	**100**	**100**

CHI SQUARE ANALYSIS

TABLE 2.1 EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION OF DATE INFORMATION

Educational Qualification	Highly Satisfied	Satisfied	Dissatisfied	Highly Dissatisfied	Total
Illiterate	8(21.05)	10(23.25)	2(18.18)	1(12.5)	21
School Level	9(23.68)	10(23.25)	2(18.18)	2(25)	23
Ug Level	12(28.94)	8(18.60)	3(27.27)	1(12.5)	23
Pg Level	10(26.31)	15(34.88)	4(36.36)	4(50)	33
Total	**39**	**43**	**11**	**8**	**100**

CHI-SQUARE TEST

Factor	Degrees of Freedom	Table Value	Calculated Value	Accepted/ Rejected
Educational Qualification	9	16.919	21.752	Rejected

TABLE 2.2 EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION OF

MEASUREMENT

Educational Qualification	Highly Satisfied	Satisfied	Dissatisfied	Highly Dissatisfied	Total
Illiterate	4(16.60)	11(18.64)	2(18.18)	3(50)	20
School Level	6(25)	16(27.11)	2(18.18)	3(50)	27
Ug Level	11(45.83)	7(11.86)	4(36.36)	1(16.67)	33
Pg Level	3(12.5)	22(37.28)	3(27.27)	2(33.33)	30
Total	**24**	**59**	**11**	**6**	**100**

CHI-SQUARE TEST

Factor	Degrees of Freedom	Table Value	Calculated Value	Accepted/Rejected
Educational Qualification	9	16.919	37.777	Rejected

TABLE 2.3 OCCUPATION AND LEVEL OF SATISFACTION OF NUTRITIONAL FACTS

Occupation	Highly satisfied	Satisfied	Dissatisfied	Highly dissatisfied	Total
Business	6(23.07)	23(46)	6(35.29)	1(14.28)	36
Employee	5(19.23)	19(38)	2(28.57)	2(28.57)	33
House wife	15(57.69)	8(16)	4(23.52)	4(57.14)	31
Total	26	50	17	7	100

CHI-SQUARE TEST

Factors	Degrees of freedom	Table value	Calculated Value	Accepted/ rejected
Occupation	6	12.592	19.475	Rejected

TABLE 2.4 OCCUPATION AND LEVEL OF SATISFACTION OF ECO FRIENDLY

Occupation	High Satisfaction	Satisfaction	Dis Satisfaction	High Satisfaction	Total
Business	5 (38.46)	20 (33.89)	7 (41.17)	5 (45.45)	37
Employee	5 (38.46)	20 (33.89)	5 (29.41)	3 (27.27)	33
House wife	3 (23.07)	19 (32.20)	5 (29.41)	3 (27.27)	30
Total	13	59	17	11	100

CHI-SQUARE TEST

Factors	Degrees of freedom	Table value	Calculated value	Accepted / Rejected
Occupation	6	12.592	10.538	Accepted.

TABLE 2.5 MONTHLY INCOME AND SATISFACTION LEVEL OF RATE

Monthly Income	High Satisfaction	Satisfaction	Dis Satisfaction	High Satisfaction	Total
Less than Rs. 5000	4 (21.05)	12 (30)	7 (22.58)	3 (30)	26
Rs.5001-10000	5 (26.31)	8 (20)	6 (19.35)	2 (20)	21
Rs.10001-15000	4 (21.05)	13 (32.5)	14 (45.16)	4 (40)	35
More than Rs.15001	16 (84.21)	7 (17.5)	4(12.90)	1 (10)	18
Total	19	40	31	10	100

CHI-SQUARE TEST

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Factors	Degrees of freedom	Table value	Calculated value	Accepted / Rejected
Monthly Income	9	16.919	13.627	Accepted.

HENRY GARRET RANKING ANALYSIS

TABLE 3.1 FACTORS OF PACKAGING

S. No	Factors	Total score	Rank
1	Quality packing material	5672	1
2	Packing method	4966	3
3	Easy to use	5469	2
4	Recyclable	3904	5
5	Easy to carry	4789	4

LIKERT SCALE

In Likert scale the scores are classified as five scores for strongly agree, four for agree, three for neutral, two for disagree and one for strongly disagree.

TABLE 4.1

Variables	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.Quality	95	212	42	20	4
2.Enhances Promotion	185	96	57	30	5

INDIAN STOCK MARKET - REVIEW OF LITERATURE

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ABSTRACT

Stock Market is one of the most vibrant sectors in the financial system, marking an important contribution to economic development. Stock Market is a place where buyers and sellers of securities can enter into transactions to purchase and sell shares, bonds, debentures etc. In other words Stock Market is a plate form for trading various securities and derivatives. Further, it performs an important role of enabling corporate, entrepreneurs to raise resources for their companies and business ventures through public issues. Today long term investors are interested to invest in the Stock market rather than invest anywhere. The Bombay Stock Exchange (BSE), the National Stock Exchange (NSE) and the Calcutta Stock Exchange (CSE) are the three large stock exchanges of Indian Stock Market.

The main objective of present study is to present review of literature related to Indian Stock Market to study the Indian Stock Market in depth. The study would facilitate the reader to know the past, current and future trend or prospects of Indian Stock market. This study would provide guidelines to investor to maximise profit with minimize risks. High degree of volatility in the recent times in the Indian market has led to more development in the future.

KEYWORDS: *Securities, Derivatives, NSE, BSE, Public Issue, Maximise Profit, Minimize Risk.*

INTRODUCTION

As a part of the process of economic liberalization, the stock market has been assigned an important place in financing the Indian corporate sector. Besides enabling mobilizing resources for investment, directly from the investors, providing liquidity for the investors and monitoring and disciplining company managements are the principal functions of the stock markets. The main attraction of the stock markets is that they provide for entrepreneurs and governments a means of mobilizing resources directly from the investors, and to the investors they offer liquidity. It has also been suggested that liquid markets improve the allocation of resources and enhance prospects of long term economic growth.

Stock markets are also expected to play a major role in disciplining company managements. In India, Equity market development received emphasis since the very first phase of liberalization in the early 'eighties. Additional emphasis followed after the liberalization process got deepened and widened in 1991 as development of capital markets was made an integral part of the restructuring strategy. Today, Indian markets conform to international standards both in terms of structure and in terms of operating efficiency.

CONCEPT OF STOCK MARKET

The concept of stock markets came to India in 1875, when Bombay Stock Exchange (BSE) was established as „The Native Share and Stockbrokers Association', a voluntary non-profit making association. We all know it, the Bhaji market in your neighborhood is a place where vegetables are bought and sold. Like Bhaji market, a stock market as a place where stocks are bought and sold. The stock market determines the day's price for a stock through a process of bid and offer. You bid to buy a stock and offer to sell the stock at a price. Buyers compete with each other for the best bid, i.e. the highest price quoted to purchase a particular stock. Similarly, sellers compete with each other for the lowest price quoted to sell the stock. When a match is made between the best bid and the best offer a trade is executed. In automated exchanges high-speed computers do this entire job.

Stocks of various companies are listed on stock exchanges. Presently there are 23 stock markets In India. The Bombay Stock Exchange (BSE), the National Stock Exchange (NSE) and the Calcutta Stock Exchange (CSE) are the three large stock exchanges. There are many small regional exchanges located in state capitals and other major cities. Presently Nifty and Sensex are moving around to 5900 and 19600 (July 2013). All activities of Indian stock market are regulated and controlled by SEBI.

HISTORICAL EVOLUTION OF INDIAN STOCK MARKET

As already stated, the Indian Stock markets have played a significant role in the early attempts at industrialization in India in the late nineteenth and early twentieth centuries. The early textile mills and the first steel plants were funded in the stock market. Some of these capital raising exercises were large in relation to the size of the financial sector in those days.

Beginning in the late fifties, the country embarked on an inward looking socialistic model of development that sought to put the commanding heights of the economy in the hands of the public sector. The state took control of the allocation of resources in the economy as the banks and insurance companies were nationalized and development financial institutions grew in importance. A regime of financial repression came into being and the stock market stagnated.

The period from 1984 to 1992 was in some ways the high water mark of the Indian capital markets. As the markets responded enthusiastically to the first whiff of reforms in the mid 1980s and to the major reform initiative of 1991, the stock market soared through the roof. From October 1984 to September 1992, the stock market index went up more than ten times representing an annual compound return of 34per cent.

The Sensex crossed the 1,000 mark on July 25, 1990; the 4,000 mark on March 30, 1992; the 5,000 mark on October 11, 1999; the 6,000 mark on January 2, 2004; the 7, the 9,000 mark on December 09, 2005; and finally the historic 10,000 mark on February 7, 2006. It created another landmark when it touched 11,000 on March 27, 2006. The Sensex reached an all time high of 12,671 in May 2006. To reach from the 11,000 mark to the 12,000 mark only took 19 working days, the shortest time interval for a 1000 points climb in BSE Sensex history, surpassing the just set record of 29 days that it took to reach 11,000 from 10,000.

Historical BSE Sensex Movement
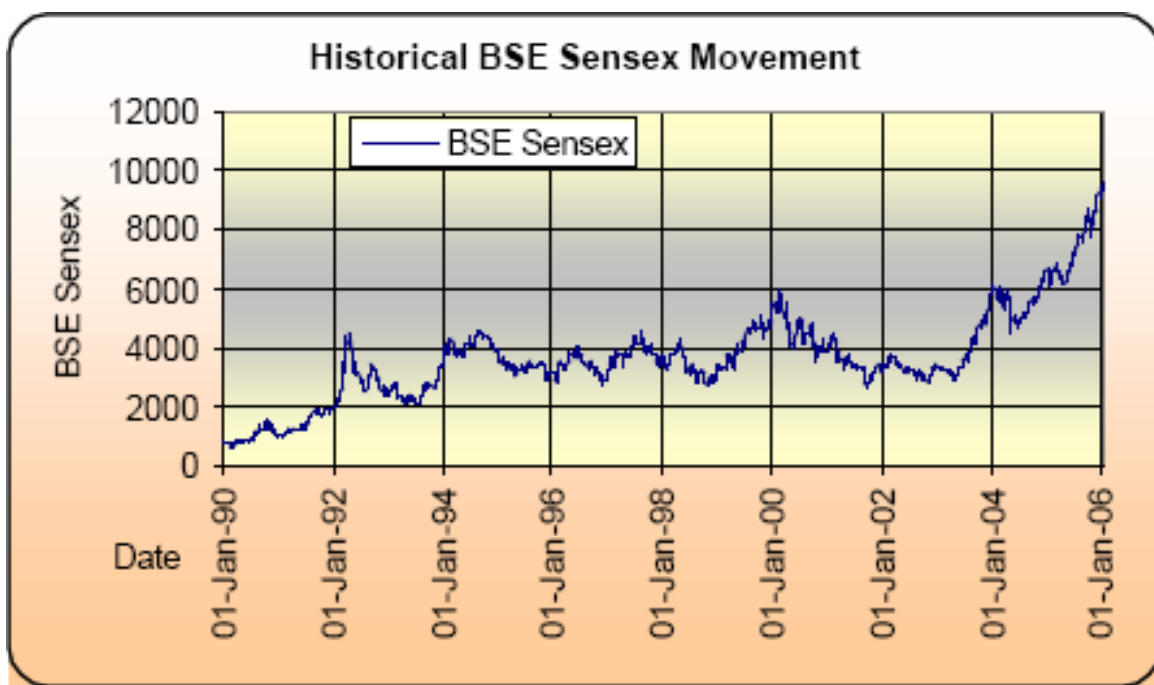
INVESTORS PREFERENCE IN STOCK MARKET

Though most of the investors want a safe and secure return on their investment, they also look for maximum returns. The pure debt investment brings an average return with lesser liquidity as compared to the equity investments. So in search of higher return (keeping the risk factor in mind) investor are a heading towards equity investment on analysis of recent year investment trends, FII, entrance and operations in Indian stock markets, it has been found that equity is gaining ground in India. The main attraction of equity among investors are-

1. Higher return (especially I case of capitalization and dividend if any)
2. Higher Liquidity
3. Option to start trading with small investments
4. Daily trading (as it increase chances of more "buy or sell" transaction which leads to fast profits/loss generation)

With these benefits, equity has a risk factor of poor dividend payout (as against fixed "interest" income in debt) or the negligible capitalization. Moreover, sometime the investment in equity trading goes to bottom level and nothing is expected in return.

Still, the attraction of equity remains high in investors mind become of "return &liquidity factor. And this perception has leaded the investment trends from debt to equity and portfolio investment.

INVESTMENT ALTERNATIVE

There is a wide of range of investment alternative available to an investor in Indian stock market. These may be classified as shown in
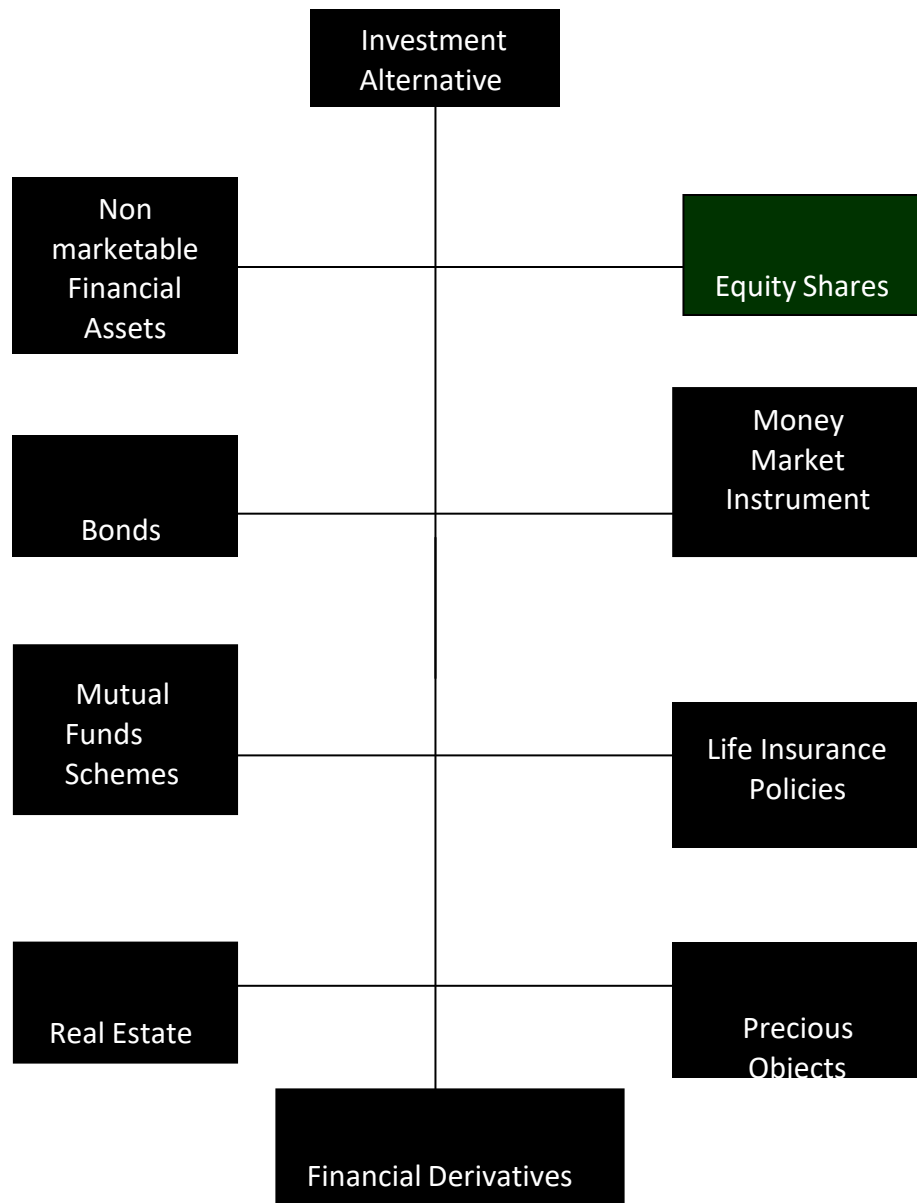
(A)   **NON- MARKETABLE FINANCIAL ASSETS:** A good portion of financial assets is represented by non marketable financial assets. These can be classified into the following broad.

- Bank deposits
- Post office deposits
- Company deposits
- Provident fund deposits

(B)   **EQUITY SHARES:** Equity shares represent ownership capital. As an equity

shareholder, you have an ownership stake in the company. This essentially means that you have a residual interest in income and wealth.

- Blue chip shares
- Growth shares.
- Income shares
- Cyclical shares
- Speculative shares

(C)   **BONDS:** Bonds or debentures represent long terms debt instruments.

- Government Securities
- Savings bonds
- Government agency securities
- PSU bonds
- Debentures of private sector companies

(D)   **MONEY MARKET INSTRUMENTS:** Debt instruments which have a maturity of less than one year at the time of issue are called money market instruments.

- Treasury bills.
- Commercial paper
- Certificates of deposit

(E)   **MUTUAL FUNDS:** Instead of directly buying equity shares and/or fixed income instruments, you can participate in various schemes floated by mutual funds.

- Equity schemes
- Debt Schemes
- Balanced schemes

(F)   **LIFE INSURANCE:** In a broad sense, life insurance may be viewed as and investment. Insurance premiums represent the sacrifice and the assured sum, the benefits.

- Money back policy
- Whole back policy
- Terms assurance policy

(G)   **REAL ESTATE:** FOR the bulk of the inverters the important asset in their portfolio is a residential house.

- Agricultural land
- Semi urban land
- Commercial property

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(H)   **PRECIOUS OBJECTS:** Precious objects are items that are generally small in size but highly valuable in monetary terms. Some important precious objects are:

- Gold and Silver
- Precious stones
- Art objects

(I)   **FINANCIAL DERIVATIVES:** The term „derivative‟ indicates that it has no independent value i.e. its value is entirely derived from the value of underlying asset. The underlying asset can be securities, commodities, currency etc. Some important financial derivatives:

- Forward
- Future
- Option warrants
- swaps

OBJECTIVES OF THE STUDY

Every study based on some clearly defined objectives. Objectives decide the all over framework of any study. The main objective of this study is to capture the trends, activities and movements of the Indian Stock Market. The present study " based on following objectives:-

- To Study the various aspect of Indian Stock Market in detail.
- To find out the views of different researcher and author in relation to Indian Stock Market.
- To know the past and current movements in Indian Stock Market.
- To know the future prospects of Indian stock market.
- To help the investors (current and potential) to understand the impact of important happenings on the Indian Stock exchange.

REVIEW OF LITERATURE

Gupta (1972) in his book has studied the working of stock exchanges in India and has given a number of suggestions to improve its working. The study highlights the' need to regulate the volume of speculation so as to serve the needs of liquidity and price continuity. It suggests the enlistment of corporate securities in more than one stock exchange at the same time to improve liquidity. The study also wishes the cost of issues to be low, in order to protect small investors

Panda (1980) has studied the role of stock exchanges in India before and after independence. The study reveals that listed stocks covered four-fifths of the joint stock sector companies. Investment in securities was no longer the monopoly of any particular class or of a small group of people. It attracted the attention of a large number of small and middle class individuals. It was observed that a large proportion of savings went in the first instance into purchase of securities already issued.

Gupta (1981) in an extensive study titled `Return on New Equity Issues' states that the investment performance of new issues of equity shares, especially those of new companies, deserves separate analysis. The factor significantly influencing the rate of return on new issues to the original buyers is the `fixed price' at which they are issued. The return on equities includes dividends and capital appreciation. This study presents sound estimates of rates of return on equities, and examines the variability of such returns over time.

Jawahar Lal (1992) presents a profile of Indian investors and evaluates their investment decisions. He made an effort to study their familiarity with, and comprehension of financial information, and the extent to which this is put to use. The information that the companies provide generally fails to meet the needs of a variety of individual investors and there is a general impression that the company's Annual Report and other statements are not well received by them.

L.C.Gupta (1992) revealed the findings of his study that there is existence of wild speculation in the Indian stock market. The over speculative character of the Indian stock market is reflected in extremely high concentration of the market activity in a handful of shares to the neglect of the remaining shares and absolutely high trading velocities of the speculative counters. He opined that, short- term speculation, if excessive, could lead to "artificial price". An artificial price is one which is not justified by prospective earnings, dividends, financial strength and assets or which is brought about by speculators through rumours, manipulations, etc. He concluded that such artificial prices are bound to crash sometime or other as history has repeated and proved.

Nabhi Kumar Jain (1992) specified certain tips for buying shares for holding and also for selling shares. He advised the investors to buy shares of a growing company of a growing industry. Buy shares by diversifying in a number of growth companies operating in a different but equally fast growing sector of the economy. He suggested selling the shares the moment company has or almost reached the peak of its growth. Also, sell the shares the moment you realise you have made a mistake in the initial selection of the shares. The only option to decide when to buy and sell high priced shares is to identify the individual merit or demerit of each of the shares in the portfolio and arrive at a decision.

Pyare Lal Singh (1993) in the study titled, Indian Capital Market - A Functional Analysis, depicts the primary market as a perennial source of supply of funds. It mobilises the savings from the different sectors of the economy like households, public and private corporate sectors. The number of investors increased from 20 lakhs in 1980 to 150 lakhs in 1990 (7. 5 times). In financing of the project costs of the companies with different sources of financing, the contribution of the securities has risen from 35.01% in 1981 to 52.94% in 1989. In the total volume of the securities issued, the contribution of debentures / bonds in recent years has increased significantly from 16. 21% to 30.14%.

Sunil Damodar (1993) evaluated the 'Derivatives' especially the 'futures' as a tool for short-term risk control. He opined that derivatives have become an indispensable tool for finance managers whose prime objective is to manage or reduce the risk inherent in their portfolios. He disclosed that the over-riding feature of 'financial futures' in risk management is that these instruments tend to be most valuable when risk control is needed for a short- term, i.e., for a year or less. They tend to be cheapest and easily available for protecting against or benefiting from short term price. Their low execution costs also make them very suitable for frequent and short term trading to

manage risk, more effectively.

R.Venkataramani (l994) disclosed the uses and dangers of derivatives. The derivative products can lead us to a dangerous position if its full implications are not clearly understood. Being off balance sheet in nature, more and more derivative products are traded than the cash market products and they suffer heavily due to their sensitive nature. He brought to the notice of the investors the 'Over the counter product' (OTC) which are traded across the counters of a bank. OTC products (e.g. Options and futures) are tailor made for the particular need of a customer and serve as a perfect hedge. He emphasised the use of futures as an instrument of hedge, for it is of low cost.

Amanulla & Kamaiah (1995) conducted a study to examine the Indian stock market efficiency by using Ravallion co integration and error correction market integration approaches. The data used are the RBI monthly aggregate share indices relating five regional stock exchanges in India, viz Bombay, Calcutta, Madras, Delhi, Ahmedabad during 1980-1983. According to the authors, the co integration results exhibited a long-run equilibrium relation between the price indices of five stock exchanges and error correction models indicated short run deviation between the five regional stock exchanges. The study found that there is no evidence in favour of market efficiency of Bombay, Madras, and Calcutta stock exchanges while contrary evidence is found in case of Delhi and Ahmedabad.

Pattabhi Ram.V. (1995) emphasised the need for doing fundamental analysis and doing Equity Research (ER) before selecting shares for investment. He opined that the investor should look for value with a margin of safety in relation to price. The margin of safety is the gap between price and value. He revealed that the Indian stock market is an inefficient market because of the absence of good communication network, rampant price rigging, and the absence of free and instantaneous flow of information, professional broking and so on. He concluded that in such inefficient market, equity research will produce better results as there will be frequent mismatch between price and value that provides opportunities to the long-term value oriented investor. He added that in the Indian stock market investment returns would improve only through quality equity research.

Karajazyk (1995) investigated one measure of financial integration between equity markets. He used a multifactor equilibrium Arbitrage pricing theory to define risk and to measure deviations from the "Law of one price". He applied the integration measure to equities traded in 24 countries (four developed and 20 emerging). He found that the measure of market segmentation tends to be much larger for emerging markets than for developed markets, which flows into or out of the emerging markets. The measure tends to decrease over time, which is consistent with growing levels of integration. Large values of adjusted mis-pricing occur around periods in which capital controls change significantly. Finally, he found asymmetric integration relationship; stock markets of developed nations are more integrated than those of emerging nations.

Debjit Chakraborty (1997) in his study attempts to establish a relationship between major economic indicators and stock market behaviour. It also analyses the stock market reactions to changes in the economic climate. The factors considered are inflation, money supply, and growth in GDP, fiscal deficit and credit deposit ratio. To find the trend in the stock markets, the BSE National Index of Equity Prices (Natex) which comprises 100 companies was taken as the index.

The study shows that stock market movements are largely influenced by, broad money supply, inflation, C/D ratio and fiscal deficit apart from political stability.

Redel (1997) concentrated on the capital market integration in developing Asia during the period 1970 to 1994 taking into variables such as net capital flows, FDI, portfolio equity flows and bond flows. He observed that capital market integration in Asian developing countries in the 1990"'s was a consequence of broad-based economic reforms, especially in the trade and financial sectors, which is the critical reason for economic crises which followed the increased capital market integration in the 1970s in many countries will not be repeated in the 1990s. He concluded that deepening and strengthening the process of economic liberalization in the Asian developing countries is essential for minimizing the risks and maximizing the benefits from increased international capital market integration.

Avijit Banerjee (1998) reviewed Fundamental Analysis and Technical Analysis to analyse the worthiness of the individual securities needed to be acquired for portfolio construction. The Fundamental Analysis aims to compare the Intrinsic Value (I.V.) with the prevailing market price (M.P) and to take decisions whether to buy, sell or hold the investments. The fundamentals of the economy, industry and company determine the value of a security. If the 1.V is greater than the M.P., the stock is under priced and should be purchased. He observed that the Fundamental Analysis could never forecast the M.P. of a stock at any particular point of time. Technical Analysis removes this weakness. Technical Analysis detects the most appropriate time to buy or sell the stock. It aims to avoid the pitfalls of wrong timing in the investment decisions. He also stated that the modern portfolio literature suggests 'beta' value p as the most acceptable measure of risk of scrip. The securities having low P should be selected for constructing a portfolio in order to minimise the risks.

Madhusudan (1998) found that BSE sensitivity and national indices did not follow random walk by using correlation analysis on monthly stock returns data over the period January 1981 to December 1992.

Arun Jethmalani (1999) reviewed the existence and measurement of risk involved in investing in corporate securities of shares and debentures. He commended that risk is usually determined, based on the likely variance of returns. It is more difficult to compare 80 risks within the same class of investments. He is of the opinion that the investors accept the risk measurement made by the credit rating agencies, but it was questioned after the Asian crisis. Historically, stocks have been considered the most risky of financial instruments. He revealed that the stocks have always outperformed bonds over the long term. He also commented on the 'diversification theory' concluding that holding a small number of non-correlated stocks can provide adequate risk reduction. A debt-oriented portfolio may reduce short term uncertainty, but will definitely reduce long-term returns. He argued that the 'safe debt related investments' would never make an investor rich. He also revealed that too many diversifications tend to reduce the chances of big gains, while doing little to reduce risk. Equity investing is risky, if the money will be needed a few months down the line. He concluded his article by commenting that risk is not measurable or quantifiable. But risk is calculated on the basis of historic volatility. Returns are proportional to the risks, and investments should be based on the investors' ability to bear the risks, he advised.

Suresh G Lalwani (1999) emphasised the need for risk management in the securities market with

particular emphasis on the price risk. He commented that the securities market is a 'vicious animal' and there is more than a fair chance that far from improving, the situation could deteriorate.

Bhanu Pant and Dr. T.R.Bishnoy (2001) analyzed the behaviour of the daily and weekly returns of five Indian stock market indices for random walk during April 1996 to June 2001.They found that Indian Stock Market Indices did not follow random walk.

Nath and Verma (2003) examine the interdependence of the three major stock markets in south Asia stock market indices namely India (NSE-Nifty) Taiwan (Taiex) and Singapore (STI) by employing bivariate and multivariate co integration analysis to model the linkages among the stock markets, No co -integration was found for the entire period (daily data from January 1994 to November 2002).They concluded that there is no long run equilibrium.

Debjiban Mukherjee (2007) made a comparative Analysis of Indian stock market with International markets. His study covers New York Stock Exchange (NYSE), Hong Kong Stock exchange (HSE), Tokyo Stock exchange (TSE), Russian Stock exchange (RSE), Korean Stock exchange (KSE) from various socio- politico-economic backgrounds. Both the Bombay Stock exchange (BSE) and the National Stock Exchange of Indian Limited (NSE) have been used in the study as a part of Indian Stock Market. The main objective of this study is to capture the trends, similarities and patterns in the activities and movements of the Indian Stock Market in comparison to its international counterparts. The time period has been divided into various eras to test the correlation between the various exchanges to prove that the Indian markets have become more integrated with its global counterparts and its reaction are in tandem with that are seen globally. The various stock exchanges have been compared on the basis of Market Capitalization, number of listed securities, listing agreements, circuit filters, and settlement. It can safely be said that the markets do react to global cues and any happening in the global scenario be it macroeconomic or country specific (foreign trade channel) affect the various markets.

Juhi Ahuja (2012) presents a review of Indian Capital Market & its structure. In last decade or so, it has been observed that there has been a paradigm shift in Indian capital market. The application of many reforms & developments in Indian capital market has made the Indian capital market comparable with the international capital markets. Now, the market features a developed regulatory mechanism and a modern market infrastructure with growing market capitalization, market liquidity, and mobilization of resources. The emergence of Private Corporate Debt market is also a good innovation replacing the banking mode of corporate finance. However, the market has witnessed its worst time with the recent global financial crisis that originated from the US sub-prime mortgage market and spread over to the entire world as a contagion. The capital market of India delivered a sluggish performance.

CONCLUSION

Stock Market is the mitigation of risk through the spreading of investments across multiple entities, which is achieved by the pooling of a number of small investments into a large bucket. Stock Market is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed portfolio at a relatively low cost. The review of literature has brought to light that

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- Enlistment of corporate securities in more than one stock exchange at the same time improves liquidity of securities and functioning of stock exchange- According to Gupta.
- There is existence of wild speculation in the Indian stock market-According to L.C. Gupta.
- Risk is not measurable or quantifiable. But risk is calculated on the basis of historic volatility - According to Arun Jethmalani.
- Indian Stock Market Indices did not follow random walk- According to Bhanu Pant and Dr. T.R. Bishnoy.
- Stock market movements are largely influenced by, broad money supply, inflation, C/D ratio and fiscal deficit apart from political stability- According to Debjit Chakraborty.
- There are theories like the Fundamental analysis, Technical analysis etc. to evaluate the securities- According to Avijit Banerjee.
- Low execution costs make the derivatives especially futures, very suitable for frequent and short term trading to manage risk, more effectively- According to Sunil Damodar.

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TOTAL SHAREHOLDER RETURN (TSR):AS A PERFORMANCE MEASURE

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ABSTRACT

This paper analysis the Total Shareholder Return (TSR) as a performance measure of a company. Main objective of this paper is to study the TSR as a performance measure and also observe the growth of TSR in given period. When TSR is growing, it means corporate performance is good. If TSR is not growing or destroying the performance is not good. TSR Can be computed with the help of market capitalization and dividend. For this purpose data of 450 company is used which cover the period of five year 2001 to 2005.

INTRODUCTION

Stren Stewart, total shareholder return (TSR), as published in the U.K.'s Harper Business, is based on the rate of return manifest in changes in share prices after making appropriate adjustments for changes in equity capital. It is just the simple periodic rate of return in share price with necessary adjustment for cash flows to and from the shareholder.

When estimating shareholder rates of return, it is necessary to make adequate adjustments for changes in equity capital. Examples of such changes are bonus and rights issues, placements of equity, share repurchase, and dividends. Stewart, in defense of TSR, has criticized these adjustments. He focuses on the dividend reinvestment assumption. This assumption is invoked in the Harper Business articles that report annual total shareholder return rankings.

As an example of an equity adjustment, consider the case of a dividend. The difference between the closing share price and the opening share price, standardized by opening share price, measures the capital gain. This measure, however, does not take into account the dividend received during the period in question. The dividend yield is defined as the ratio of the dividend received to opening book value. In a single period, the true rate of return consists of the capital gain and the dividend yield, that is to say, the total share-holder return. In a multi-period world, the TSR is calculated on the time and size of the cash flows experienced by the share-holder. They are the opening price, the dividends received, and the closing price. In one of our other articles, we show that the reinvestment of intermediate cash flows is not an implicit assumption for the internal rate of return. Thus it follows that the assumption is not necessary for the estimation of TSR. The vital point is that the effect of the dividends must be acknowledged in the estimation of shareholder return.

TSR, as its name implies, is a measure of the actual return achieved by shareholders. If it is to serve as a measure of wealth created for shareholder, however, TSR must take into account the risk-adjusted opportunity costs faced by the shareholder. The incorporation of a risk-adjusted opportunity cost converts the TSR into an abnormal return. Arguably, this abnormal return is the true wealth created for shareholders.

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Although Total Shareholder Return is normally calculated from the change in price of a single share, it is possible with the data we provide to use aggregate market values. Suppose a Corporation has neither issued nor redeemed capital nor paid a dividend during the last three years. Thus an observed change to book value can be attributed to retained earnings. Total Shareholder Return over the period P0 toP1 TSR $_{p0 \ to \ p1}$ is conventionally calculated as the rate of return over the three years, namely,

$$TSR_{p0 \ to \ p1} = \frac{MV_{p1} - MV_{p0}}{MV_{p0}}$$

It can be seen immediately that the Total Shareholder Return is identical to the Adjusted Market Value

ABNORMAL RETURN

The Abnormal Return (AR) in an event study is defined as the observed return $TSR_{p0 \ to \ p1}$ less the expected return $E(R_{p0 \ to \ p1})$, that is to say,

$$AR_{p0 \ to \ p1} = TSR_{p0 \ to \ p1} - E(R_{p0 \ to \ p1}).$$

We shall use

$$E(R_{p0 \ to \ p1}) = \beta R_m$$

P1 = Current Year

P0 = Previous Year

ABNORMAL RETURN (AR)

Measure of shareholder wealth creation----abnormal return (AR)—is predicated on three economic principles. We take the view of a shareholder who is faced with a wide choice of shares in which to invest. We specifically assume that the investor holds a fully diversified portfolio. We also maintain a semi-strong form efficient market. That is to say, prices fully reflect, on average, all publicly available information. TSR can be computed with the help of market capitalization and dividend of a financial asbelow:

TSR= [(MPSt + DPSt)-MPSt0)]/MPS t0)

Where

MPSt = Market Price Per Share – Current Year
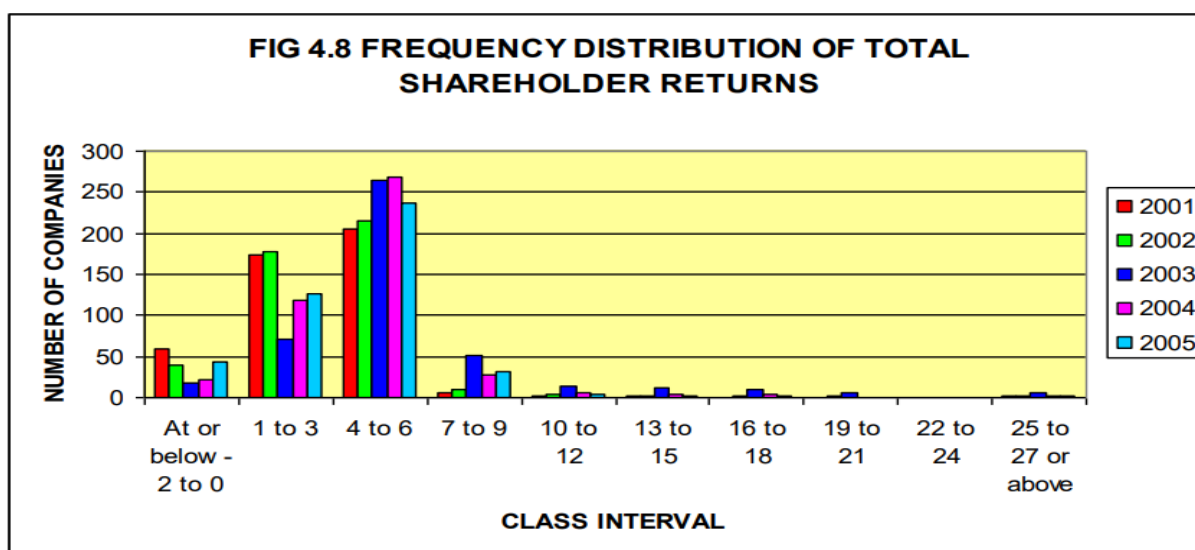DPSt = Dividend Per Share – Current Year
MPSt0 = Market Price Share – Previous Year

FREQUENCY DISTRIBUTION OF TOTAL SHAREHOLDER RETURNS FOR ALL COMPANIES

The frequency distribution of Total Shareholder Returns for all companies for the study period is presented below. It ranges between a minimum of –2 to a maximum of 27 or above. Maximum number of companies fall in the class interval 4 to 6 for all the years (205, 215, 265, 269 and 237 companies in the years 2001, 2002, 2003, 2004 and 2005 respectively). However, the concentration of Total Shareholder Returns for most of the companies ranges between –2 to 9. Very few companies have Total Shareholder Returns ranging above 12 for all the years. This implies that mostly companies have rewarded the shareholders with high returns. But, some of the companies have failed to enrich the shareholder wealth with high total shareholders returns.

1.1.1.1 FREQUENCY TABULATION OF TOTAL SHAREHOLDER RETURNS OF ALL COMPANIES

YEARS	At or below – 2 to 0	1 to 3	4 to 6	7 to 9	10 to 12	13 to 15	16 to 18	19 to 21	22 to 24	25 to 27 or Above
2001	60	4	205	6	2	2	0	0	0	1
2002	40	7	215	10	4	1	1	1	0	1
2003	18	72	265	51	13	12	9	5	0	5
2004	22	9	269	28	5	3	3	0	0	1
2005	43	7	237	32	4	2	2	0	0	2

FIG 4.8 FREQUENCY DISTRIBUTION OF TOTAL SHAREHOLDER RETURNS

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Here we define three principal to enrich the total shareholder returns:

The first principle relates to the definition of value. We shall define wealth as the cash available at a particular point in time for consumption or investment. We maintain that the market price of a share is a sufficiently close proxy for cash. That is to say, shares are liquid at the current share price, and transaction costs are essentially negligible. Any under or over-pricing of a particular share in a diversified portfolio will be offset by other shares in the portfolio.

The second principle argues that wealth creation measures should take systematic risk into account. A well –recognized rule of finance is that higher financial risk commands an increased expected return. Theoretical support for this thesis is found in the Capital Asset Pricing Model and the Arbitrage Pricing Theory. In these models, beta is the measure of financial risk. This is the risk that cannot be eliminated by portfolio diversification.

The third principle acknowledges that changes in share prices are correlated with changes in the market index, on market portfolio. The Market Model, an alternative statement of the CAPM, illustrates the point. The regression of proportionate change in the share price versus proportionate change in the market index is used to estimate the beta of the share. The systematic relationship illustrates the manner in which share price changes cover with changes in the market index. Changes in the market index are beyond the control of the shareholders and also the managers of the firm. In the estimation of the firm's performance, it seems sensible to control for these vagaries.

The product of beta and the proportional change in the market index represents the ex-post opportunity cost faced by the shareholder. Assuming unbiased expectations, it is the best measure of the ex-ante opportunity cost. It represents the rate of return that would be achieved from a fully diversified portfolio with the same systematic risk.
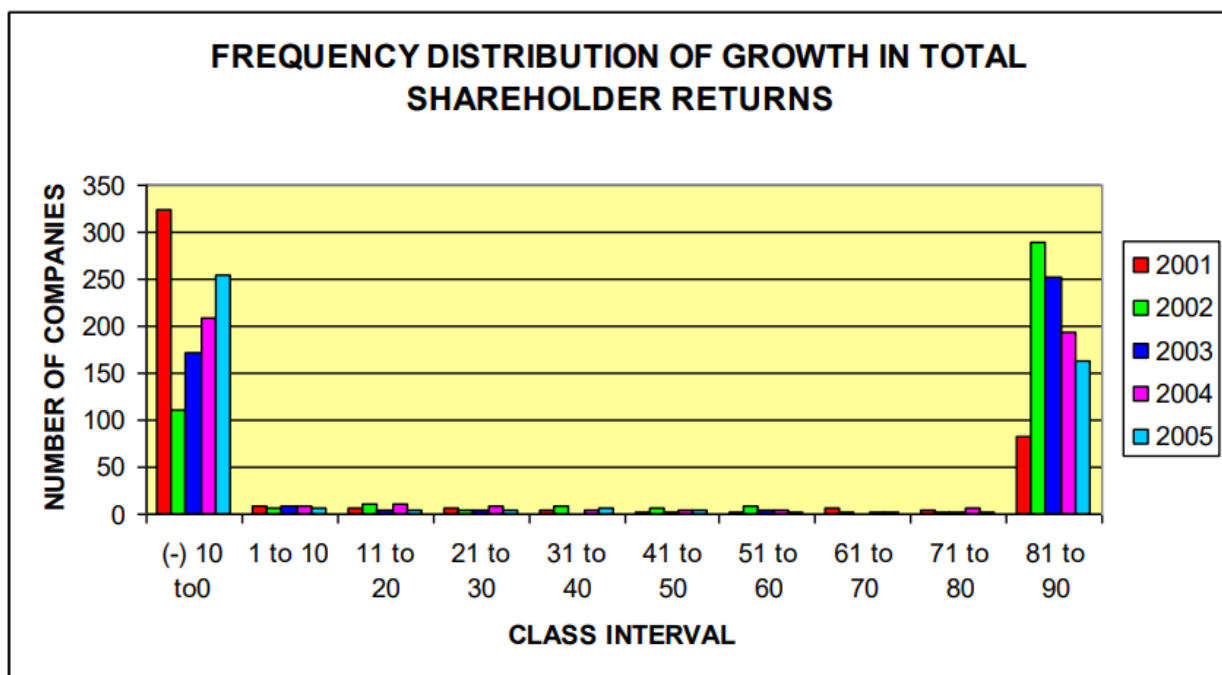
The difference between the observed total shareholder return and the opportunity cost is a true measure of the wealth created for the shareholders of the company. It is the abnormal return (AR) statistic frequently adopted in the event studies examining share price reaction to specific sets of information. Tests of the semi-strong form of market efficiency generally use the event study methodology. Further details can be found in the chapter dealing with the efficient markets hypothesis in most finance texts

FREQUENCY DISTRIBUTION OF GROWTH IN TOTAL SHAREHOLDER RETURNSFOR ALL COMPANIES

The frequency distribution of growth in Total Shareholder Returns for all companies for the study period is shown in the table. It ranges between –10 and 90. Maximum number of companies fall in the class interval –10 to 0 for all the years except in the year 2002 and 2003 (323, 208 and 254 companies in the years 2001, 2004 and 2005 respectively). In year 2002 and 2003, maximum number of companies fall in the class interval 81 to 90 (290, 252 companies). However, concentration of growth in Total Shareholder Returns for more than 90 percent of the companies during the study period ranges between –10 to 0 and 81 to 90. For few companies, the growth in Total Shareholder Returns ranges between 1 to 80. This implies that only few companies have rewarded the shareholders with high returns. Most of the companies have failed to enrich the shareholder wealth with high returns.

YEARS	(-) 10 to 0	1 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 60	61 to 70	71 to 80	81 to 90
2001	323	9	7	6	5	2	3	7	5	83
2002	111	7	10	4	8	6	9	2	3	290
2003	171	8	4	5	1	2	4	1	2	252
2004	208	8	10	8	4	4	5	2	7	193
2005	254	6	4	5	6	4	3	2	3	162

TABLE 6.4(III) FREQUENCY TABULATION OF GROWTH IN TOTAL SHAREHOLDER RETURNS OF ALL COMPANIES

CONCLUSION

Dividend and expansion in market capitalization are two principal way in which share can be enriched ,TSR takes into account the sum of these two facters. The increase in market capitalization is added the dividend paid out by the company during financial year . TSR measure the performance with the help of market capitalization and dividend .

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