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TKM INSTITUTE
OF MANAGEMENT



The Legacy of TKM College Trust

The TKM College Trust was founded by Janab A.Thangal Kunju Musaliar, a successful industrialist, philanthropist and businessman. Born in a middle class family on 12th January 1897 at his ancestral home in Kollam. Janab Thangal Kunju Musaliar built up a vast business empire which dominated the cashew export trade in the 1940s and 50s. As a man of extra ordinary vision, he foresaw the tremendous importance of education and this led to the establishment of the TKM College Trust in the year 1956. T.K.M. College of Engineering, the first private Engineering College in Kerala, was set up by the Trust in 1958 followed by the T.K.M. College of Arts and Science in the year 1965. Janab Musaliar passed away on 19th February 1966 after an illustrious career that paved the way for advancement of professional education in Kerala.

True to the vision of its founder, the TKM College Trust has, over the years, added several other educational institutions to its fold - The TKM Institute of Management in 1995, The T.K.M. School of Communication & Information Technology in 1996, the T.K.M. Centenary Public School in 1997, the T.K.M. High School and T.K.M. Higher Secondary School in 2000, the T.K.M. Institute of Technology in 2002 and the T.K.M. School of Architecture in 2014.

Today, the dream of the late Janab A. Thangal Kunju Musaliar of uplifting society through education has to a large extent been fulfilled. His life exemplifies greatness in its true sense. Several of his initiatives, innovations and achievements are standing monuments in the changing national and global scenario. No wonder that the Government of India has thought it fit to issue a commemorative stamp in recognition of the services of this great man in 2001.

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WHY ENTREPRENEURIAL EDUCATION FAILS?

¹ Dr. Dileep Kumar M, ² Dr. Ravindran Pathmanathan, ³ Normala S. G

^{1,2} University Institute for International and European Studies, UNIES | International Teaching University- Georgia

³ Geomatika University College, Kuala Lumpur, Malaysia.

¹Email: prof.mdk@gmail.com

ABSTRACT

Several studies have conducted to analyze the determinants of entrepreneurial intention among business starters and entrepreneurs. However fewer studies have come out in investigating the role of entrepreneurial education in grooming the young towards entrepreneurship profession. Though universities across the globe have designed academic programs with entrepreneurial disciplines, less number of transformations has observed with the support of empirical evidences. Hence a study was conducted in the Indonesian context, detailing the impact of entrepreneurial orientation, social support system and entrepreneurial self-efficacy among the students in Indonesian context. Study used SEM AMOS to analyze the independent variable and dependent variable selected for the study. The study clearly indicates that there is positive and direct relation between entrepreneurial orientation, social support system and entrepreneurial self-efficacy on entrepreneurial intention among students. The study provides better insight into the policy makers and university leadership, the importance of entrepreneurial orientation, social support system and entrepreneurial self-efficacy in developing young towards entrepreneurial intention.

Keywords--*Entrepreneurial orientation, social support system and entrepreneurial self-efficacy entrepreneurial intention*

I. INTRODUCTION

Asian Free Trade Area 2015 (AFTA) will be coming shortly and AFTA is the manifestation of the treaty of ASEAN countries to form a free trade area in order to enhance the competitive advantage among ASEAN countries. This is achieved by making ASEAN a world production platform as well as creating a regional market for its 500 million populations. The obvious impact of this treaty is it makes the competition in the world of work to become fiercer because not only will there be stiff competitions among the local citizens, but with foreign people across the ASEAN countries. Accordingly, the graduates must develop their ability and mental endurance in any aspects including employability and entrepreneurial ability. In AFTA, where

the competition in the world of work is getting fierce, it is hoped that university graduates should be able to start up a business as an alternative choice so they do not need to rely on job vacancies too much. Though entrepreneurship as a discipline taught in the universities, the enrolment of graduates as entrepreneur is less observed into. This particular study thus focuses on the entrepreneurial intention among the Indonesian students. The study tried to explain the low volume of entrepreneurs, even after their formal education from universities, in the Indonesian context.

II. LITERATURE REVIEW

II.a. Entrepreneurship

The term entrepreneurship is widely deliberated under varied titles such as entrepreneurial factors, functions of

entrepreneurship initiatives, entrepreneurial activities and behaviour of an entrepreneur, each searching for the right interpretation of the concept. The entrepreneurship function is considered the way in which one discovers and exploits opportunities and that facilitate in the creation of an enterprise or developing new business opportunities. Entrepreneurial behaviour which is closely associated with entrepreneurial behaviour is seen as an intention led behaviour that manages to integrate several characteristic features like 'innovation, risk taking and proactiveness' (Miller & Friesen 1983, p. 222). In other words, Miller and Friesen(1983) proposes that the term entrepreneurship captures the opportunities which are uncertain, with better initiative and imagination as well as developing new opportunities for the nation. According to Carre and Thurik(2002), entrepreneurship is the manifestations of the ability and willingness of individuals, either alone, in teams, inside or outside the organization to create new opportunities, and to introduce novel ideas to the market, by facing the uncertainties and limitations, through effective decision-making and the utilization of resources and institutions. A short discussion above indicates that the entrepreneurship or entrepreneurial initiative which covers several concepts of creation incorporating several features of entrepreneurial orientation such as exploring risks, rejuvenation or innovation within or independent of an entity. Hence, entrepreneurship needs to be explored as a concept integrating entrepreneurial spirit with which an individual explore and exploit business opportunity existing across the realm.

II.b. Entrepreneurship among students

Few studies have attempted to integrate the concept of entrepreneurship among students (Robinson, Huefner, & Hunt, 1991). It has been argued that student entrepreneurs are unlike other entrepreneurs. This argument is based on the idea that the life circumstances of a student entrepreneur's life situation is considerably uncertain and missing in well-defined goals, faith, and values in comparison to a non-student entrepreneur. It is due to the non-students having had undergone more wide-ranging entrepreneurial encounters resulting in more well thought and radical outlooks and the student entrepreneurs having multiple key roles (as student and entrepreneurs) while the nonstudents having only one key role, focusing primarily on their business. To sum up, the role of student entrepreneurs, in connection with real entrepreneurs are different from non-student entrepreneur in in both form and function, (Robinson, Huefner & Hunt, 1991).The core of student entrepreneurship is undoubtedly entrepreneurship education is central to Kraaijenbrink, Bos and Groen(2010) suggested that although entrepreneurs receive numerous forms of measurable support from the universities, in order to comprehend the impact of such actions, it was important to assess the magnitude of influence that they have on students. As mentioned by Kolvereid and Moen (1997), university students who chose entrepreneurship courses had a more inclinations in becoming entrepreneurs compared to those who did not. Though in an isolated manner, a few researchers have attempted to comprehend the role of entrepreneurship education in the

formation of student's entrepreneurial intention and behaviour (Saeed, Yousafzai, Yani-De-Soriano, & Muffatto, 2014).

II.c. Higher Education and Student Entrepreneurship

The universities have a greater role in entrepreneurial education. According to Schlute (2004 cited in Khan, 2008) university has three important roles in entrepreneurship education. First, the university acts as a facilitator of entrepreneurial culture that foster a strong focus on entrepreneurship education and help to promote a culture of entrepreneurship. Secondly, the university as a mediator of entrepreneurial skills in which the students are able to pursue his/her entrepreneurial career by acquiring a set of skills that will help them to identify business ideas and run the business based on an entrepreneurial approach. The third function is the role of the university as a locomotive of regional business development. This means a strong political focus on entrepreneurship which will encourage universities to develop relationships with other stakeholders in an entrepreneurial environment. University also facilitates the creation of regional policy and favourable entrepreneurial infrastructure. Therefore, the purpose of college is not only producing graduates to be job seekers, but also to be job creators. As stated by Romer (1986) universities play a well-understood role in the production of new knowledge and human capital.

II.d. Higher Education and Student Entrepreneurship in Indonesia

In essence, in contextualizing the role of higher education in Indonesia universities, the higher education body

has put the mission on three elements: education, research and community service which are inter correlated (Sulistiyorini, 2013). Linking education and entrepreneurship with academic institution, it is clearly pointed out that the college becomes a strategic place to encourage every individual to engage in entrepreneurship (Nastiti, Indarti, & Rostiani, 2010). The small number of entrepreneurs in Indonesia indicates the importance of entrepreneurship among academic community, including their activities in the university environment. The discourse and application of the entrepreneurial university are becoming hot topic in the academic world. The educated students at the college level are expected to be a successful entrepreneur initiator (Nastiti et al., 2010). Gorman, Hanon and King (1997) states that student inclination in entrepreneurship is the source of the establishment of a new business. Therefore, attitudes, behaviours, and entrepreneurial knowledge owned by the students can stimulate intention and desire to start a business in the future (Nastiti et al., 2010). However, there are only a small number of education communities which are aware of the importance of entrepreneurship which has a major impact on the sustainability of the country's economy. Many of the academics only focus on the world of academia, and few have plunged into the world of practitioners. It is also influenced by a low awareness of entrepreneurship among students. Most of them still do not realize that it is challenging to find jobs nowadays, especially worsen by the shortage of the existing jobs available (Sulistiyorini, 2013). Therefore, it is pivotal for the

university to play a role where one of them is to provide an appropriate curriculum in order to promote awareness of students in entrepreneurship.

II.e. Issues Related to Entrepreneurial Orientation

In order to engage in an entrepreneurial career, the students should have the required soft skills which include ability to work in a team, good communication skills, leadership in managing people, confidence, being autonomous and innovative as well as embedding the value of honesty. Unfortunately, most of the universities in Indonesia have not optimally embedded the soft skills to the students. Those skills are only obtained by the students who are active in the activities of the organization within campus (Dhewi, 2012). Indarti and Rostiani(2008) further found that the Indonesian students majoring in economics and business are not too interested to become entrepreneurs. This is because they lack innovation ability, ability to take risk, proactiveness as well as autonomy to choose to become self-employment. Moreover, Utomo(2009) reveals that entrepreneurship education in Indonesia still lacks, either in terms of education, community and government. There are a lot of education practitioners who do not focus on the aspects of mental growth, attitudes, as well as entrepreneurial behaviours of the students for their orientation is only to prepare employable graduates. The problem faced by most Indonesian students is they are reluctant to deal with the risks, especially regarding using funds. Most of the students who have the financial ability tend to spend their money consumptively. Therefore, they

do not have a courage to allocate their money on risky activities, like entrepreneurial activities (Sulistyorini, 2013). Furthermore, Putra (2012) found in his study conducted in the State University of Padang that there are several causes that lead the student to not have the desire to engage in entrepreneurship. They appear to prefer a secure career path rather than facing challenges being engaged in entrepreneurial initiatives.

II.f. Issues Related to Social Support

Some related aspects like environmental support and parental support play important role in influencing a person's desire in entrepreneurship (Indarti & Rostiani, 2008; Lee, Wong, Foo, & Leung, 2011; Suharti & Sirine, 2011). This opinion is reinforced by Kasmir(2006), who stated that the support of family, especially parental support is imperative to increase the motivation to become an entrepreneur. Encouragement in the form of strong motivation from the family to move forward is a core requirement to become a real entrepreneur. Thus, family support is obviously the primary driving force to boost students' mentality and motivation (Kasmir, 2006). Parents' professions also became a role model for someone's career choice after graduating from the college. Therefore, it is undeniable that parents play an important role in providing support and motivation that will make their children become socially competent, confident and responsible in realizing their intention to become entrepreneurs(Mustikawati & Bachtiar, 2008).The small ventures are not considered as a real business by their environment because their family and

peer group are not approving such behaviour. In this case, the small undertakings are connected with social stigma that the career choice of being an entrepreneurs are less worthy than being employee or civil servant, whereas, people desperately need a support or at least approval when they start to engage in entrepreneurship. Support for entrepreneurship usually comes from a family, partner and peers where they can discuss the ideas and the problems encountered along with the ways to handle the problem (Mustikawati & Bachtiar, 2008).

II.g. Issues Related to Entrepreneurial Self-efficacy

One of the factors that affect the strength of the entrepreneurial intention of students is derived from personal factors, namely the belief in yourself or also known as self-efficacy (Indarti & Rostiani, 2008). Entrepreneurial Self-efficacy in business students today is still perceived to be lacking, especially regarding entrepreneurial intentions. Whereas, Entrepreneurial Self-efficacy have a fundamental function in the formation of a students' entrepreneurial intentions. Entrepreneurial Self-efficacy plays a role to build mental strength in an individual which includes perceptions of himself, the belief about his ability, strong expectations to achieve a new feat . This will create a sense of confidence and the hope for success. When the students plan to engage in entrepreneurship career after the completion of their studies, it is expected that the entrepreneurial intention has been embedded in their mind. Individuals who have high self-efficacy will also have strong intention in entrepreneurship. According to Betz and Hackett (cited in Indarti, 2008) the self-

efficacy toward one's career can be an important factor in determining whether one entrepreneurial desire has been formed at the first stage of an individual's career. The higher the levels of one's self-efficacy at the initial stage of his/her career, the stronger the entrepreneurial intentions. However, Riyanti(2009) argued that the desire to deal with entrepreneurship is not strong enough to drive students to become entrepreneurs. She explained that there are many Indonesian students who have high intentions to become entrepreneurs. However, these intentions does not turn into reality as they do not have sufficient Entrepreneurial Self-efficacy.

III. THEORY OF PLANNED BEHAVIOR AND ENTREPRENEURIAL INTENTION

The planned behavior theory (Ajzen, 1991) provided three predictor variables (attitude, subjective norm, and perceived behavioral control) that cause an intention to determine a particular behavior. Attitude can be regarded as positive or negative assessments of a behavior. Subjective norm is assumed as a social force to perform or not to perform a certain behavior. Perceived behavioral control assesses whether one has access to the necessary resources and/or opportunities to exhibit a character. Intentions are presumed to offer some pointers on the manner people are eager to attempt to exhibit an attitude and the extent their attempt are exercised. The theory states that intention is determined by attitude, subjective norm, and perceived behavioral control.

The theory of Planned Behavior (Ajzen, 1991) has been heavily used in

some research literature given its ability to reflect a person's behavior and interest in doing a business. Based on the one's convictions, attitudes, and interests will certainly affect the behavior of the individual. In the perspective of entrepreneurship, this means that the trust of being an entrepreneur and a person's attitude to entrepreneurship can be a strong platform for the individual to build a new business. Based on the Theory of Planned Behavior, human behavior is largely derived from the interest of the individual to display such behavior and their ability to decide or make a decision to do something (their own willing). This theory explains that a person's interest depends on three elements : (1) a person's attitude toward the behavior (do I desire to perform it ?)

, (2) subjective norm (do other people wish me to execute it ?), And (3) perceived behavioral control (do I think I am capable of doing it and have the resources to perform it ?).

Basically, the third elements are the supplementary factor of the original model - Reasoned Action Theory. Person's attitude toward the behavior and subjective norms were also considering motivational factors that can affect behavior. In contrast, the third element (perceived behavioral control) is considered as non-motivational factors that can influence behavior. If these three factors combined, then those would reflect the actual behavior of individuals and generally can be used to predict a person's interest or behavior (Ajzen , 1991).

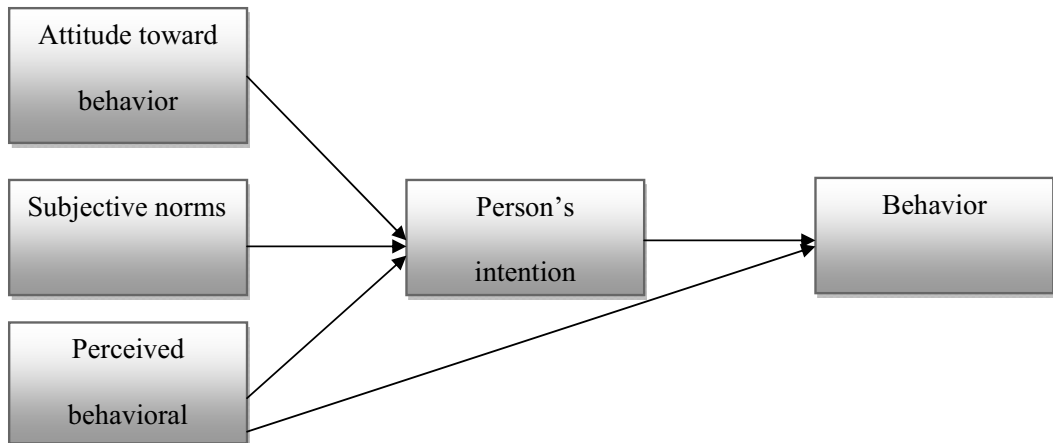


Figure 1: The Theory of Planned Behavior. Source: Ajzen (1991)

The figure above explains that attitude toward behavior, subjective norms, and perceived behavioral control can affect a person's intention while intention can affect a person's behavior. Despite the absence of attitude and

subjective norm, but if it is supported by perceived behavioral control is good, and then it will be able to influence the behavior of a person to make choices and take decisions. While among the attitude, subjective norms, and perceived

behavioral control can affect to each other.

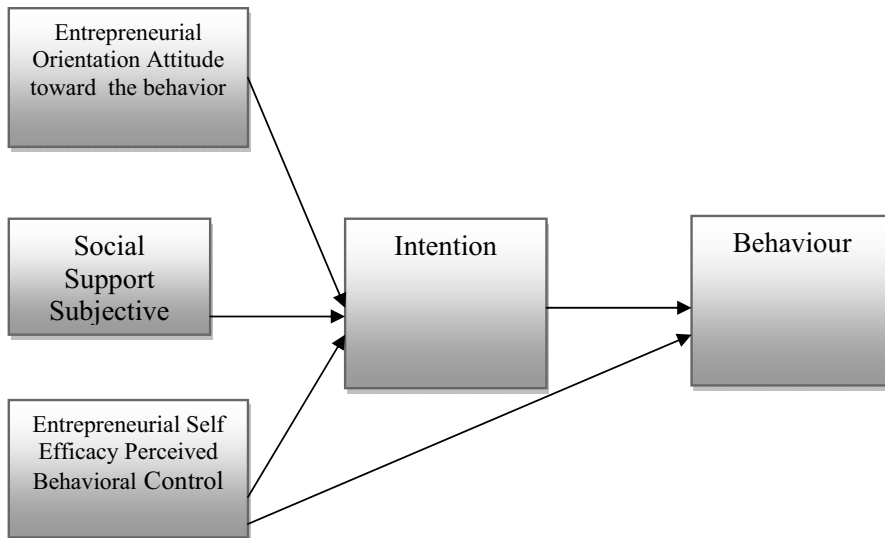


Figure 2: Research frame

IV. OBJECTIVE OF RESEARCH

According to the background of this study and the problem statement proposed, the main objectives of this research are:

- i. To analyze the effects of entrepreneurial orientation upon entrepreneurial intention of business students in Indonesia.
- ii. To analyze the effects of social support upon entrepreneurial intention of business students in Indonesia.
- iii. To analyse the effects of self-efficacy upon entrepreneurial intention of business students in Indonesia.

V. HYPOTHESIS

H1: There is insignificant relationship between Entrepreneurial Orientation and entrepreneurial intention.

H2: There is insignificant relationship between social support and entrepreneurial intention.

H3: There is insignificant relationship between self-efficacy and entrepreneurial intention

VI. RESEARCH DESIGN

This study aimed to test the hypothesis, ie, whether or not a relationship between the variables of entrepreneurial orientation, social support and self-efficacy to entrepreneurial inclination of business students in Indonesia, based on the data obtained, in order to get the meaning and

implications of the problem to be solved such as improving the entrepreneurial intention of the students in Indonesia. This study also wanted to see the relationship between these three exogenous variables on endogenous variables. This causality study is designed through quantitative approach using smart SEM AMOS.

VI.a. Measurement1: Entrepreneurial Orientation

Entrepreneurial orientation measurement initially developed by Lumpkin and Dess (1996). However it cannot be used directly on the student population because the questionnaire focused on developments within firms (Bolton & Lane, 2012). In order to measure students' entrepreneurial orientation, the questions needed to be changed so that they focus on intentions and personal interests. Accordingly, the instrument of entrepreneurial orientation at the organization level were modified by Bolton and Lane (2012) as well as Taatila and Down (2012) to assess entrepreneurial orientation for individual. This may not seem like a trivial exercise, but one should keep in mind that although entrepreneurship refers to a wider concept than the actions of single entrepreneurs, the formation of firm-level entrepreneurial orientation is based on the behaviour of entrepreneurial individuals (Lumpkin & Dess, 1996; Miller, 1983).

Development of the individual entrepreneurial orientation scale were made under 4 dimensions such as innovativeness, risk-taking and proactiveness and networking. Three of these dimensions developed by Lumpkin and Des (1996) have been used in the majority of the EO research, while

autonomy and competitive aggressiveness have been studied less often (Bolton & Lane, 2012). In addition, another dimension of networking has been used by Taatila and Down (2012) The individual entrepreneurial orientation will be measured using a five-point Likert scale (1=strongly disagree to 5=strongly agree). The overall cronbach alpha meets Nunnally and Bernstein's (1994) standard for scale development studies of 0.784. In order to to assess entrepreneurial orientation at individual level, the questionnaires of Lumpkin and Dess (1996) were recorded by Bolton and Lane (2012) to ask about these variables of interest in the environment that the individual would encounter them, rather than in an organisation. Preliminarily the validated measures provided by Lumpkin et al., (2009) were changed from "my firm" and "managers of my firm" to "I" and the "business opportunities" to "opportunities" and so on. Any references to business goals were changed to project goals or team goals and references to business objectives were generalized to project achievement objectives. Several statements were recast to be negatively stated. To test the reliability, this instrument was subjected into pilot testing. The pilot testing was conducted among 30 students from five different universities in Indonesia. The pilot study has finally provided a reliable statistic indicating the cronbach's alpha ranged from 0.712 to 0.896, fulfilling eligibility to consider the factors of individual entrepreneurial orientation. The study further revealed that the presence of three components with eigen values exceeding 1, explaining cumulatively 0.637 of the variance.

Hence, this instrument may be considered for the data collection and analysis to explain the students' entrepreneurial orientation.

VI.b. Measurement 2: Social Support

In order to measure the variable of social support, this study will adapt the scale from several surveys (House, 1981; Sahban, Kumar, & Ramalu, 2015). Only items related to source of social support i.e. friends support and family support will be used in this study. Each dimensions of social support was measured by six items. The social support will be measured using a five-point Likert scale (1=strongly disagree to 5=strongly agree). Cronbach's coefficient alpha, a measure of internal reliability, was obtained for the scale as a whole as well as for each subscale. For the family and friends subclasses, the values were ranging from 0.751 and 0.854 respectively. The reliability of the total scale was 0.882. These values indicate good internal consistency for the scale as a whole and for the two subscales. To test the reliability, this instrument was subjected into pilot testing. The pilot testing was conducted among 30 students from five different universities in Indonesia. The pilot study has finally provided a reliable statistic indicating the cronbach's alpha ranged from 0.802 to 0.843, fulfilling eligibility to consider the factors of Individual Entrepreneurial Orientation. The study further revealed that the presence of three components with eigen values exceeding 1, explaining cumulatively 0.642 of the variance. Hence, this instrument may be considered for the data collection and analysis to explain the students' social support.

VI.c. Measurement 3: Entrepreneurial Self-Efficacy

Perceived behavioral control over firm creation has been measured through a general self-efficacy scale. In previous research, self-efficacy has frequently been measured through specific self-efficacy (Chen, Greene, & Crick, 1998; Liñán & Chen, 2006; Noble Jung, & Ehrlich, 1999; Zhao, Seibert, & Hills, 2005). Entrepreneurial self-efficacy has been measured through a five-point Likert-type scale with 23 items (1=strongly disagree to 5=strongly agree) with six dimensions such as developing new product and market opportunities; building an innovative environment; initiating investor relationships; defining core purpose; coping with unexpected challenges; developing critical human resources. All the entrepreneurial self-efficacy questions were adopted without alteration from the entrepreneurial self-efficacy Questionnaire developed by Noble, Jung and Ehrlich (1999) and has been used by Wilson, Kickul and Marlino (2007), Pihie (2011) as well as Setiawan (2014). The use of five-point Likert scales is also found in previous entrepreneurial self-efficacy studies such as Chen et al., (1998), Wilson et al., (2007) and Pihie (2011). The reliability of the questionnaire had a cronbach alpha value of 0.891 indicating that the questionnaire is reliable to measure entrepreneurial self-efficacy construct. To test the reliability, this instrument was subjected into pilot testing. The pilot testing was conducted among 30 students from five different universities in Indonesia. The pilot study has finally provided a reliable statistic indicating the cronbach's alpha ranged from 0.801 to 0.823, fulfilling the eligibility to

consider the factors of entrepreneurial self-efficacy. The study further revealed that the presence of six components with eigen values exceeding 1, explaining cumulatively 0.619 of the variance. Hence, this instrument may be considered for the data collection and analysis to explain the students' self-efficacy to deal with entrepreneurship.

VII. POPULATION FRAME

Population of the study can be defined as the generality of group of people, things or events that are of interest to the researcher in which he wish to investigate (Sekaran&Bougie, 2010). Neuman, (2005) define population as the aggregate or totality of all the objects, subjects or members that conform to a set of specifications. The population for this study will cover all students in management faculty who are currently studying in state universities across Indonesia and who have undertaken entrepreneurship course for at least 2 semesters. There are 473 universities in Indonesia which contain 66 state universities and 407 private universities (PDDIKTI, 2014). In this study, the researchers focus on both the state and private universities that have economic and business faculty. It is observed that there are 37 universities that have economic and business faculty and more than 120.000 students who are currently studying under the faculty. Among those universities, there are only 20 universities 10 from state universities and 10 from private universities that have business incubator program that are engage in entrepreneurial development of students. It is inevitable to examine the role of business incubation centres on entrepreneurial intention among students. Hence, the population frame

focused in this research is 20 universities which have business incubation centers in the academic setting. Since all the 20 universities having business incubation centers, will be considered into this research, the population frame would provide a good representation of students who can have a say on entrepreneurial orientation, social support and entrepreneurial self-efficacy.

VIII. SAMPLING TECHNIQUE

According to Trochim(2007), in order to obtain an unbiased sample it is necessary to ensure evaluation of the appropriateness of the sample. Sampling is a method that allows researchers to infer information about a population, without having to investigate every individual. Reducing the number of individuals in a study reduces the cost and workload, and may make it easier to obtain high quality information, but this has to be balanced against having a large enough sample size with enough power to detect a true association (Barratt, 2009). There are several sampling techniques that are exist in research area. Since the population groups are separated and access to all is difficult in many distant cities, the sampling technique that will be considered in this research is probabilistic cluster sampling. This particular study will concentrate into the universities which are located in 3 different regions (west part, middle part and east part of Indonesia) in order to support the generalization of the finding. In addition, in order to arrive at the sample frame, this particular study focus more on those students who are enrolled on economic and business faculty. PDDIKTI (2014) stated that there are more than 120.000 students of state and

private universities in Indonesia are currently studying under economic and business faculty. However, the researchers only focus on the 20 universities that have business incubator program in the three different regions. Hence, a total population of 47.000 is the sample frame of this particular study coming from 20 universities which have management and business faculty and business incubator program. Based on Krejcie and Morgan (1970) table, a sample frame of 50.000 requires a minimum of 381 sample in order to ensure statistical validity of the analysis.

IX. TECHNIQUES OF DATA ANALYSIS

This study used AMOS software version 18 to analyze the data as well as testing the various hypotheses for this study. Some of the analysis to be utilized are reliability test and factor analysis used to determine the goodness of measures. Also, the descriptive statistic which deals with the respondents' profile will equally be utilized for this purpose. Similarly, a test of differences analysis will also be conducted in order to determine the non-response bias. The study will conduct a correlation analysis for the purpose of determining the relationship among variables under investigation. Lastly, regression analysis will be employed to test the effects of all independent variables on the dependent variables. Before conducting the multiple regression analysis in this study, the researcher ensured that the basic conditions such as linearity (this shows the extent in which the changes caused by the independent variable is linked to the dependent variable), normality (continuous variation in the distribution

of error terms), homoscedasticity and multi collinearity were met (Hair, Black, Babin, & Anderson, 2010). Furthermore, as suggested by Pallant (2001) and coupled with the sensitive nature of regression analysis, the outliers cases were equally checked. The result revealed that there are some outlier cases which were later deleted from the data set. Those cases with outliers indicated typical outstanding scores of more than 3.3. This checking was immediately preceded by the multi collinearity test and how it influences the finding of this study. Multi collinearity refers to a situation where two or more of the independent variables are highly correlated (Cooper & Schindler, 2003).

IX.a. Descriptive Analysis of the Constructs

To get an initial summary of the data, a descriptive analysis was conducted to describe the general situation of entrepreneurial orientation (EO), social support system (SS), and entrepreneurial self-efficacy (ESE) in the Indonesian business school. As can be seen in Table 1 the mean, standard deviation, maximum and minimum of the constructs were reported. These results reflected the level of implementation of each entrepreneurial orientation (EO) factors, social support system (SS), and entrepreneurial self-efficacy (ESE). Moreover, these results showed the perceived level of entrepreneurial intention of business students in the Indonesian context.

As tabulated in Table 1 the minimum value of most of the constructs was 1.00 and the maximum value of most of the constructs was 10.00 which are the minimum and maximum levels in the

Likert scale used in this study. In addition to that, the same data revealed that innovativeness had the maximum mean value among EO factors with the second lowest standard deviation. These results indicated that the business students highly emphasized the importance of creating the novelty and building innovative environment in achieving better entrepreneurial intention. The standard deviation value showed that the business students were not significantly different in their opinions regarding the importance of innovativeness to the entrepreneurial intention.

Next to the important factor from business student's perspective, are

Proactiveness (PRO) and Risk Taking (RT). The means of these practices were 3.98 and 3.97 with standard deviations as 3.87 and 3.96 respectively. In general, the results in Table 1 indicated the emphasis put by business students on business practices that lead to enhancing the overall entrepreneurial orientation through proper both proactive and risk taking attitude in order to improve the entrepreneurial intention of business students in a continuous basis. In other words, this result indicated that the importance of Innovativeness, Proactiveness and Risk Taking are highly perceived by the Indonesian business students.

Table 1 : Descriptive Statistic of the Constructs (n=381)

	Mean	Standard Deviation	Min	Max
Construct				
EO	3.96	0.68	1.23	4.76
Risk Taking	4.04	0.76	1.00	5.00
Innovativeness	3.96	0.71	1.00	5.00
Proactiveness	3.87	0.81	1.50	5.00
SS	4.18	0.73	1.00	10.00
Family Support	4.19	0.67	1.00	10.00
Peers Support	4.16	0.78	1.00	10.00
ESE	3.73	0.75	1.00	10.00
Developing New Product	4.02	0.76	1.00	10.00
Building Innovative Environment	3.68	0.74	1.00	10.00
Initiating Investor Relationship	4.06	0.69	1.00	10.00
Defining Core Purpose	3.32	0.87	1.00	10.00
Cope with Unexpected Challenge	3.34	0.76	1.00	10.00
Developing Critical Human Resources	3.98	0.83	1.00	10.00

Similarly, the data in Table 1 revealed that among the social support (SS) dimensions, Family Support was reported to have highest mean values as 4.19 with lower standard deviation as 0.67 indicating the propensity of business student to start up a business highly depend on the support of their family instead of their peers. Regarding the Entrepreneurial Self Efficacy (ESE) construct, the results in Table 1 revealed that the business students had a common agreement that initiating investor relationship (InInvRel) and Developing new product (DevNProd) are the most important aspect to enhance the entrepreneurial self-efficacy. On the other hand, defining core purpose (DefCorP) and cope with unexpected challenge (CopUnxChal) had the lowest mean value as 3.32 and 3.24 respectively with standard deviation of more than 0.82. In other words, these result reflected that the roles of defining core purpose and cope with unexpected challenge have not been fully appreciated by the business students in Indonesia.

X. HYPOTHESES TESTING PROCEDURES

Pearson correlation analysis was used to get an initial picture of the relationships between the dimensions of EO, SS, ESE, and the entrepreneurial intention. To test the hypotheses regarding the direct hypotheses of this study, the SEM analysis techniques were employed. In order to examine the moderating effect of genders on the relationships between the EO, SS, ESE, and the entrepreneurial intention of business students, the SEM analysis was

employed. In other words, the use of SEM analysis helped in the examination of the moderating effect of genders on the relationship between the EO, SS, ESE, and the entrepreneurial intention of Indonesian business students. It is worth mentioning that all the subsequent analysis in this study used the variables resulted from the refined model through the measurement model fit processes.

X.a. Pearson Correlation Analysis

To illustrate the relationships between EO, SS, ESE, and the entrepreneurial intention of Indonesian business students, the Pearson correlation analysis was used. As illustrated in Table 2, all the relationships between EO, SS, ESE, and the entrepreneurial intention of business students in Indonesia were found to be statistically significant at the 0.01 level of significance. In determining the strength of the relationships between each independent and the dependent variable, Hair et al. (2010), suggested that while the correlation of 0 indicates that there is no relationship, the correlation of ± 1.0 indicates the existence of perfect relationship. In interpreting the correlation between 0 and 1.0, Cohen's (1988) criterion was followed. When the correlation (r) is between ± 0.1 and ± 0.29 , the relationship is said to be small, when r is between ± 0.30 and ± 0.49 , the relationship is described as medium. Finally, the relationship is said to be strong when the correlation is above ± 0.50 .

Table 2: Summary of the correlation analysis

Relationship	Correlation Coefficient (r)	Decision
There is a significant relationship between Entrepreneurial Orientation and the entrepreneurial intention of business students in Indonesia.	.600**	Significant
There is a significant relationship between social support and the entrepreneurial intention of business students in Indonesia.	0.637**	Significant
There is a significant relationship between Entrepreneurial self-efficacy and the entrepreneurial intention of business students in Indonesia.	0.160**	Significant

** : $p < 0.01$ (2-tailed)

X.b. Goodness-of-Fit indices (Generated Model)

The result of the goodness-of-fit (GOF) of the generated model is presented in Table 3. The absolute fit indices (AFI) indicated a degree of freedom (df) of 1410, chi-square ration (CMIN/df) of 1.680, and a p-value of the 0.114. The goodness of fit index (GFI) was 0.899 and root mean squared of error approximation (RMSEA) of 0.030. Therefore, all AFI achieved threshold values. The incremental fit indices (IFI) also showed a sufficient level of fit well

above the threshold values level of above 0.90 (Absolute goodness fit index, AGFI = 0.923; comparative fit index, CFI = 0.963; Tucker Lewis index, TLI = 0.959; normed fit index, NFI = 0.914). The parsimonious fit indices (PFI) indicate adequate level of fit, that parsimony goodness of fit index (PGFI) = 0.709 and parsimony normed fit index (PNFI) = 0.814. The generated model structural model also showed an R2 value of 0.547 for explaining entrepreneurial intention (table 3)

Table 3: Generated Model (Goodness of Fit indices)

Measures	Fit Indices	Threshold Value
Absolute Fit Index Level		
DF	121	
RMSEA	0.030	Less than 0.08
GFI	0.899	0.90 and above
P-Value	0.082	p-value > 0.05
Incremental Fit Level		
AGFI	0.965	0.90 and above
CFI	0.923	0.90 and above
TLI	0.944	0.90 and above
NFI	0.972	0.90 and above
Parsimonious Fit Level		
X /df	1.248	Less than 2.0
PGFI	0.709	Higher better
PNFI	0.814	Higher better
SMC (R2)		
SMC(R2) Entrepreneurial Intention	0.547	Bigger better

X.c. Hypothesis Testing of Generated Model on Entrepreneurial Intention

The result of hypothesis testing of generated model for direct effect on entrepreneurial intention is presented in Table 3. This study found four significant direct effects on entrepreneurial intention. First, the result demonstrated that entrepreneurial orientation had a direct significant impact on entrepreneurial intention ($\beta = 0.472$; CR = 5.329; $p < 0.05$) or

H1 is asserted. Next, social support was a positive and direct impact on entrepreneurial intention ($\beta = 0.178$; CR = 4.783; $p < 0.005$) or H2 was asserted. Subsequently, the one asserted hypotheses is H3, i.e the direct impact from entrepreneurial self-efficacy to entrepreneurial intention was positively significant ($\beta = 0.080$; CR = 3.377; $p < 0.001$). The result details are described in the table below:

Table 4 : Hypothesis Testing Result of Generated Model

Hypothesis	From	To	Estimate	SE	C.R.	P	Hypothesis Support
H1	EO-av	EI-av	0.472	0.089	5.329	0.013	Supported
H2	SS-av	EI-av	0.178	0.031	4.783	***	Supported
H3	ESE-av	EI-av	0.080	0.024	3.377	***	Supported

XI. DISCUSSION OF RESULTS

The section showed a discussion of the study's results of the critical factors in entrepreneurial intention of business students on achieving the following main objective of the study viz., to examine the effect of entrepreneurial orientation, social support and entrepreneurial self-efficacy on entrepreneurial intention among business students in Indonesia. In the generated model of this study, the results found five significant direct effects on entrepreneurial intention which are entrepreneurial orientation (H1), social support (H2), and entrepreneurial self-efficacy (H3).

XI.a. Entrepreneurial Orientation and Entrepreneurial Intention

Theoretically, the outcome of this study provided empirical evidence for the direct influence of entrepreneurial orientation on entrepreneurial intention in the business school. It is found to have a positive and significant relationship ($\beta = 0.472$, C.R. = 5.329, $p = 0.013$). Thus, the hypothesis H1 of this study is supported. Past studies have verified support to this relationship

(Bolton & Lane, 2012; Janssen & Yperen, 2004; Krabel, 2013; Sulistyorini, 2013) which revealed that the higher the EO, the higher EI will be to become entrepreneurs. Lumpkin and Dess (1996) stated that "the behaviours that should be possessed include innovativeness, proactiveness, risk-taking, autonomy and competitive aggressiveness." According to them, three of these have been utilized used in the majority of the entrepreneurial orientation research which include innovativeness, proactiveness, risk-taking, while autonomy and competitive aggressiveness have been studied less often (Lyon, Lumpkin, & Dess, 2000; Rauch, Wiklund, Lumpkin, & Frese 2009). Researchers scholars have discovered that the EO construct in general incorporating these all the five elements can be studied jointly (Lumpkin et al., 2009) or individually (Lumpkin & Dess, 2001; Wang, 2008), depending on the context. The present finding once again supported with the observation from Sulistyorini (2013), according to her the most important aspect of entrepreneurial learning method is to embed the entrepreneurial orientation because this attitude can drive a person

to have an intention in entrepreneurship and finally engaged in entrepreneurial activity (Sulistiyorini, 2013).

XI.b. Social Support and Entrepreneurial Intention

Empirical evidence from this study shows a significant and positive direct relationship between SS and EI. It is found that H2 is supported in this study, which means that CSR ($\beta = 0.178$, C.R. = 4.783, $p = 0.000$) has a significant positive relationship with EI. It is similar to several past findings (Buang & Yusof, 2006; Davidsson, 2004 cited in Baughn et al., 2006; Mustikawati & Bachtiar, 2008). The findings of the current study imply that the higher the SS, the higher the EI of student to start up a business. The social support system has been shown to be a paramount in developing entrepreneurial intention. Some related aspects like environmental support and parental support play important role in influencing a person's desire for entrepreneurship (Indarti & Rostiani, 2008; Lee, Wong, Foo, & Leung, 2011; Suharti & Sirine, 2011). This opinion is reinforced by Kasmir (2006), who stated that the support of family, especially parental support is imperative to increase the motivation to become an entrepreneur. Encouragement in the form of high motivation from the family to move forward is a core requirement to become a real entrepreneur. Thus, family support is of course the primary driving force to boost students' mentality and motivation (Kasmir, 2006). Parents' professions also became a role model for someone's career choice after graduating from the college. Therefore, it is undeniable that parents play a significant role in providing support and motivation that will make their children become socially

competent, confident and responsible in realizing their intention to become entrepreneurs (Mustikawati & Bachtiar, 2008).

The social support system not only includes family support system, it also includes peer support system. The peer group is the starting place of social interaction and individual takes decision to start a business due to the influence of his or her peers. Peers who are already running their own business always try to provide him a comfortable environment in his or her business start-up (Bönte, Falck, & Heblich, 2009). Peer pressure with regard to business leads towards other social influence like media, social networks and social organizations; therefore, it is easier for individuals to take initiative for the business. The result of the study thus indicates a strong correlation between students' SS and their intention to become entrepreneurs.

XI.c. Entrepreneurial Self-Efficacy and Entrepreneurial Intention

ESE is one of the most important factors for entrepreneurial intention. It is found to have a positive significant relation ($\beta = 0.080$, C.R. = 3.377, $p = 0.000$). This finding is in line with several other eminent researchers in the past viz (Boyd & Vozikis, 1994; Chen et al., 1998; Indarti & Rostiani, 2008; Krueger et al., 2000; Nastiti et al., 2010). This finding was also reinforced by other researchers which include Bayron (2013), Betz and Hacket (1986) Føleide (2011), Minglei and Yang (2013) as well as Li and Wang (2008). It has shown to support this finding in the entrepreneurial intention among students. The variable of entrepreneurial self-efficacy is one of the pivotal factors

that explain perceived behavioral control in the theory of planned behavior. The findings of the current study imply that the higher the ESE, the higher the EI of student to start up a business. Boyd and Vozikis(1994) stated that the students who exhibited higher entrepreneurial self-efficacy beliefs after the educational intervention increased their attitudes toward entrepreneurial acts which, in turn, resulted in higher intentions to new venture creation. Self-efficacy reliably predicts the scope of career options considered, occupational interests, perseverance in difficult fields, and personal effectiveness, it has been related to the pursuit of entrepreneurial activity (Markman,Balkin, & Baron, 2002; Urban, 2004). Perceived self-efficacy is the strongest single predictor of career choice and self-reported competencies that can predict entrepreneurial intention(Bandura, 1986; Chandler & Jansen, 1992; Urban, 2004). Hence, ESE having high role on students intention to become entrepreneurs. The present finding thus giving due importance of ESE among students in their intention to become entrepreneurs in the future.

XII. CONCLUSION

The main objective of this research was to find out the causative factors of entrepreneurial intention among students, in the Indonesian universities. The study has followed theory of planned behavior to explain the factors correlating to entrepreneurial intention. From the overall results, there are three factors that can influence individual to be an entrepreneur as well as many process that leading to the decision toward entrepreneurial intention, viz., entrepreneurial orientation, social

support system entrepreneurial self-efficacy. Students low motivation to become entrepreneurs to be explained with the support of all this three factors especially into Indonesian context. The findings from this research can be used by government and university authorities as guidance for them to bring better policies in relation to entrepreneurial education in Indonesian universities.

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ROLE OF MIDDLE MANAGER DURING POST MERGER INTEGRATION: A CASE STUDY

¹Zeba Naz, ²Dr.Saboohi Nasim

¹ Research Scholar, Department of Business Administration, Aligarh Muslim University, Aligarh

² Asst. Professor, Department of Business Administration, Aligarh Muslim University, Aligarh

² Email: saboohinasim@gmail.com

ABSTRACT

Human resource has been a critical factor for achieving desired change outcomes particularly during radical change situation of mergers and acquisition (M&A). One of the probable reasons for the high failure rate of M&A is often attributed to heightened employee's emotions. The purpose of this paper is to explore the concept of emotional balancing of employees by middle managers during post merger integration and to study its linkage with the intended change outcomes. This paper is an extension of the concept of 'Emotional Balancing' by Huy (2002) and attempts to provide a new perspective. An extensive review of literature suggests that involvement of middle level managers can enhance change outcomes by balancing heightened emotions. The research constructs are validated by conducting a case based methodology. Background of the case is explained by using SAP framework and then a case survey was conducted to take inputs from the experts. Case study of ICICI Bank and Bank of Rajasthan is undertaken for this paper. This paper enables to identify the possible effects of leveraging middle managers role on employee emotions and enhancing desired change outcomes. It provides understanding to the complex HR management during post integration phase. This paper focuses on only one industry i.e. banking sector. The findings could be further validated by including M&A from other industries as well to see whether it varies with the industry or not. An in depth analysis of the post merger phase which will eventually help the management to understand the importance of middle managers and how they can contribute in enhancing change outcomes. This case study will benefit the acquiring firm by providing an insight to HR related issues of acquired firm. The originality of this paper is the application of SAP framework and then linking it to the input taken from the experts by using a case study template. There are few idiographic research done in the field of M&A and very few attempts have been made in looking at the HR perspective of M&A.

Keywords---Employee Emotions, Middle Manager's Role, Emotional Balancing and Desired Change Outcome.

I. INTRODUCTION

The domain of mergers and acquisitions is considered as most appropriate example of radical change, where the organization faces intense resistance from the change recipients. Hence the task of emotional balancing of employees can be perfectly handled by middle level managers (change agents) who are relatively closer than the top management as per the organizational hierarchy. Exploring the role of middle level managers is crucial in determining the extent of desired change outcomes.

This study is an attempt to realize how emotional balancing of employees by middle level managers can impact the desired performance or change outcomes.

Case study method is a powerful, yet much underutilized method in M&A research. There is a need to be focus more on how the methodological strengths of idiographic case studies can be utilized to complement the nomothetic domination and the blind spots that it has created. M&A are unique and complex events that

highlight both value-creating and value-destroying organizational processes. As such they deserve not only the strongly dominating nomothetic study of quantitative surveys, but also the idiographic case studies that can provide very complementary understanding of M&A phase or the “Integration Phase”.

In the first part of the paper a thorough analysis of the literature is undertaken, which gives a clear direction and a need to do a case analysis for better understanding of the concept. Drawing upon this a case for M&A has been presented by briefly explaining it by SAP framework. Later a case analysis is done for analyzing the concept and the framework proposed. In the concluding section, the paper highlights the importance of the proposed theory during post integration phase.

II. LITERATURE REVIEW

Three broad sets of research constructs were identified mainly comprises of employees emotions, emotional balancing by middle managers and desired change outcomes:

II.a. Employee’s Emotions during Change

Employees determine whether change is a threat or opportunity through their perceptual filters or unique schema that adds to the formulation of attitudes and reactions to change (Lau and Woodman, 1995). The review of literature identified what kind of negative emotions are present when change occurs and how they affect the organizational change process. Frustration, anger, fear etc are few examples of negative emotions which are shown intensively by employees, when confronted with change (Liu and Perrew, 2005). Such forms of restructuring always has a

negative impact on employees in terms of commitment, job uncertainty, organizational identity and heightened anxiety, which may not be necessarily offset by organizational benefits such as increased productivity, financial and non financial benefits (Cartwright and Holmes, 2006).

II.b. Emotional Balancing By Middle Level Managers

Role of middle managers in influencing the radical change process and outcomes seems well established (Huy, 2002; Floyd and Wooldridge, 1992; Huy, 2011; Beatty and Lee, 1992). Though the top management is closely involved in making the deal, their focus shifts once the deal is sealed. Thus, the researchers have identified the responsibility given to the middle managers who may or may not be necessarily empowered to make critical decisions (Nguyen and Kliener, 2003). Middle managers who actively participate in the change process demonstrate high energy level and support (Westley, 1990). Emotional balancing has been shown to be closely linked with transformational leadership, which is considered to be essential for effective change management (Cartwright and Holmes, 2006). Transformational leaders influence their subordinates by developing and communicating a collective vision and inspire them to look beyond self interest for the good of the organization (Groves and Larocca, 2011). Middle manager has a role of “cultural carrier “which enables organizational culture change. They are responsible for the extent to which acquiring firms practices are transferred into acquired firm (Teerikangas et al, 2011). Employees are more committed, experienced job satisfaction and less

burnout when their middle managers show considerable leadership behavior (Stroker, 2006).

II.c. Desired Change Outcomes

Mergers and acquisitions are of great practical importance in strategic, monetary and social terms (Gomes et al, 2013). The paradox to the increasing number of M&A's is, it gives mixed performance to the stakeholders involved (Teerikangas, 2010; Emmanouilides and Giovanis, 2006; Hitt et al, 2009; Marks and Mirvis, 2011; Cartwright and Schoenberg, 2006). The reason behind poor performance of M&A can be the pressure to maintain the market share and to enhance shareholders value by cost cutting and improved service (Nguyen and Kliener, 2003). Cultural misfit is also recognized as one of the important factor affecting M&A outcomes (Dauber, 2012).

Halebian et al (2009) have attempted to provide conceptual integration across the whole M&A process by considering antecedent and moderating factors in determining various acquisition outcomes. According to Zollo and Singh (2004), acquisition performance is defined as the variation in the acquiring firm's overall performance and measured as the deviation from competitors' long-term variation in return on assets. There are generally two accepted motives for mergers i.e. financial or value maximizing motives and managerial or non value maximizing motives. Value maximizing motives suggest that major reason for merger is to create value for share holders by increasing profits, synergy from economies of scale and scope whereas non value maximizing motives is to

increase sales growth, decrease uncertainty in firm's environment etc (Napier, 1989).

III. METHODOLOGY

In the area of mergers & acquisitions, research studies are mostly dominated by nomothetic surveys and conceptual publication. The nomothetic approach emphasizes quantitative analysis of a few aspects of a large samples and the ideographic approach focuses on the qualitative, multi-aspect in depth study of one or few cases (Bengtsson and Larsson, 2012; Larsson, 1993).

The case study method is one of the dominating idiographic research methods within management and organizational research including M&A. Case surveys can contribute to this triangulation, which "heightens qualitative methods to their deserved prominence and, at the same time, demonstrates that quantitative methods can and should be utilized in complementary fashion" (Jick, 1979). Bengtsson and Larsson (2012) highlighted the comparative advantage of using case study research to contribute to the M&A field. Birkinshaw and Bresman's two case studies (1999; 2000) are examples of how also quantitative questionnaires were used for complementary case data collection and analysis to find patterns among individuals within the M&A cases.

In this paper the case based methodology has been adopted using SAP (Situation Actor Process) Framework to describe the case. Further in order to analyze the case a template has been used to elicit responses from 5 key respondents involved in the merger. SAP was conducted using data from

secondary sources. SAPLAP is a framework which is used to generate a model of enquiry for organizational change which can be used for managerial implications (Sushil, 2000; 2001). In SAP framework situation(S) represents the issues to deal with, actors (A) are the major players involved who have the freedom of choice and process (P) includes approach to deal with the issues where inputs are converted into outputs. In this paper only SAP is undertaken which is further validated by case survey method.

IV. CASE BACKGROUND

The merger of ICICI and Jaipur based Bank of Rajasthan came into effect from August, 2010. This was not a merger of equals. As per the press release from Reserve Bank of India (RBI) on August 12, 2010, all branches of Bank of Rajasthan Ltd. will function as branches of ICICI Bank Ltd. with effect from August 13, 2010. The share swap ratio was fixed at one ICICI Bank share for every 4.72 shares of BoR. Both banks can proceed with the merger only if the shareholders approve the swap ratio (www.icicibank.com). ICICI Bank justified its decision to acquire Bank of Rajasthan saying the acquisition would help it in expanding the business across the country (June 2010, Economic Times). The Board considered the results of due diligence covering advances, investments, deposits, properties & branches and employee-related liabilities. The Board had approved a share exchange ratio of 25 shares of ICICI Bank for 118 shares of Bank of Rajasthan, which works out to one ICICI Bank share for every 4.72 Bank of Rajasthan shares.

The amalgamation was aimed to substantially enhance ICICI Bank's branch network, already the largest among Indian private sector banks, and especially strengthen its presence in northern and western India. It would combine Bank of Rajasthan's branch franchise with ICICI Bank's strong capital base, to enhance the ability of the merged entity to capitalize on the growth opportunities in the Indian economy (June 2010, Economics Times). The merger was based on an internal analysis of the strategic value of the proposed amalgamation, average market capitalization per branch of old private sector banks and relevant precedent transactions.

ICICI had staff strength close to 50000 while BoR had only 4000 employees (1,700 officers and 2,500 clerical and sub-staff) at the time of merger. The bank's managing director and CEO Chanda Kochhar had said it would not lay off BoR staff or discriminate against them. "Whenever we do a merger and acquisition, we treat the employees of the acquired bank as a part of our parivar (family), we will take care of them (BoR employees) as our own employees; we are not here to retrench people," Kochhar had said. HR integration was completed within 30 days of getting ownership of business (September 2010, Economic Times).

V. CASE ANALYSIS: SAP ANALYSIS

V.a. Situation:

When the announcement about this merger was made, the employees' of erstwhile Bank of Rajasthan Ltd. got agitated. Employee resistance was a formidable challenge. The deed of Bank of Rajasthan was dramatic and the

employees of Bank of Rajasthan were not satisfied with the merger announcement. They declared to go on protest against this decision (May, 2010, www.governancenow.com).

The main issue was BoR employees' wages were governed by the industry wage packages unlike other private sector banks in the industry. So the employees were expecting benefit on pay after the merger as ICICI Bank pays the best in the industry which was much more than that of the packages of public sector and old private sector lenders. Other important concern was cultural differences and fear of job losses.

Attrition fear was another concern for the employees. ICICI Bank Ltd had issued a contract to some employees inducted from the erstwhile Bank of Rajasthan (BoR) that will end without any prior notice at the end of a five-year term regardless of the age of the employee. The Forum, which was the umbrella body of three unions in BoR had a fear that once BoR will merged with ICICI Bank, the latter would resort to mass transfers of employees of the former.

Employees fear that the merger would result in job losses as the work culture of both banks is 'extremely' different. This would also destroy the identity of one of the oldest private sector banks in the country. The United Forum of Bank of Rajasthan Unions had opposed the merger of Bank of Rajasthan with ICICI Bank, citing cultural compatibility issues. There was no cultural fit whatsoever between the working of our bank and ICICI Bank (July 2010, Economics Times).

V.b. Actor

- i. Chanda Kochhar, MD and CEO of ICICI Bank

- ii. Mr G. Padmanabhan, Managing Director and CEO, Bank of Rajasthan
- iii. T K Srirang, Head, Human Resources, ICICI Bank
- iv. Field teams, comprising senior business and HR colleagues
- v. Senior Management
- vi. BoR employees

V.c. Process

The bank's senior management conducted virtual visits and engaged with the employees in the branches and offices at regular intervals. These entailed the challenges of managing various stakeholders like industry level employee unions which had reservations against merging with private sector banks and an employee base which was anxious about the impact of the merger. According to T K Srirang, Head, Human Resources, ICICI Bank, following initiatives were taken in order to meet employee issues during post acquisition phase and reduce employee resistance (rediff.com).

V.c.i. Communication:

Communication was the mainstay of integration process. A personal message from CEO and MD of ICICI Bank was recorded and shared with employees from the merging entities. Field teams, comprising senior business and HR colleagues were constituted to visit all the branches and engage with employees of the merging entities. The objective of all these engagements was to build rapport with them and address their concerns, thereby helping them to easily integrate with the Bank.

V.c.ii. Credibility:

The Bank's management believes that it can win the trust of its employees by honoring its commitments made to them and treat them with respect and dignity. Wherever possible, the Bank encouraged the employees from the earlier merged entities to share their experiences. Office bearers of employee unions from the previously merged entities were encouraged to meet employees of the newly merged entities and share their experiences. All employees, including the subordinate staff were re-trained by the Bank to equip them with skills and knowledge to take up higher level responsibilities.

V.c.iii. Concern for Employees:

The Bank went out of the way to ensure that interest of the employees of merging entities was protected. The Bank supported these employees by offering them a period of two years to get adjusted to the Bank's performance management processes and people management practices. Employees with limited exposure to working in a computerized environment were provided extensive training. The Bank created an on-line employee grievance redressal portal called I-Care. This portal ensures that all employee queries are handled in an organized and time bound manner.

Vd. Discussions

While mergers take care of accounting, legal and regulatory requirements, the banks face challenges of wages and compensation fitment, culture and systems and info technology platform integration. The protection of pension and service conditions are crucial concerns and employees staged a protest through the country. Employees had a fear that merger would destroy the

identity of one of the oldest private sector banks in the country.

Since all the employees from the merging entity were treated with respect and dignity, the Bank was able to earn their trust and affection. The Bank regularly conducts "Engage your leader" sessions where senior leaders engage with employees on a predetermined theme / agenda and the same was telecasted live to all employees. The Bank developed, a web-browser based, video conferencing application called "i-Studio Live" for better connection between employees and senior management. This built an enormous amount of trust between the employee and the management, subsequently they started inviting the senior management from the Bank to anchor their general body meetings and discuss employee issues.

According to an analysis by Business Standard, ICICI Bank generated Rs 11.54 crore (Rs 115 million) of business per employee for the financial year ended March 31, 2009. BoR's comparative figure was Rs 5.32 crore (Rs 53.2 million). BoR had a profit per employee of Rs 289,000 for the financial year up to March 31, 2009, compared to Rs 11 lakh (Rs 1.1 million) for ICICI Bank. . As on March 31, 2009, Bank of Rajasthan had 463 branches and 111 ATMs, total assets of Rs.17,224 crore, deposits of Rs.15,187 crore and advances of Rs.7,781 crore. It made a net profit of Rs.118 crore in the year ended March 31, 2009, and a net loss of Rs.10 crore in the nine months ended December 31, 2009.

VI. CASE ANALYSIS

A case survey of ICICI bank was conducted using a case study template

(Appendix I). The respondents were senior middle level managers. The purpose of this survey was to study the impact of employee emotions on post merger integration. Middle managers who played a mediating role of emotional balancing in order to achieve desired change outcomes were analyzed. So this will be an attempt to triangulate the variables identified from literature review, findings of SAP Framework and case survey.

VI.a. Extent of Employee Emotions

Employee emotions have an impact on post merger integration which can lower the achievement of desired change outcomes. In case of ICICI Bank, employee resistance was high but after the merger it was managed by HR policies of the bank which earn the trust and commitment of employees of merging firm. Figure below is depicting the case survey report.

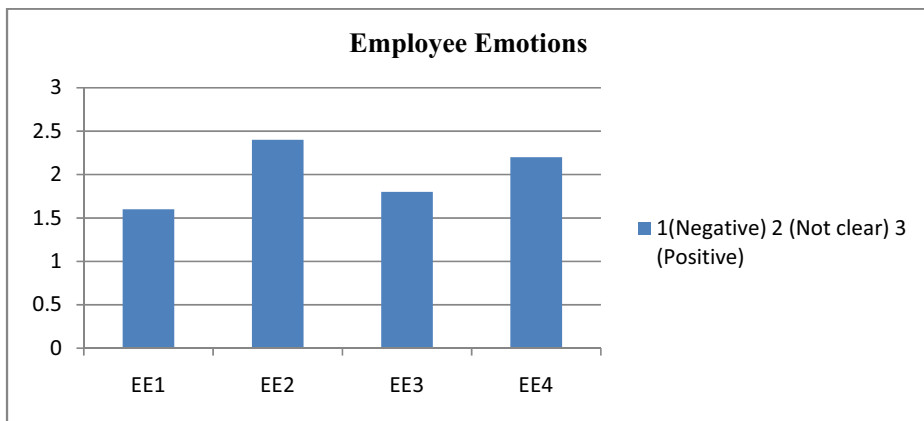


Figure 1: Employee Emotions during Change

VI.b. Employee Emotions -Discussion

Employee emotions during change were measured by four items depicting the type of emotions i.e. reaction towards change (EE1), Decreased commitment (EE2), loss of identity (EE3) and feeling of uncertainty (EE4) and their impact on M&A process (High/low). It was already observed from the SAP analysis that there was high level of resistance from the BOR employees, and the case survey also depicted the presence of negative emotions as the employees even protested against this acquisition. Despite high resistance ICICI managed to maintain employee's

commitment by their HR policies and treating BoR employees as part of their family. The employees experienced a loss of identity, as there was cultural misfit because they were transferred from a public to a private sector bank. Uncertainties among them were high as there was attrition fear; chances for job loss and a contract for 5 years were made to reduce excess staff.

VI.c. Impact Analysis of Middle Manager's Role

ICICI Bank managed to balance employee emotions, though the integration was not smooth but with the support of senior and middle level

managers it is now one of the successful acquisitions. The respondents approved that middle managers played a challenging role played during this

chaotic phase and thus helped in achieving the desired outcomes. Figure below depict the high involvement and impact of middle manager's role.

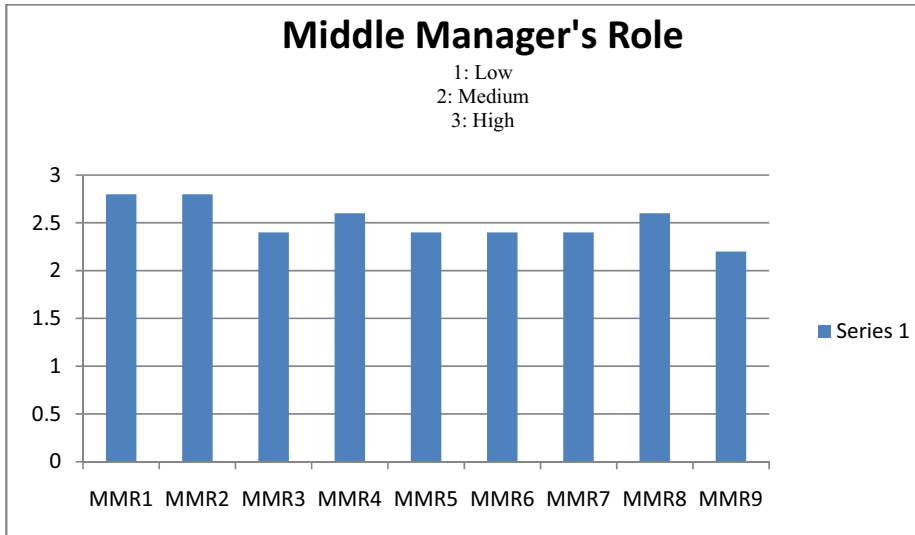


Figure 2: Middle Manager's Role

VI.d. Middle level managers role: Discussion

Employees of BoR strongly resisted the acquisition as they had a fear of job loss, lack of cultural fit and other uncertainties. But they accepted the terms and conditions of ICICI Bank and the post integration phase were a bit smoother. The field teams were formed who visited all branches and meet the employees of merging bank. Middle level manager's commitment was high as they looked at the individual emotions of employees of merged bank to encourage them and earn their trust. ICICI Bank had a culture where employees can freely raise issues and discuss their concerns with their superiors or Employee Relations (ER) managers; the same cultural ethos was

encouraged in the employees of the merging entities. In addition, the Bank made its employee grievance redressal system easily accessible to all employees through the use of technology. The figure shows a high involvement of middle level managers which depicts their significance in balancing employee emotions which lead to smoother post integration and thus improved change outcomes.

VI.e. Achievement of Desired Change Outcomes

The success or failure of any merger can be reflected from the achievement of desired outcomes. ICICI Bank achieved almost all the outcomes which can be observed by the figure given below.

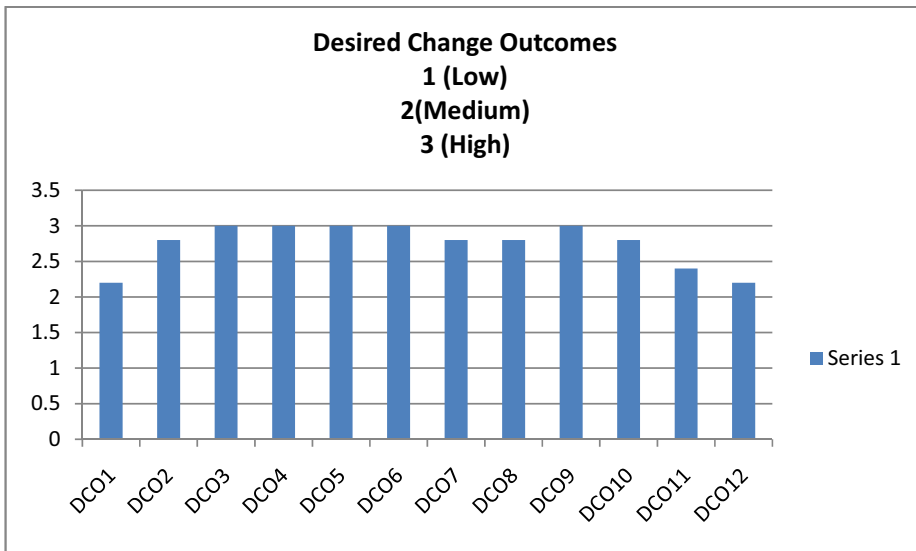


Figure 3: Desired Change Outcomes

VI.f. Change of outcomes: Discussion

The above figure shows the achievement of desired change outcomes. It can be observed that the desired outcome was moderately achieved. Overall performance of the organization increased after the acquisition. Return on investment, Earning per share, return on sales and shareholder’s value increased. There was relatively high improvement in operations and market share. The bank also managed to retain its customer base. Systems integration was done by bringing both businesses under the same technology platform. Customers of BoR can undertake most of the basic banking services from all branches of ICICI Bank. There was a moderate impact of human resource and cultural issues on merger performance. Employees were offered a two-stage increase in wages for accepting ICICI Bank's HR terms, which included dropping out of trade union membership and adhering to the bank's 9 to 6 working hours.

VII. PROPOSED RESEARCH MODEL

Based on the findings of case study analysis a research model was proposed which indicates that middle level managers played a mediating role by balancing employee’s emotions and achieving the desired outcomes during integration phase. Thus, it is recommended as a promising means of enhancing change outcomes (Nasim and Sushil, 2011). They are emotionally sensitive and can manage employee’s negative reactions to facilitate change (Naz and Nasim, 2015). Middle managers enable value creation and reduce value leakage by ensuring business continuity and maintaining firm’s initial value (Teerikangas et al, 2011). They are simply not responsible for overseeing work but also for actively managing performance and are a key source of influence on organizational outcomes (Wooldridge et al, 2008). Middle managers role of managing

emotions i.e. emotional balancing process facilitate change process (Huy,

2002). A bigger sample can be taken to further validate the model.

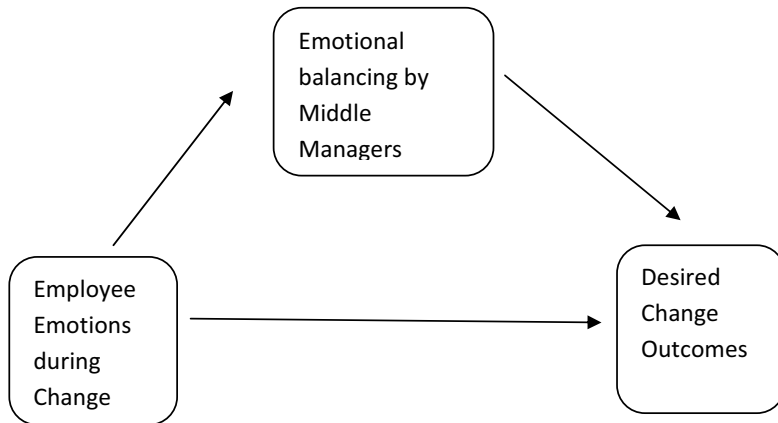


Figure 4: Proposed Research Model

VIII. SYNTHESIS/ CONCLUSION

This paper identified the significant mediating role played by middle level manager during post merger integration. Middle managers are found effective in balancing employee emotions and further directing it to achieve the desired outcomes of the merger process. Though the role of middle managers was not emphasized in secondary sources but the case survey clearly showed the involvement of middle managers played a significant role. It can be concluded that middle managers are responsible for driving integration and should be

included for better and desired change outcomes.

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APPENDIX

CASE STUDY TEMPLATE

PART-A

Name of the Organization: _____

Name of the Respondent: _____

Designation: _____

Years of Experience: _____

PART-B

In the context of recent restructuring (M&A) in your company, you are requested to kindly indicate your perception about employees emotions, which according to you may have influenced the desired outcome of M&A process. Please indicate the intensity of employee's emotions during M&A process by choosing one of the alternatives and site the reason for the same in brief.

S.No	Employee Emotions During Change	Intensity of Employee Emotion			Reasons in Brief (If Possible)
1.	What in your opinion has been the predominant emotion of majority of the employees during post M&A announcement?	Positive	Not clear	Negative	
2.	How would you rate employees commitment towards the organization during the M&A process	High	Moderate	Low	
3.	To what extent do you feel employees experienced a loss of identity during the M&A process	High	Moderate	Low	
4.	What was the level of uncertainty experienced by the employees during the change process	High	Moderate	Low	

PART-C

According to previous research studies, roles of middle level managers balancing employee's emotions during M&A process has been identified. Middle level managers play an important role in achieving desired outcomes of change by balancing employee's emotions and reducing resistance to change. Please rate the impact of middle managers role in the context of your organization as mentioned in the key below and also cite the reason for the same, in brief.

S. No.	Middle Managers Role	Rate the extent of Middle manager role			Reasons in brief (If possible)
		High	Medium	Low	
1	To what extent do you think the role of middle managers has an impact on M&A outcomes				
2	How would you rate the impact of commitment by middle manager to the change process				
3	To what extent did middle manager's commitments to change influence other employees support the change process				
4	How would you rate the level of involvement of Middle managers in M&A process?				
5	Extent to which middle managers addressed the subordinates emotions				
6	To what extent do middle managers identified and managed employees emotions				
7	To what extent middle managers attended to subordinates individual needs				
8	To what extent middle managers trained and informed employees about M&A process.				
9	To what extent the emotional balancing role of middle manager facilitated the M&A process.				

PART-D

Every M&A has some intended outcomes of change process which may be both financial and non financial. Compared to the situation before the acquisition, please assess the following parameters of change on actual performance on a three point scale.

S.No	Outcomes of the Merger	Performance			Reasons in brief (If Possible)
		Low	Moderate	High	
1	To what extent the intended outcomes of the merger was achieved				
2	Performance of the organization after the merger	Decline	More or less the same	Increase	
3	Return on investment following the merger	Decline	More or less the same	Increase	
4	Earnings per share after the merger	Decline	More or less the same	Increase	
5	How the return on sales has developed	Decline	More or less the same	Increase	
6	How much shareholder's value was increased	Decline	More or less the same	Increase	
7	The extent of improvement in manufacturing and operations	Low	Moderate	High	
8	Performance of the firm with respect to market share	Decline	More or less the same	Increase	
9	Performance of the firm with respect to retaining existing	Decline	More or less the same	Increase	

Role of Middle managers during post Merger Integration

	customer				
10	The extent of R&D up gradation	Low	Moderate	High	
11	To what extent human integration has an impact on M&A performance	Low	Moderate	High	
12	Impact of cultural integration on the merger performance	Low	Moderate	High	

NEED FOR COMPETENCY MAPPING OF B-SCHOOL TEACHERS?

¹Dr. Jayant Sonwalkar , ²Chandan Maheshkar

¹Professor, Institute of Management Studies, and Director, Directorate of Distance Education, University of Indore, Indore, MP, India,

² Research Fellow (Management), University of Indore, Indore, MP, India
¹Email: drjayant1@yahoo.com

ABSTRACT

Mapping competencies of teaching personnel of Indian universities' B-schools enables the B-schools to outline the abilities and responsibilities required to professional excellence of B-school teaching. Teaching at the university level is not just following a monotonous set of teaching practices. It requires a higher level of pedagogical skills, behavioral control and teaching philosophy apart from the strong subjective knowledge. Thus, deciding and measuring the competencies of B-school teaching personnel help institutions in selection and recruitment of teachers, teacher development and finalizing the promotion decisions. In the same way, this study has experienced the need for scale that map the actual competencies existed in B-school teachers. It would also inspire them to outline abilities and responsibilities central to institutional excellence as well as enable them to develop knowledge and skill actually required to the higher levels of performance.

Keywords---- *Competencies, Indian B-schools, Competency Mapping, Teaching Personnel Development.*

I. INTRODUCTION

The competencies can be seen as a range from personal-related competencies to work-role-related competencies (Rifkin et. al., 1999). Every individual inherits some resources from their own like domain knowledge, attitude and skills for the accomplishment of his/her job roles. He/she has to add himself with these to make a potent combination and experiment with the different combinations of these for the sake of producing potential results. The development of B-school teaching professionals should focus on enhancing their competencies rather than preparing them for moving to the profession. The development of competent business/management teaching personnel is very critical for every B-school as well as for the expected outcomes and contribution to the society.

This issue has created a demand for development of a framework for identification and mapping the teaching competencies not only for B-school teachers, but teachers in general. This competency framework would facilitate standardization for making education delivery consistent and competent.

The role of competencies is “to enable organizations to build their competitive advantage by providing a framework for the human resource function to focus its efforts in developing the capacity of employees” (Munro & Andrews, 1994). Core competency rooted from the individual level and well connected with institutional competitiveness (Lahti, 1999). Its concept, factors and contexts affect the employee selection and development, institutional development and competency management function.

Professional competency consists in being able to combine personal resources (Knowledge, abilities, experiences, emotions, attitude, etc.) in order to produce competent action (Lustri *et.al*, 2007). Competency mapping of B-school teaching personnel is not only help the B-schools of Indian universities by providing them a “Blue print” for individual’s entire behavioral scope that fabricate excellent performance but also can provide an important and useful tool to guide university teaching personnel development.

The issue of competency has been raised over a century for all walks of life, the need for this is also seriously understood for B-school teachers because they not only shape the future of the students, but also help in shaping the business practices of society, which has cascading impact on social norms, practices, customers and intern on culture of the society. Looking to the importance of impact of competency on B-school teachers a comprehensive analysis of competencies required has been done in this article.

II. LITERATURE REVIEW

II.a. What is Competency?

Competency is a behavioral characteristic of an individual. Competency is a combination of causal abilities with subjective knowledge and applied skills that produces an effective performance. David McClelland (1973), proposed the idea of competency as a term used to challenge traditional criteria of assessment which had emphasized intelligence evaluation (Vathanophas & Thai-nagam, 2007; Mustafa & Surbhi, 2014). The contextual use of required

competency and institutional requirement both reflect the meaning of terminology.

Mansfield (2004) has presented a broader view of competency with words – “competent people were those who followed rules and procedures without question – competency meant compliance” that stressed over the need for personnel to take more responsibility and adoptability (Avua & Ngugi, 2014; Lavanya, 2011). He also acknowledged three different usages of competency:

1. Use to describe what people need to be able to do with employment;
2. Use to describe what currently happens;
3. Use to describe what people are like.

Many scholars have presented competency in different ways. Some of these are:

According to UNIDO (2002) “A competency is a set of skills, related knowledge and attributes that allow an individual to successfully perform a task or an activity within a specific function or job. Competencies emphasize on required attributes and activities for an institution to be successful.” To Hayes (1979) “Competencies are generic knowledge, motive, trait, social role or a skill of a person linked to superior performance on the job.” Woodruffe (1993) defines it as “the set of behavior patterns that the incumbent needs to bring to a position in order to perform its tasks and functions with competence”.

Therefore, competency is integrated with performance and selection, development, and assessment of candidate/employee. Competencies are knowledge, skills, capabilities, attitudes or behavior that characterizes excellent performance within a specific context

(Anna & Judith). Thus, personal characteristics may be mental/intellectual/cognitive, social/emotional/attitudinal, and physical/psychometric attributes necessary to perform the job (Lucia & Lepsinger, 1999). These competencies have become performance standard to support an institution's vision, mission, strategies and goals by adding considerable values to it. In reality the term competency varies due to underlying use of epistemological assumptions. By and large two approaches are evident in the literature:

1. Behaviorist (Rationalist)
2. Constructivist (Subjectivist) (Boon & Klink, 2001)

According to the rationalist perspective, competency is a specific set of attributes used in performing a job (Sandberg, 2000); where competence has been defined in two ways: Work Oriented Approach and Task Oriented Approach (Ellstrom, 1997; Robotham & Jubb, 1997; Raven, 1984). And the subjectivist approach is based on subjective epistemology, which considers the worker and work as one entity through the lived experience of work. This focuses on the interaction between the individual and job.

II.b. What do we mean by Competency Mapping?

Competency mapping is the way of identifying key competencies in persons for an institution or profession, required for effective performance. The individual's level of competency in each skill is measured against a performance standard established by the concerned institution. Competency mapping can be accurately considered as identifying the profession and an individual's

behavioral competencies for or in an institution.

The objective of competency mapping is to understand the competencies required to fulfill the job role requirements and institutional performance. Competency mapping is followed by competency diagnosis for assessing the existing competency profile of the institution with respect to required competencies (Devkar, 2013). Competency mapping usually examines emotional intelligence, and individual's strengths in areas of team structure, leadership, decision-making and the likes. By and large mapping is frequently used as a process of activities in institutions to identify domains of knowledge, skills and abilities that represent the persons of a respective body. Institutions are using the guidelines to map the competencies (Lyons, 2002). The mapping processes may assist the institution attain a more complete understanding of transferability of skills from job activity to job activity (Gunnar, 2001).

II.c. Competencies required for B-School Teachers

Every job/profession needs concerned subject knowledge as well as other various behavioral skills which clearly contribute to the profession. B-school teaching is not just following a cluster of practices. Fundamentally, teaching is the course of delivering knowledge, skills, values and attitude. In present time, academicians usually have to struggle with the overlapping and sometimes competing demands of the real world, teaching students in a way that develops a range of competencies, managing courses, generating funds and providing a pastoral care to students. Teachers have a responsibility to reconcile and

meet the demands of key constituencies even as at the same time driving advanced domain knowledge and understanding where acquisition of knowledge is not the major concern of education, but the utility of acquired knowledge is prior. (Maheshkar, 2015)

In the present context, understanding the human side of B-school teaching, the relationship dynamics at work place and channelizing the talent towards the achievement of profession's objectives is very challenging job. As study has found, competency mapping is the foremost activity for answering the said challenges in the direction of professional development of B-school teaching personnel.

Some of competencies for B-school teachers with the reference to competency framework developed by the department of education and training, Western Australia (2004) are:

- Engaging students in purposeful learning experience;
- Monitor, assess, record and report student learning outcomes;
- Reflect critically upon professional experiences in order to enhance own as well as institution's professional effectiveness;
- Have knowledge of a wide range of teaching strategies and their applications to cater for diverse student needs;
- Apply comprehensive systems of assessment and reporting in student learning outcomes;
- Contribute to the development of a learning community;
- Participate actively in curriculum development, and quality enhancement and maintenance activities;

- Use exemplary teaching strategies and techniques that meet the needs of individual students as well as classes of students in a highly responsive and inclusive manner;
- Practicing highly responsive and inclusive assessment and reporting strategies relevant to desired learning outcome of teaching;
- Engage in a variety of professional learning activities to promote the development of a learning community;
- Offer leadership by assuming a key role in the development processes of B-school including curriculum planning and policy development.

Indian b-schools have seldom tried to develop a standardized framework specifically for b-school teachers. They have by and large relied on the western studies in this respect. Scant efforts conducted on individual basis did not result in creating any substantial knowledge base in this respect. The regulatory bodies like AICTE/ UGC also did not pay any attention to creating and nurturing these competencies. The requirement for becoming a b-school faculty was restricted to doing Ph.D. only. It was assumed that by doing doctoral degree one is qualified to become b-school faculty which is a big misnomer. Most of the times a good researcher does not prove to be an effective teacher and vice versa. With the growth of number of b-schools in India the demand for b-school faculty also rose many times but there was no effort from any of stakeholder to develop a framework or a system to make good teachers. Faculty development programs also reduced to the level of formal certification for promotion purpose. Even top management institutes who

pioneered the efforts of FDP like IIMs also have not been able to contribute in the development of standardized faculty development techniques and have not been able to come to common conception on the competencies required for being effective teaching of management subjects. Most of the FDPs copy western model for FDP syllabi and pedagogy. In fact, skill set of competencies and the methods to develop them have not been finalized yet.

III. SIGNIFICANCE OF MAPPING

III.a. Competencies of B-school Teachers

Competence-based selection aimed to identify individuals having a psychosocial attributes associated with superior performance (McClelland, 1973). These enduring attributes influence both work performance and the capacity to acquire knowledge and skills required for effective work performance. Following are the significance of competency mapping of B-school teachers (Maheshkar, 2015):

1. Competency Mapping provide discovery of subjective knowledge & skills, behavior, and capabilities required to attain present and future workforce selection as per institutional priorities aligning the changes.
2. The study can help to chalk out the workforce development plans to eliminate the existing gap between competencies needed for job role or institution.
3. If competencies are defined than an institution can be evaluate proper training program.
4. Key performance areas can be improved by understanding work

domain where there any gap found between actual and expected outcome.

5. The mapping of employee or organizational skill gap analysis with the appropriate learning objects is crucial in order to develop the correct learning paths and consequently the appropriate competencies of employees or organizations (Draganidis et. al., 2008).
6. Competency Mapping and subsequent gap identification process equip the institution with tools that allow them to concentrate over particular knowledge areas and competencies which requiring instant attention.
7. Help in developing competencies during the career planning phase.

IV. APPLICATIONS OF COMPETENCY MAPPING

Following are the applications of competency mapping of B-school teachers (Maheshkar, 2015):

1. Competency mapping is an HRD/OD function. This article would be helpful in personnel selection, development, and appraise performance in the university teaching profession.
2. Competency mapping will help in developing a competency management system that can be suggested to the institutions and universities enhancement of their teaching quality.
3. UGC, AICTE and NAAC continually working for improving institutional standards and quality of education and educators both. This study can be suggested to the same.

4. The development of a competency mapping scale is desirable and this article will be a foundation to the same that can be useful in:
 - a) Candidate assessment for recruitment;
 - b) Employee potential appraises for promotion;
 - c) Employee training need identification;
 - d) Employee's performance diagnostics; and
 - e) Employee's self-development initiatives.

V. CONCLUSION

Every institution wants to become a leader in their functional domain. They should identify the area in which they wish to gain supremacy and then in planned manner they should develop these areas of knowledge. To do this effectively, they need to define jobs, job titles, roles and competencies needed for acquiring the level expected at academic and administrative level.

There is no harm in evaluating and assessing the teachers on specific scales developed for the purpose and providing them feedback to makeup the gaps for developing them to the expected level. In the existing practice, it is left to the individual faculty member to develop his/her expert area and prove himself in the area. The vision of the institution can always be synchronized with the individual goals to not only develop the expert area also develop creativity and innovation in the research.

Competency mapping will thus play a key role in providing information as to where the particular teacher is and where he wishes to reach. The information on competencies will also help him make a

perfect teacher. Indian B-schools do not reward their faculty members with most of the honors like US B-schools doing. Teachers are expected to perform in all the direction of work like teaching, in community and in social responsibility and also in research and consultancy. Depending on the objective of the institution and individual performs and excels in one or two areas only. It must be ensured that the overall development of teacher in the journey from lecturer to reader and to professor, adequate opportunities be provided to him to get developed in the overall teacher. Neither institutions nor most of the teachers are aware about the competencies required to be a complete teacher. Therefore, at the end of their teaching career, most of them find it incomplete and lacking in many areas.

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A STUDY ON ENTREPRENEURIAL MOTIVES WITH SPECIAL REFERENCES TO AKSHAYA TELECENTRES IN KERALA

¹Dr. Sreejith S

¹Assistant Professor in Management, School of Legal Studies, Cochin University of Science and Technology

Email: sreejith@cusat.ac.in

ABSTRACT

'Akshaya' is an initiative of the Government of Kerala, envisioned at enhancing the spread of e-literacy, among public with added focus in rural areas, through Public Private Partnership (PPP) mode. The project was launched in November 2002. It brought to fore the enormous managerial and entrepreneurial talent that remains untapped. A Telecentre is a community centre that offers shared access to Information and Communication Technologies (ICT) for the purpose of community development and poverty reduction. Entrepreneurial motivation is vital in translating entrepreneurial intention into action. The study integrates Push Pull theory of motivation with entrepreneurial intentions. Push factor of Telecentre Akshaya Entrepreneurs is derived from the variables such as flexibility in life, Economic Necessity, Test My Own Ideas and Personal Growth and Satisfying Work Relationship. Pull factor of Telecentre Entrepreneurs is derived from the variables such as Wealth Creation, Independence, Social Status, Securing Future and Personal Achievement. The study also compared entrepreneurial intentions among both male and female Telecentre owners in Kerala.

Keywords-- Psychological Motives, Entrepreneurial Intention, Akshaya, Telecentre, Factor Analysis. Chi-square, Push-Pull Theory.

I. INTRODUCTION

Telecentres are being promoted as an answer to the problems of the digital divide, whereby large sections of society do not enjoy access to ICTs and are therefore at risk of being excluded from the socio-economic benefits that such access brings. Telecentres are capable of delivering even to the poorest sections of the society (UNDP, 2007). 'Akshaya' is an initiative of the Government of Kerala, envisioned at enhancing the spread of e-literacy, among public with added focus in rural areas through a Public Private Partnership (PPP) programme. Akshaya telecentres act as the information communication access point to the public, following a spread of one centre for every 1000 families living in two or three municipal or panchayath wards. The project was launched in

November 2002 modeled as a social entrepreneurship. A telecentre is a community centre that offers shared access to Information and Communication Technologies (ICT) for the purpose of community development and poverty reduction (UNDP - APDIP, 2007). The Government of India has envisaged the National e-Governance Plan (NeGP) to set up 2, 50,000 telecentres in India with the objective to make all government services accessible to the citizen through Common Service Centres (CSCs).

I.a. Background of the Study

The role of access to ICT in the development of a society is a universally accepted fact, and with this intention many countries in the world accepted a plan of action at the World Summit on the Information Society WISS conference held in Geneva during

December 2004. Kerala is the most literate State in the country with a high Human Development Index.(Planning Commission, 2002).Akshaya project is initiated based on the report- 'Entrepreneurship Development and Mass Employment Generation in IT Sector in Kerala', a study conducted by Science and Technology Development Project. The project aims to bridge the digital divide starting from Panchayath (LSG) level.

I.b. Statement of the Problem

Telecentres need to be run like an enterprise to achieve financial pillar of the telecentre sustainability (Proenza, 2002)(Raul & Colle, 2002). National level policy that support deregulated and regulatory framework for national telecentre programme could be able to build telecentre infrastructure for the nation (Jauernig, 2003). Entrepreneurial motivation has been reported to be a link between intention and action (Carsrud & Brännback, 2011). So knowledge about the motives that influence individuals to start a business is vital. The motivation to start a business depends on identifying the role model, that one can emulate and who would become a source of inspiration and learning to other individuals. (Bandura, 1986). So it is required to learn about the gender and motives of owners of Akshaya telecentres.

II. OBJECTIVES OF THE STUDY

- To examine the entrepreneur's motives for opening Akshaya telecentres
- To compare gender and their factors of motivation

II.a. Scope of the Study

The study is planned to throw light on the influence of push pull factors among telecentre entrepreneurs. The study is of relevance to different telecentre stake holders and has many policy implications. Above all, the result of this study may motivate entrepreneurs to have internal retrospection to review their entrepreneurship intentions. Further this state of mind of people who wish to create a new firm is of greater influence.

II.b. Research Methodology

Descriptive research design is used for carrying out the study. The researcher has collected both Primary and secondary data for the study. A preliminary study and extensive literature review have been carried out. The scope of World Wide Web for collecting data was exploited. Secondary data regarding Akshaya Telecentres in Kerala was collected from Akshaya State Project Office Thiruvananthapuram. Primary data was collected from the Akshaya Entrepreneurs (respondents), using a pre-tested questionnaire. A sample size of 350 was scientifically fixed for the study.

II.c. Type of Data

Both Primary and Secondary data were used for this study. The primary data were derived from the answers given by the respondents in the self-administered questionnaire prepared by the researcher. The data derived from research studies and literatures have been included in this study.

II.d. Data Analysis

The questions and responses were coded and entered in the computer using Microsoft Excel. Required analysis was

done with the aid of Statistical Package for Social Sciences 21.0 Version. Certain statistical methods such as Factor analysis, Friedman test etc were applied on the data to get the results.

II.e. Limitations of the Study

The research is confined to importance of ten motivation variables of entrepreneurship initiation.

III. ANALYSIS & DISCUSSION

The sample size fixed for the study is 350. Respondents of the study were classified on the basis of demographic profile of the respondents.

III.a. Gender of the Respondents

The first sub section classifies the respondents (owner) of the centre on the basis of their Gender. It is noticeable that

generating gender equity was not part of the objectives and the strategies behind the Akshaya programme(Kumar & Ghatak, 2007). It is in the expansion phase of Akshaya that a quota of one-third was set aside for recruiting women entrepreneurs(IT for change, 2008).The Project brought to the fore the enormous managerial and entrepreneurial talent of women that remains untapped. The number of women who have come forward with the choice of an entrepreneurial career by starting an Akshaya e-centre is significant. The women shared 33% of the total entrepreneurs selected in the first phase in seven districts(Akshaya Project Office, 2010).

**Table 1
Gender of the Respondents**

Gender	Male	Female	Total
Percent (%)	59.4	40.6	100

Source: Primary Data

Note: It can be observed from the Table 1 that 59.40% of the respondents of the present study were males, and the rest were females, since all the respondents were owners of the centres it is worth- noting that there is almost an equal proportion of both the genders, which is a good sign.

III.b. Dimensions of motivations

The study tries to identify entrepreneur’s perception regarding the stage of psychological hierarchy they belong to. Dimensions of motivations were measured using ten statements which quizzed on their drives behind

commencing the business. The respondents were asked to rate these factors in a 5 point scale in the order of importance. Further, these ratings were converted to rank. Friedman test method was used to ascertain the rank of psychological motives.

**Table 2
Ranking of Psychological Motives**

Item	Mean Rank
Personal Growth	6.65
Social Status	6.11

Independence	6.03
Satisfying Work Relationship	5.87
Personal Achievement	5.82
Test my Own Ideas	5.70
Flexibility in Life	5.59
Securing Future	4.34
Wealth Creation	4.20
Economic Necessity	3.62
Test Statistics - Friedman Test	
N	350
Chi-Square	366.365
Df	9
Asymp. Sig.	.000

Source: Primary Data

Note: It is evident from the table 1.2 that the biggest driver is personal growth, closely in pursuit with social status, followed by Independence, personal achievement, flexibility in life, satisfying work relationships, testing own ideas, securing future, wealth creation, economic necessity, in that order.

In the study of entrepreneurship, one recurring area of interest is what motivates individuals to become entrepreneurs (Zimmerman & Chu, 2013). Motives provide insight into the entrepreneur's intentions and problems affect the start up and growth of a business (Yaclin & Kappu, 2008).

Factors of entrepreneurial motivation (P.Dubini, 1988) is related to the following

a) Achievement- It is related to sense of individualism, accomplishment and development.

b) Philanthropy – It is related to welfare of the individual, family or community.

c) Status – It is related to recognition, prestige and respect.

d) Materialism – It is related to economic consideration

e) Escape – It is related to escape from an undesirable condition

f) Freedom – It is related to flexibility of work, time and collaboration.

g) Role Model – It is related to continuing family tradition

III.c. Push Pull Theory

The distinction between push and pull factors is also implicitly present in the Model of the Entrepreneurial Event arguing that the act of starting up a business is dependent upon a change that occurs in the life of an individual, i.e., a displacement (Shapero and Sokol, 1982).

Push factors mean those influences, which push individuals toward entrepreneurship. Pull factors mean influences, which pull people towards entrepreneurship

In terms of push motivation, the first argument was that unemployed

individuals or individuals with low prospects for wage-employment may become self-employed to earn a living(Oxenfeldt, 1943). The effect of unemployment, lowering the opportunity costs of self-employment, thereby driving individuals to start their own business, is often referred to as the push effect of unemployment. In addition to unemployment, Giacomini et al. (2007) mention the push motivations of

autonomy and family pressure, for example in case of a business transfer to the new generation (Giacomini, Guyot, Janssen, & Lohest).

Factor 1 derived from the analysis consist of variables such as flexibility in life, Economic Necessity, Test My Own Ideas and Personal Growth and Satisfying Work Relationship. So a sum of all these can be called as Push factors of Telecentre Entrepreneurs.

Table 3
Rotated Component Matrix^a

Variables	PushFactor	Pull Factor
Flexibility in Life	.806	
Economic Necessity	.759	
Test my Own Ideas	.717	
Personal Growth	.669	
Satisfying Work Relationship	.567	
Independence		.731
Social Status		.680
Securing Future		.608
Wealth Creation		.502
Personal Achievement		.474
<i>Source: Primary Data</i>		
Extraction Method: Principal Component Analysis.		
Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

As with push motivation, pull motivation may come in different forms distinguish between three pull motivations: market opportunity, social status and profit (Giacomini, Guyot, Janssen, & Lohest).There evidence for four motivational constructs such as recognition, independence, learning and roles.Which provide evidence of a multitude of pullmotivations, including the need for approval, independence, personal development, improved welfare and wealth, and following role

models(Shane, Kolvereid, & Westhead, 1991)

In spite of the role played by each of the different motives in the explanation of entrepreneurship, it has been found that the wish to be independent is the dominant factor explaining new venture creation. Gender differences were found in the incidence of motivations, women were more influenced by a desire for independence (Kirkwood, 2009).

Following are the derived variables offactor 2 during the factor analysis, Wealth Creation, Independence, Social

Status, Securing Future and Personal Achievement. It can name as pull factors of telecentre entrepreneurs.

III.d. Gender and Entrepreneur Intentions

The study compares the push motivational factor and gender. Levels of motivation were classified into two i.e. low and high.

Table 4
Gender and Pull Factors of Motivation

	Push Classification		Total
	Low	High	
Male	21	173	194
	10.8%	89.2%	100.0%
Female	60	96	156
	38.5%	61.5%	100.0%
Total	81	269	350
	23.1%	76.9%	100.0%

Source: Primary Data

From the table, it can be observed that 89.2% of the men entrepreneurs have high level of push motivation. On the other hand, there are 61.5% of

female entrepreneurs have push motivation to initiate Akshaya telecentres.

Table 5
Gender and Pull Factors of Motivation

Pull Classification			Total
	Low	High	
Male	80	114	194
	41.2%	58.8%	100.0%
Female	46	110	156
	29.5%	70.5%	100.0%
Total	126	269	350
	36.0%	76.9%	100.0%

Source: Primary Data

From the table, it can be observed that 58.8% of the men entrepreneurs have high level of push motivation. On the other hand, there are 70.5% of

female entrepreneurs were pulled in to Akshaya telecentres.

It can infer from the Table 5 and Table 6 is that majority of the women entrepreneurs are pulled into

entrepreneurship than pushed into the same. It can also interpret that male entrepreneurs are more pushed into

Akshaya telecentres than pulled into the project.

IV. MAJOR FINDINGS

The biggest motivation driver for Telecentre entrepreneur in Kerala is personal growth, closely in pursuit with social status, followed by Independence, personal achievement, flexibility in life, satisfying work relationships, testing own ideas, securing future, wealth creation, economic necessity, in that order.

The study integrates Push Pull theory of motivation with entrepreneurial intentions. Push factor of Telecentre Entrepreneurs is derived from the variables such as flexibility in life,

Economic Necessity, Test My Own Ideas and Personal Growth and Satisfying Work Relationship. Push factor of Telecentre Entrepreneurs is derived from the variables such as Wealth Creation, Independence, Social Status, Securing Future and Personal Achievement.

It identifies that, women Telecentre entrepreneurs in Kerala are more likely to be pulled than pushed into entrepreneurship. It also identify that male entrepreneurs are more likely to be pushed into entrepreneurship.

VI. CONCLUSION

Entrepreneurial motivation is vital in translating entrepreneurial intention into action. The study integrates Push Pull theory of motivation with entrepreneurial intentions. It identifies that, women Telecentre entrepreneurs in Kerala are more likely to be pulled than pushed into entrepreneurship. Push factor of Telecentre Entrepreneurs is derived from the variables such as flexibility in life, Economic Necessity, Test My Own Ideas and Personal

Growth and Satisfying Work Relationship. Push factor of Telecentre Entrepreneurs is derived from the variables such as Wealth Creation, Independence, Social Status, Securing Future and Personal Achievement.

It is identified that women Telecentre entrepreneurs in Kerala are more likely to be pulled and male entrepreneurs are more likely to be pushed into entrepreneurship.

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“EFFECTIVENESS OF AGRICULTURE LOANS DISBURSEMENT”

¹ Archana S , ² SyamKrishnan R

¹ Assistant Professor, TKM Institute of Management

² Syamkrishnan R, Assistant Engineer, Department of Agriculture & Farmer’s Welfare,

¹Email: archanaanandudev@gmail.com

ABSTRACT

Agriculture finance is significant to increase access to financial services for farmers and other enterprises in rural areas. In most of the cases, the Indian farmers are not able to meet the expenditure, because of low size of the holdings, low productivity, low income and high level of consumption for domestic want. This paper attempts to understand the types of agriculture loans in general and the effectiveness in disbursement of such loans by Federal Bank Ltd in comparison with nationalized and regional banks in the locality. Financial analysis of agriculture loans as against total loans show an upward trend for Federal bank in comparison with Union Bank and Kerala Gramin Bank. The analysis of data collected from the customers of Federal Bank depicts high satisfaction level and efficiency in disbursal of agriculture credit. The study has important implications in understanding the effectiveness of agriculture loan disbursement

Keywords—Agriculture credit, loan disbursement, institutional and non institutional sources, operational efficiency

I. INTRODUCTION

Agriculture is a major source of livelihood in India. Agriculture financing is best done by financial Institutions that have the capacity to diversify across geographical regions, economic sectors and agriculture sub sector. In earlier days the agricultural finance is provided only by Co-operatives, land development banks and private money lenders. After nationalization of commercial Banks (1969) and establishment of Regional rural Banks in 1975 both banks are extending credit facilities for agricultural purpose. As agriculture sector contributes about 40% of worldwide employment and a 100% food production increase will be required in developing countries to feed the 2050 population.

Though the outreach and amount of agricultural credit have increased over the years, several weaknesses have crept

which have affected the viability and sustainability of these institutions. Following the shifts in consumption and dietary patterns from cereals to non-cereal products, a silent transformation is taking place in rural areas calling for diversification in agricultural production and value addition processes in order to protect employment and incomes of the rural population. In the changed scenario, strong and viable agricultural financial institutions are needed to cater to the requirements of finance for building the necessary institutional and marketing infrastructure.

Agricultural loans are available for a multitude of farming purposes. Farmers may apply for loans to buy inputs for the cultivation of food grain crops as well as for horticulture, aquaculture, animal husbandry, floriculture and sericulture businesses. There are also special loans to finance the purchase of agricultural machinery such as tractors, harvesters and trucks. Construction of biogas plants

and irrigation systems as well as the purchase of agricultural land may also be financed through special types of agricultural finance.

The study attempts to find out the effectiveness of agriculture loans disbursement and the satisfaction of customers with special emphasis to Federal Bank Ltd, in Kollam district.

II. A. THEORETICAL FRAMEWORK

Agriculture credit is an important prerequisite for agricultural growth. Agricultural policies have been reviewed from time to time to provide adequate and timely availability of finance to this sector. Rural credit system assumes importance because for most of the Indian rural families, savings are inadequate to finance farming and other economic activities. This coupled with the lack of simultaneity between income realization and expenditure and lumpiness of agricultural capital investments. The institutional credit system is critical for agricultural development and its role has further increased in the liberalized economic environment. In India a multi-agency approach comprising co-operative banks, scheduled commercial banks and regional rural banks (RRBs) has been followed to allow credit to agricultural sector.

Appropriate proportion of public, private and foreign investment should remedy the situation of investment shortage in agriculture and help transform a '*negative subsidy regime*' into a '*capital-intensive positive Agricultural Marketing Service regime*' and stimulate India's agricultural producers to access global markets

II.A.Types of Agriculture Credit:

The agriculture credit can be classified on the basis of:

(1) According to Tenure of Agricultural Credit i.e. the credit requirement based on the time-period of loans. It can of three types:

(a) Short-Term: It refers to the loans required for meeting the short-term requirements of the cultivators. These loans are generally for a period not exceeding and repaid after the harvest. For example loans required for the purchase of fertilizers, HYV seed, for meeting expense on religious or social ceremonies etc.

(b) Medium-Term: These loans are for a period up to 5 years. These are the financial requirements to make improvements on land, buying cattle or agricultural equipments, digging up of canals etc.

(c) Long-Term: These loans are for a period of more than 5 years and are generally required to buy additional land or tractor or making permanent improvements on land.

(2) According to Purpose of Agriculture Credit: The agriculture credit on the basis of purpose for which the credit is used can be of two types:

a) Productive: Productive loans are the loans that are related to agricultural production and economically justified. For example purchase of tractor, land, seeds etc.

b) Unproductive: Unproductive credit are used for personal consumption and unrelated to productive activity for example loans for expenditure on marriages, religious ceremonies etc.

II.B. Sources of Agricultural Credit in India:

There are two broad sources of agricultural credit in India:

(1) Non-Institutional Sources

(2) Institutional Sources

(1) Non-Institutional Sources: The non-institutional finance forms an important source of rural credit in India, constituting around 40 percent of total credit in India. The interest charged by the non-institutional lenders is usually very high. The land or other assets are kept as collateral. The important **sources of non-institutional credit** are as follows:

(i) Money-Lenders: Money-lending has been the widely prevalent profession in the rural areas.

(ii) Other Private Sources: Following are other private sources

(a) Traders, landlords and commission agents: The agents give credit on the hypothecation of crops which when harvested is used to repay loans.

(b) Credit from relatives: These credits are generally used for meeting personal expenditure.

(2) Institutional Sources: National Bank for Agriculture and Rural Development (NABARD) is an apex institution established in 1982 for rural credit in India. It doesn't directly finance farmers and other rural people. It grants assistance to them through the institutions described as follows:

A. Rural Co-Operative Credit Institutions:

Rural Credit cooperatives are the oldest and most extensive form of rural institutional financing in India. The

major thrust of these cooperatives in the area of agricultural credit is the prevention of exploitation of the peasants by moneylenders. The rural credit cooperatives may be further divided into short-term credit cooperatives and long-term credit cooperatives. The short-term credit cooperatives provide short-term rural credit and are based on a three-tier structure as follows:

(a) Primary Agricultural Credit Societies (PACs): These are organized at the village level. These societies generally advance loans only for productive purposes. In India, around 99.5 percent of villages are covered by PACs.

(b) District Central Cooperative Banks: These cooperatives are organized at the district level. The PACS are affiliated to the District Central Co-operative Banks (DCCBs). DCCBs coordinate the activities of district central financing agencies, organize credit for PACs and carry out banking business.

(c) State Co-Operative Banks: The DCCBs are affiliated to State Co-operative Banks (SCBs), which coordinate the activities of DCCBs, organize provision of finance for credit worthy farmers, carry out banking business and act as leader of the Co-operatives in the States.

Long-term credit Cooperatives: These cooperatives meet long-term credit of the farmers and are organized at two levels:

(i) Primary Co-Operative Agriculture and Rural Development Banks: These banks operate at the village level as an independent unit.

(ii) State Co-Operative Agriculture and Rural Development Banks: These banks operate at state level through their branches in different villages.

B. Commercial Banks:

Commercial Banks (CBs) provide rural credit by establishing their branches in the rural areas. The share of commercial banks in rural credit was very meager till 1969. The financial liberalization process with the adoption of Narasimham Committee report in 1993 has necessitated the banks to focus on profitability and adopt prudential norms. The proportion of bank credit to rural areas especially small borrowers has come down steadily.

C. Regional Rural Banks (RRBs):

RRBs are the specialised banks established under RRB Act, 1976 to cater to the needs of the rural poor. The branch network of RRBs in the rural area form around 43 per cent of the total rural branches of commercial banks. A large number of branches of RRBs were opened in the un-banked or under-banked areas providing services to the interior and far-flung areas of the country. RRBs primarily cover small and marginal farmers, landless laborers, rural artisans, small traders and other weaker sections of the rural community.

D. Micro Finance Institutions (MFIs):

Banks offer concessional interest rates for the rural credit. However; small farmers are unable to access them because of borrower-unfriendly products and procedures, inflexibility and delay, and high transaction costs, both legitimate and illegal. Thus, Non-Government Organisations (NGOs) are providing alternative means to enhance access to credit by the poor since mid-70's. After pioneering efforts by

organizations like SEWA, MYRADA, PRADAN and CDF, in 1992 the RBI and NABARD encouraged commercial banks to link up with NGOs to establish and finance self-help groups (SHGs) of the poor. The RBI has included financing of SHGs under priority sector lending. At present, there are three groups of SHGs viz. SHGs formed and financed by the banks (20 percent); SHGs formed by other formal agencies but financed by banks; SHGs financed by banks using NGOs and other agencies (8 percent). These institutions provide small loans to the poor at low interest rates without collateral.

II.B. REVIEW OF LITERATURE

Rao and Wahan (1974) in the study entitled Agricultural finance by Commercial Banks in South Canara District of Karnataka found that the increased credit facility enabled a good number of farmers to improve their cultural practices. Also many borrower farmers began to grow high yielding paddy varieties in the study area. The average gross income of farmers has increased by 74 per cent from Rs.14,890 in reference year to Rs.25,784 in current year. The percentage increased across size groups was the lowest (66.33 per cent) for the small farmers and highest (80.69 per cent) on the medium farmers in rural areas

Kutty et al (1974) studied on the impact of long term – credit on agriculture in Uthanagar taluk of Dharmapuri district of Tamilnadu. The average cost of cultivation per gross cropped areas was higher on the beneficiary farmers when compared with the non-beneficiary category (due to higher use of inputs) and the same was true with regard to the gross income and gross profits in the economy.

Rai et al (1975) observed the role of institutional credit in Kalyanapur block of Kanpur District, Uttar Pradesh and found that the cropping intensity on the borrowers and non – borrower farms was 170.4 and 145.4 per cent, respectively. The area under high yielding varieties was about 68.91 and 20.93 per cent on borrowers and non-borrowers farms in that order.

Vijayakumar (1975) studied on the credit requirements and its impact on irrigated and unirrigated farms in Bangalore South Taluk used linear programming models. He observed that the requirements of credit on irrigated farms were marginal, though there is a possibility to increase the net returns by 2.5 per cent with use of improved technology. The use of unirrigated farms provision of Rs.1,005 as short-term credit in Kharif season enabled the farmers to realize 51.5 per cent of additional net returns over what the farmers could get without credit with improved technology crops also.

Hanumanthaiah (1979) studied the commercial banks performance in financing agriculture in the Parchuree block of Prakasham district of Andhra Pradesh. He found that the performance of commercial banks was satisfactory to finance agriculture (short-term loans) in terms of quantum of loan advance coverage of small farmers recovery of loans and the rate of interest. The results indicated that there is a scope for increasing the net farm returns by about Rs.10,902 through reallocation of resources even at the existing level of loan limitation

Wadhwa (1980). studied on the issue Rural Banks for Rural Development” This study covered an analysis of the progress made by all Regional Rural

Banks in India and offered valuable suggestions for its restructure. This study was conducted in 1977 when the Gramin Banks were in the initial stages in the economy

Kavarjital et al (1981) opined that the impact of farm loans on farm income and employment pattern in Panagar block of Jabalpur district is that the net farm income increased on all categories of farmers. Often avoiding loan, incremental income was the highest in case of small farmers and more or less equal in medium and large farmers.

Satya Sai (1986) studied on institutional credit to agriculture in west Godhavari district of Andhra Pradesh found that on average 90% of the institutional credit was utilized for productive purpose. However a positive relationship was found between the proportion of loan amount used for productive purpose and land size similarly.

Ramaswamy and Meskal (1988) in their study on commercial banks found that in lending to agriculture in Coimbatore district of Tamilnadu, there is mis-utilisation of loan to extent of 38 per cent by agricultural labor households and 20 per cent by small farmers in the country.

Chandrasekhar Rao (1989) on “How good are Rural Commercial Banks” observed that inspite of all the efforts made by institutional agencies the small and marginal farmers are still depending on the informal agencies for the credit needs. This situation can find remedy when the small and marginal farmers has been provided credit with putting less margin for the viability and security and by giving less importance to the commercial viability and profitability of formal agencies in the economy.

Nanda Pandey (1989) in his study on “Commercial Banks and Rural Development” has concluded that if commercial banks aim at reaching the poor peasants, rural artisans and other rural people with small or no assets or means, the banks will not only have to develop appropriate organizational skills but also change their attitudes in favor of the hitherto neglected sector of the rural economy.

Shylendra (1992) examined the economic impact of Regional Rural Banks in Karnataka loans. The utilisation pattern showed that under none of the purposes of the borrowing, the loan has been used to the full extent of sanction for the intended purpose, he found that borrowers has diverted 4 to 24 per cent of the loan amount from intended purpose to other uses. However the borrowers were found to be using major share of their loans (about 89 per cent) to various productive loans also.

Patel (2002) in the study of “Rural Credit System – Need for Revamping” observed that it is strongly felt that while multi-agency approach to rural credit delivery system is a must for a country of our size and diversified socio-economic environment, there is immediate need for re-engineering the system through the implementation of well studied and conceived recommendations of earlier expert committees; improving operational efficiency of the rural credit system to make system vibrant and responding to the changing requirements taking place inside India and in the global economy also.

Rakesh Malhotra (2002) Regional Rural Banks – The Forgotten Case in Financial Sector Reforms analysed that if tangible reforms are not infused in

Gramin Banks to make them vibrant, these institutions may fail to achieve the very objective for which they were conceived, and decay to oblivion.

Reddy et.al, 1998; Vasavu, 1999; Deshpande, 2002; Sainath, 2005; Mishra, 2005). Inadequacy of credit outreach by the formal banking system was highlighted by the findings of the 59th round of National Sample Survey Organization (NSSO) survey of 2003 on ‘Indebtedness of Farmer Households’. According to the Survey, of the 89.35 million farmer households forming 60.4 per cent of the total rural households, only 43.42 million households (48.6 per cent) availed financial services especially loans. Thus, 51.4 per cent 3 farmer households have either not availed loans or have been denied loans (NSSO, 2005). In this context it is pertinent to mention that the Planning Commission of India in the Approach Paper to 11th Five Year Plan 2007-2012 observed that ‘there is evidence that farm debt is increasing much faster than farm incomes’ (Government of India 2006). The situation was quite disturbing in Maharashtra, Karnataka, Andhra Pradesh, Kerala and even in the agriculturally most progressive state of Punjab

Mohan Rakesh (2004) while reviewing performance of agricultural credit in India indicated that though the overall flow of institutional credit has increased over the years, there are several gaps in the system like inadequate provision of credit to small and marginal farmers, paucity of medium and long-term lending, etc. These have major implications for agricultural development as also the well being of the farming community. He, therefore, suggested that efforts are required to address and rectify these

issues. Further, in the era of financial sector reforms, sustainability, viability and operational efficiency of Rural Financial Institutions (RFIs) are the major issues that need to be taken cognizance of in ensuring effective rural credit delivery system. However, the major problems plaguing the efficiency of rural credit delivery system are the mounting overdue 5 and Non Performing Assets (NPAs) of RFIs.

Mishra, (2006). The most common risk factors for farmer suicides are – ‘indebtedness’ (87% of suicides) and ‘economic decline’ (74%) Reserve Bank of India (2006) also reported that one common factor that can be seen across all regions is that manifestation of economic distress is primarily through indebtedness.

(Golait, 2007). Despite the significant strides achieved in terms of spread, network and outreach of rural financial institutions, the quantum of flow of financial resources to agriculture continues to be inadequate

(Gulab and Reddy, 2007). In a study of indebtedness of farmers in Andhra Pradesh it was reported that 70% of the farmer households were dependent on informal sources (mainly money lenders) for their credit needs

Biswajit Mondal (2007) in the study “Kisan Credit Card Scheme – A Key to improve farmers accessibility – to bank credit” suggested that besides the existing facilities of providing crop loan, the scope of KCC scheme has been enlarged to include term loans for agriculture and allied activities and a reasonable component to meet the consumption needs. Further, to providing adequate and timely credit support from the banking system to the farmers for their cultivation needs and to

improve farmer’s accessibility to bank credit for production purposes, the credit delivery mechanism is being simplified also.

Sasi Rekha and Rani Ratna Prabha (2008) in their work “Agricultural Credit in India in Pre and Post-Reform Period” observed that the problem of agricultural credit is unique, in the sense that, the prospective borrowers are to be reckoned in millions, their credit worthiness is practically nil, their needs of great urgency, their knowledge of accounting matter is small, and their economic status is not satisfactory.

Barah and Sirohi, (2011). An elaborate policy framework has been implemented in the country with the objective of providing timely, adequate and reasonably priced (affordable) credit. Agricultural credit also forms an important segment of the ‘priority sector lending’ of scheduled commercial banks (SCBs) and target of 18 per cent of net bank credit has been stipulated for the sector since 1968 (RBI, 2011) . As a result, agrarian distress on account of deceleration of 2 agricultural growth since late 1990’s has been recognized as one of the major impediments in the development process of India. The adverse impact of such slowdown is more serious in the rainfed regions especially on small and marginal farmers with limited resources. Recent studies on agrarian distress have revealed that indebtedness is one of the factors linked with farmers’ suicides on account of crop failure and related issues. This situation brings out the fact that the existing institutional arrangement for credit delivery is not adequate and suitable to address the agrarian distress in the country

In a study in Maharashtra, Kale (2011), found that low productivity, low annual income, existence of income liability gap, indebtedness and availing of non-institutional credit were proved as important causes of suicide in Maharashtra. Recognizing the need for increased institutional credit for agriculture, the Government of India initiated a series of policy measures since independence of the country. As a result the institutional credit structure in the country has shown a significant growth both in volume and complexity over the past few decades. At present there is an extensive banking infrastructure comprising 33,411 rural and semi urban branches of commercial banks, 14501 branches of Regional Rural Banks, around 12000 branches of District Central Cooperative Banks and nearly 1,00,000 cooperative credit societies at the village level which translates into at least one credit outlet for about 5000 rural people or 1000 households.

III. OBJECTIVES AND METHODOLOGY

III. A . OBJECTIVES OF THE STUDY

- To analyze the performance and measure the efficiency of operation of Federal Bank as an agriculture loan provider
- To make comparative study of disbursement of agriculture loans by banks of same area
- To measure the overall satisfaction level of the customers about agriculture loans of Federal Bank .

III. B. SCOPE OF THE STUDY

The Agricultural loan sector has grown by leaps and bound in few years. Total loans disbursements by banks has risen which witnesses phenomenal growth from last 5 years. There are greater numbers of borrowers of agriculture loans now days.. The scope of this study is limited to the selected commercial banks (Federal Bank, Union Bank of India, Kerala Gramin Bank) of Kundara area in kollam district. These areas are growing at a faster pace than any other areas in the district, as far as agriculture development is concerned. In this scenario, the study is carried out to measure the various responses of customers, who have availed various types of agriculture loans .

III. C. RESEARCH DESIGN

Analytical research has been used where the facts and information already available are to make the critical evaluation of the same. The study also is descriptive in nature A descriptive study is undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation.

III. D. SAMPLE

Population for the data collection is the customers who availed Agriculture loans of Federal Bank, Kundara. Saple size is 100 customers of Kundara Federal Bank in Kollam District Here the sampling technique used is convenience sampling technique which is a non-probability sampling technique where subjects are selected because of their convenience, proximity and accessibility to the researcher. The questionnaire was used for collecting the responses from the sample

III. E. HYPOTHESIS

Ho: There is no difference in the ranking of reasons for choosing agriculture loans of Federal Bank Ltd by educational level of the customers

Ho: There is no relationship between the education level of customers and sources of awareness about agriculture loans.

Ho: The overall satisfaction level of agriculture loan customer is independent of their educational qualification.

III. F. TOOLS FOR ANALYSIS

The tool used for Financial Analysis is percentage analysis. Anova, Chi-square and percentage were applied for the inferential data analysis of data collected through questionnaire.

4.1: Financial Analysis of Federal Bank (Advances)			
Year	Total advances (In Lakhs)	Agriculture advances (In Lakhs)	Ratio of (Agriculture Advance/ Total advance)
2011-2012	4325	1952	45.13
2012-2013	6852	3157	46.07
2013-2014	8847	4012	45.35
2014-2015	10866	4982	45.85
2015-2016	12175	5687	46.71

Figure 4.1: Advances

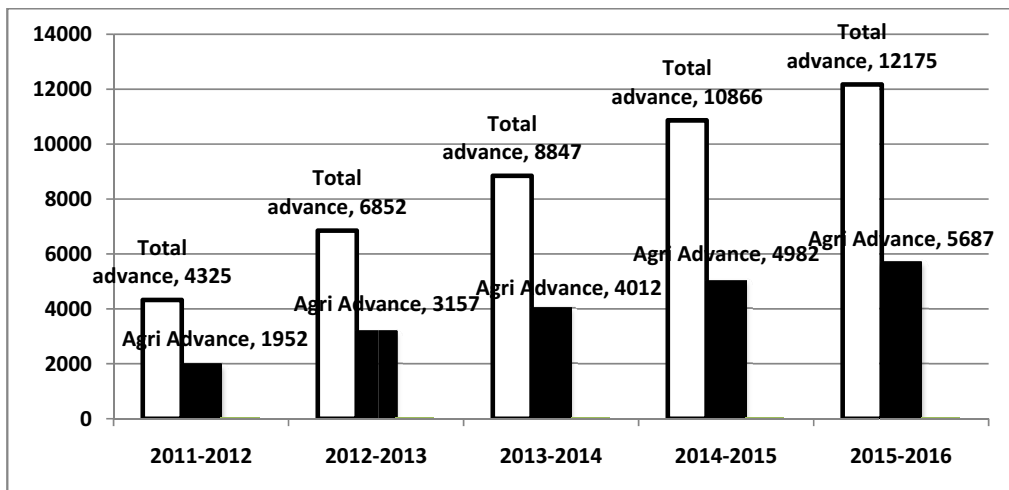


Table 4.2: Comparative analysis on Advances			
YEAR	Federal Bank Ltd	Kerala Garmin Bank	Union Bank Of India
2011-2012	4325	1050	685
2012-2013	6852	1256	853
2013-2014	8847	1685	1036
2014-2015	10866	2097	1274
2015-2016	12175	2350	1362

Year	Federal Bank Ltd	Kerala Garmin Bank	Union Bank Of India
2011-2012	1952	275.00	320
2012-2013	3157	350.00	410
2013-2014	4012	675.00	465
2014-2015	4982	890.00	524
2015-2016	5687	1058.00	535

Year	Federal Bank Ltd (%)	Kerala Gramin Bank (%)	Union Bank of India (%)
2011-2012	45.13	26.19	46.72
2012-2013	46.07	27.87	48.07
2013-2014	45.35	40.06	44.88
2014-2015	45.85	42.44	41.13
2015-2016	46.71	45.02	39.28

Note: facts and figures of table 4.1 to 4.4 accessed from annual reports.

Source of awareness	Percent
Newspapers	38.0
TV/Radio	20.0
Friends	32.0
Other sources	10.0
Total	100.0

Table No: 4.6 Response to Enquiry	
Response to Enquiry	Percent
Average	16.0
Good	40.0
Excellent	44.0
Total	100.0

Table No: 4.7 Agriculture Loan in Demand	
Amount of loan availed	Percent
Less than 1 Lakh	44.0
1-3 Lakhs	36.0
3-5 Lakhs	12.0
More than 5 Lakhs	8.0
Total	100.0

Table No: 4.8 Quality of Service	
Quality of service	Percent
Average	10.0
Good	54.0
Excellent	36.0
Total	100.0

Table No: 4.9 Amount of loan availed	
Agri Loan in Demand	Percent
Agri Working Capital Loans	52.0
Agri Infrastructure Loans	28.0
Agri Gold Loans	8.0
Federal Prathyasha Loan\Agri allied loans	6.0
Federal Kisan Credit Card (FKCC)scheme	6.0
Total	100.0

Table No: 4.10 Overall Satisfaction	
Overall Satisfaction	Percent
Neither Satisfied Nor Dissatisfied	14.0
Satisfied	56.0
Highly satisfied	30.0
Total	100.0

Table No: 4.11 Ranking of preference factors for choosing Federal Bank		
Parameters	Mean	Rank
Rank_Easy Processing	4.1600	2
Rank_Affordable Interest Rate	4.7200	1
Rank_Payback Period	4.0800	3
Rank_Less Processing Fee	3.5400	4
Rank_Margin amount	2.5800	5
Rank_Personal Contact	1.8400	6

Table No: 4.12 Hypothesis Testing : ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Easy Processing	Between Groups	6.745	3	2.248	.655	.584
	Within Groups	157.975	46	3.434		
	Total	164.720	49			
Affordable Interest Rate	Between Groups	4.291	3	1.430	.659	.581
	Within Groups	99.789	46	2.169		
	Total	104.080	49			
Payback Period	Between Groups	3.138	3	1.046	.916	.441
	Within Groups	52.542	46	1.142		
	Total	55.680	49			
Less Processing Fee	Between Groups	1.264	3	.421	.251	.860
	Within Groups	77.156	46	1.677		
	Total	78.420	49			
Marginal Amount	Between Groups	1.124	3	.375	.230	.875
	Within Groups	75.056	46	1.632		
	Total	76.180	49			
Personal Contact	Between Groups	2.053	3	.684	.355	.786
	Within Groups	88.667	46	1.928		

Table No: 4.13 Hypothesis Testing : Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.021 ^a	16	.041
Likelihood Ratio	31.319	16	.012
Linear-by-Linear Association	2.181	1	.140
N of Valid Cases	100		

IV. ANALYSIS

A. FINANCIAL DATA ANALYSIS

Total advances and agricultural advances of Federal Bank, Union Bank of India and Kerala Gramin Bank for five financial years from (2011-2012) to (2015-2016) is taken for analysis.

The analysis shows that the agricultural advances disbursed by Federal bank have increased over years and ratio of it to total advances also depicts an upward trend. Kerala Gramin Bank has also allotted a considerable share of their advances towards agriculture loan. The amount allocated by Union Bank for agriculture purpose has increased where as the ratio to total advances shows a declining trend across years selected for study.

B. QUESTIONNAIRE ANALYSIS

B.1. Analysis of Variance

Ho: There is no difference in the ranking of reasons for choosing agriculture loans of Federal Bank Ltd by educational level of the customers

The significant values are 0.584, 0.581, 0.441, 0.860, 0.875 and 0.786 for the factors which is greater than 0.05. Hence Ho accepted implying there is no difference in the ranking of preference factors for selecting agriculture loans of Federal Bank Ltd by educational level of the customers

B.2. Chi Square Test

Ho: There is no relationship between the education level of customers and sources of awareness about agriculture loans

Here the Pearson Chi-Square is 0.041 and the likelihood is 0.012. Since the significant level is less than 0.05, Ho rejected and H1 accepted which means there is relationship between the education level of customers

and sources of awareness about agriculture loans

Ho: The overall satisfaction level of agriculture loan customer is independent of their educational qualification

The Pearson Chi-Square is 0.925 and the likelihood is 0.932. Since the significant level is greater than 0.05, Ho is accepted which means there is no relationship between the overall satisfaction level of the customer and education level

V. INFERENCES

- a. Studies shows that majority of the young farmers are very much enthusiastic in availing agriculture loans.
- b. Farmers with more educational qualification are more aware and interested about agriculture loans
- c. Federal bank is maintaining a consistency in agriculture loan disbursement compared to other Nationalized bank (Union Bank) and Regional Rural banks (Gramin Bank)
- d. Majority Of the existing customers are satisfied with the Agri loan products and employee services of the Federal Bank ltd. Bank has to consider this as core strength. Eventually this will help the bank in grabbing more market share compared to other competitors

VI. CONCLUSION

The study intended to understand the types of agriculture loans in general and the effectiveness in disbursement of such loans by Federal Bank Ltd in comparison with nationalised and regional banks in the locality. Federal Bank has different categories of Agri loans which have increased in volume across years with effective monitoring and delivery. Agriculture advances through banks were

established by the Government of India to develop and revitalize the village economy. Its expansion at a fast pace has greatly helped in reducing the regional disparities in respect of banking facilities in India. With the passage of three decades, the efforts made by banks in mobilizing deposits, rural development, branch expansions, and credit deployment to the priority sector, in particular agriculture and the weaker section of rural areas are highly praise worthy. Although the agricultural flow data is quite impressive but the small and marginal farmers are unable to avail credit easily. Therefore Commercial banks like Federal Bank and other banks have introduced new innovative models in product design and methods of delivery through better use of technology and related processes to reach small and marginal farmers in rural areas.

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CASE STUDY: REACHING THE UNREACHED: AGRI PORTAL AND E- LEARNING PROGRAMMES OF KERALA AGRICULTURAL UNIVERSITY (KAU)

¹Dr. A.K.Sherief

¹Director, Center for e-learning, Kerala Agricultural University

¹Email: sherief.ak@kau.in

The role of agricultural information is more crucial in India where the economy is mostly dependent on agriculture. This has created the need for timely and generic information. With the passing era, communication has become so fast and reliable that one can take well-informed and timely decisions. These Information and Communication Technologies (ICT's) possess vast potential to promote agriculture and rural development through speedy transfer of technology to farming community.

Today farming is seen as an enterprise wherein farmers need a variety of information for various aspects in this competitive agriculture to secure their livelihood. They need information viewing agriculture as a business, enterprise or about the systems and sub-systems including administration, initiatives of other farmers, market information, best farming practices and other related information affecting the agricultural production system.

Advancement in Information Communication Technologies (ICT) have paved way for a major shift of recording knowledge from paper to digital medium. This has resulted in the emergence of the e- education, e-resources, e- learning and teaching.

Threading on the path of 'reaching the unreached' KAU too had set mile stones in this era of digital world by indigenously developing web based knowledge cum educational system for the public.

The Center for e- Learning (CeL), (www.celkau.in) the nodal center for ICT based TOT mission has been successful in developing and administrating anagri based web portal "KAU Agriinfotech portal" and the e-learning programme "e- padashala". This website has become a one of the leading agri portal constantly browsed by the farmers and general public for any information related to agriculture. The various content of the web portal are as follows

I. KAU AGRI-INFOTECH PORTAL :

The indigenously designed and easy to use bi lingual Agri-Infotech Portal www.celkau.in is a highly user friendly platform for use in Krishibhavans, KVKs, Commodity Boards, AkshayaKendras, Agri-kiosks, schools , colleges, libraries, training centres, Farmers' consortiums, and even in farmers' houses. The Portal has been loaded with several unique advisory and transfer of technology software.

Modern e-learning Centre has imparted a number of training to agricultural

extensionists in Cyber extension. Training was also given to farmers and SHG members on the use of computer and other related devices for retrieving agricultural technology information.

i. Variety of Cyber extension activities and quick transfer of technology was provided at the fingertips of the stake holders, free of cost and round the clock.

ii. CeL has designed and produced multimedia and audio visual aids for extension work and non-formal education, supplemented with print media formats.

iii. Published CEL Newsletter online, as was envisaged in the project.

iv. Conducted a series of video documentations including agricultural reality shows and production of complete online digital collections, DVDs, and success stories.

v. Offering three Online courses on niche topics in agriculture, based on distance education methods. A brief description of the specific software/tools developed by CEL.



Figure1: Agri- Infotech Portal

II. AGRIE-EXPERTS

This link has agriculture advisory digital packages that pertain to application of manures and fertilizers and plant protection practices for over 140 crops of Kerala.

i. *KAU Fertilizer and Fertiliser Decision Support System*

This is a decision support calculator that helps in the easy and precise calculation of fertilizer doses for almost all crops grown in Kerala according to their variety, growth

phase, farming situations, weather and other factors. It is available in English and Malayalam and is the first of its kind even in the global scenario.

It is prepared based on the recommendations of different agricultural research stations in Kerala. The exact doses of straight fertilizers, compound fertilizers and mixed fertilizers for unit area/for number of plants can be calculated within minutes with this tool. An elaborate software for more precise

recommendation based on soil testing results and targeted yield is under

construction.



Figure 2: KAU Fertilator

ii. *KAU E-Crop Doctor and Crop Protection Advisor*
 Plant protection is important for getting a reasonable crop yield. The chemicals and their rate for different

unit areas in cents, acre and hectare/ or based on the unit number of plants can be calculated very fast using this software. It is available in English and Malayalam.

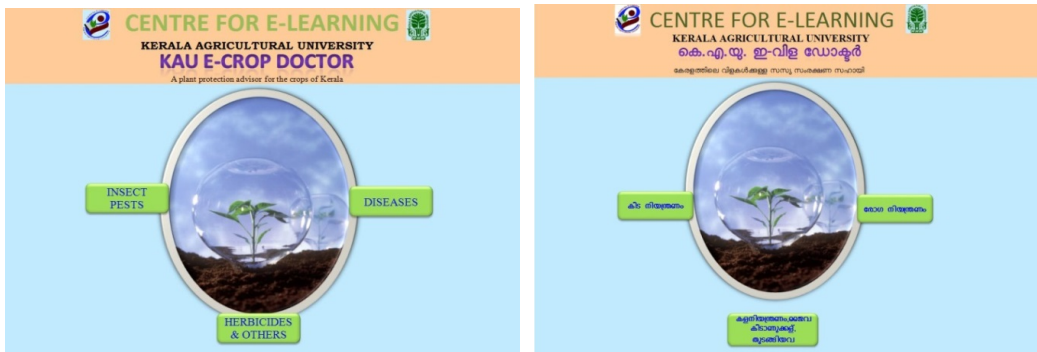


Figure 3: KAU E-Corp Doctor

There are separate pages to describe the control and management of crop pests, diseases and weeds. Environment friendly and organic crop protection methods are also explained here. It is regularly updated

with ideas that help in better crop protection through special environment friendly agricultural practices as well as through the use of pests/diseases resistant varieties.

iii. *Market Intelligence Service*

This service provides links to KAU Market Intelligence service and other daily agricultural price information and forecast systems

provided by VFPCCK, Agmark Net and other popular agencies via dynamic links.

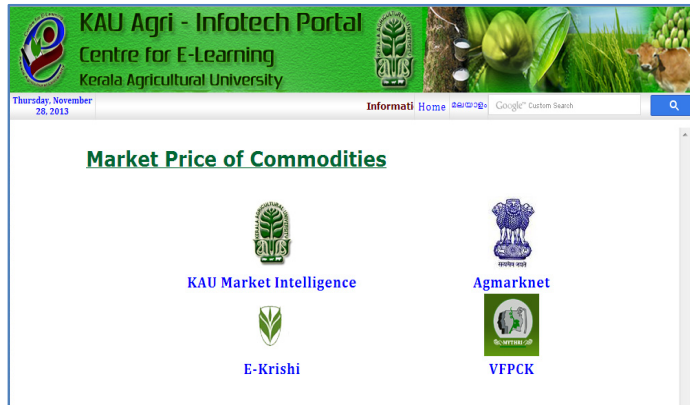


Figure 4: Market Intelligence Services



Figure 5: Haritha Keralam E-Portal

III. OTHER E-RESOURCES

The interactive digital information guide in Malayalam named as 'E-Agriculture Portal' (E-Karshakajalakam), HarithaKeralam' are made available in CEL website.

IV. AGRI INPUTS AND SERVICES DATA BASE

This easy to use software gives information on various agencies and institutes who provide planting materials, manures and fertilizers, plant protection chemicals and other agri inputs and materials needed for crop production, agricultural research and hi-tech cultivation. District wise and item wise information are

available. Related central government agencies, state government agencies, KAU stations and other private

and non-government agencies are mentioned under this section.



Figure 6: Agri Inputs and Service Data

- i. Digital Library for farm implements and machinery

The interactive digital guide designed at KAU includes the specifications, price, use, working and details of manufacturers of different agricultural implements and machinery, covering the major crops, with photographs and illustrations is made available in the celkau.in Portal.

- ii. Weather Information and weather-based farm operations

The daily weather information reported by KAU in all districts of Kerala is made available in the CEL website. It also has dynamic links to other sites that provide daily and hourly weather data and information on local

e. Repository of agricultural technology problems and FAQs

About 3,500 farm technology problems and queries collected during a recent period of three years from the state have been documented and posted

and global basis. Weekly farm advice and guidance for the various districts according to the changes in weather is also available.

- iii. Agri Almanac

The monthly practices to be followed in all the major crops of Kerala has been made into a dynamic and interactive digital calendar form and is available in the Portal.

- iv. CEL Discussion Forum

This forum facilitates open discussion on agriculture related matters. Doubts and queries of farmers, extensionists and other stake holders can be posted here, for which answers and guidance are provided after consulting experts.

in this section with answers prepared with the help of experts.

- f. Other services in the Portal

Apart from the above, relevant information are also available under different links are Farm Knowledge

Bank, E-Library, Farmers' Corner, Links to thousands of agri related and general websites all over the world, Links to

popular media: print, radio and TV channels , Photo and Video Gallery etc.



Figure 7: Farmers corner Video Gallery

g. Online courses in agriculture

An indigenously designed package of content development and online course management system uses an in built digital platform for launching and managing online courses in agriculture.

In the first phase, three Online Certificate courses were developed and conducted.

- i. Organic Agriculture Management (OAM).
- ii. Plant Propagation and Nursery Management (PNM).

iii. Post-Harvest Processing and Marketing of fruits and vegetables (PHM)

There were learners from different states of India and also from abroad, with an age range of 17 years to 75 years, having educational qualification ranging from SSLC to Doctorate. Registration, online classes, downloading of materials, doubt clearance, assignments, projects, case studies and examinations of the courses are managed online via the CEL Portal.



Figure 8: Online Course Login page

V. OUTCOMES OF THE WEB PORTAL

- i. A well versed bilingual Agri Infotech portal which is unique in itself to cater the information needs of anyone interested in farming.
- ii. The web page www.celkau.in has 8.6 lakh hits since its launch.
- iii. Web portal and software are used by the farmers, scientists, students, call centres, NGOs, Agricultural Officers, etc.
- iv. Successfully running three courses purely online.
- v. 300 online participants from all over the world.
- vi. The center had received International, National and state level awards in the last two years

emulating for any organization which aims in sustainable agricultural development.

VI. CONCLUSION

Worldwide ICT's are gaining prominence in achieving the goals of sustainable development by reducing time and space barriers. Considering the fact that majority of the Indian population lives in rural areas and majority of rural mass are unaware of latest farm technologies for sustainable agriculture development, the efforts made by Central and State Governments and NGOs are not enough to reach rural masses.

The need of the hour is the use of modern and quick communication channels like ICTs to disseminate and create awareness about latest farm technologies among rural mass. There are umpteen ways in which ICTs can be useful to small and marginal farmers in India. Kerala Agricultural University initiative to harness ICT for “**reaching the unreached**” is a modalworth

TOWARDS A CONTEXTUAL TOOL FOR BUSINESS ENGLISH LEARNERS

¹ Dr. Karunakaran B Shaji, ² Anju A

¹Assistant Professor, Department of English, Regional Institute of Education, Mysore

²Assistant Professor, TKM Institute of Management, Kerala

Email: anjunairr@gmail.com

ABSTRACT

Business English vocabulary teaching and learning practices largely ignores the contextual aspect of business usages and lack the integration of form and content This paper first provides a background of language in specific context of business. Then it explores the learning approaches to vocabulary and traces the gaps in the current method, suggesting the need for a context specific corpus. Finally, the paper explains the methodological considerations and possible enhancements of such a corpus and the way forward. Though an arduous compilation, once completed, it can serve as a comprehensive lexical learning tool for business students.

Keywords—Business English, Communicative English, Form and Content, Vocabulary, Contextual tool for learning

I. INTRODUCTION

Resources for teaching and learning business communication, particularly business vocabulary include dictionary, collocation dictionary, language activators, newspapers and depository of word exercises. These are supported by activities connected with reading, debate, role-plays, presentations, discussions and projects. In spite of many such supporting activities, the quality of Business English usage remains questionable in many mainstream business schools. The existing teaching and learning practices in this domain lack the integration of form and content. Most importantly, it largely ignores the contextual aspect of business usages. The same concern is also expressed by authors like James (1996) that in traditional business school culture there is an implicit split between form and content.

II. ENGLISH FOR SPECIFIC PURPOSE

Companies and professionals are increasingly mobile across nations. Skills

are portable than ever. Boundaries of communication channels blurred with the global expansion and changes in business environment resulting in increased use of English Language.

Quoting Crystal, Li and Canaan (2006) points out that 85% of the international organizations use English as their official language. Same percent of the world's markets use English as the primary language for professional communication. Ninety percentage of the published academic articles in a variety of academic disciplines is also in English.

The prominence of English is still higher in business world. Advances in transportation and telecommunications has notably added and altered the role and status of communication in business. Hence the demand for English for Specific Purposes (ESP) has been expanding, especially in countries like India where English is taught as a Foreign Language. Agreeing this,

Plutsky (1996) notes that Business school faculty have come to realize that they must equip students with the communication skills employers demand if their programs are to succeed. This signifies that Business English course is no more limited to a language course, but a determinant in the success of the overall business programme.

III. TOWARDS BUSINESS ENGLISH

Studies on Language for Specific Purposes has a long and valid history (Sarani and Farzaneh Sahebi,2012). Quoting Johns & Dudley-Evans (1998), they assert that English for specific purposes has gained ascendancy in different fields as the content and aim of any course is determined by needs of a specific group of learners. ESP has certain absolute characteristics such as, it is 1) designed to meet the specified requirements of the learner, 2) related in content, which means, its themes and topics are related to particular disciplines or occupations, 3) centered on language appropriate to those activities in syntax, lexis, discourse, semantic and analysis of the discourse; 4) in contrast with 'general English'. These absolute characteristics of ESP continue to be the essence of Business English also. Some authors like Branam (1998) prefer to use the term Business Language Studies (BLS) when the emphasis is on the business context. There is a growing recognition that communication is central to businesses and there is a fundamental relationship between effective communication and business success.

Business English is synonymously used for ESP in the context of business and Business Language Studies. Ellis and Johnson (1994) define Business English as a variety with a specific linguistic system and specific communication

purposes. It implies a mixture of specific content and general content. It comprises only those language forms that are specified by a given group of learners as being relevant for them, which is one of the key features of ESPs. It can be seen that this area has long been evolving as an empirically definable domain of inquiry, pedagogy, and curriculum development.

However when it comes to teaching-learning process, it is doubtful that the focus of BLS or ESP in the context of Business or Business English was on whether building a context specific vocabulary or a set of grammatical and usage structures. Zandmoghdam (2007) says considerable attention was paid to grammatical and phonological structures where the vocabulary needed to be relatively simple. New words introduced only as they were needed to make the drills possible. The belief was that vocabulary would take care of itself once the students learnt the grammatical structures. This assumption is questionable as in business context, or in any ESP context, specialized lexicon and structures are equally important to generate appropriate language and communication skills.

IV. FORMS AND CONTENT

The existing teaching and learning practices in this domain lack the integration of form and content. Most importantly, it largely ignores the contextual aspect of business usages. The same concern is also expressed by authors like James (1996) that in traditional business school culture there is an implicit split between form and content. To address this, a more comprehensively formulated model of integrating both business vocabulary and its associated professional concepts

needs to be established in Business English classrooms. Business English cannot be learned alone without introducing the business notions, from the context where it is originated.

Language is best acquired from meaningful environments, termed as contexts. The language of content that enhances the students' personal career plans serves as a motivating factor for reading and learning. This is validated in the studies of Ramage (1990), Rivers (1994) and Tremblay (1995), among other scholars. Though this conclusion is not new, it points towards the need for integrating form and content while learning Business English. Promotion of rote learning, ignoring the contextual aspects of language will not be worthy of the effort. In 1978, Krashen demonstrated that the achievement of high scores on standard grammar tests has little relevance to the ability to communicate orally in a foreign language. Learning language through contextual vocabulary is one solution to avoid the overemphasise on grammatical structures and thereby student can accelerate the language learning in special purpose context.

V. CONTEXTUAL VOCABULARY

Methodology of teaching vocabulary is a matter of debate. However, many studies regarding teaching Business English emphasise the importance of vocabulary. Lewis (1993) placed substantial emphasis on vocabulary for its basic and fundamental role in communication. Richards and Renandya (2002) assume that vocabulary is a core component of language proficiency. He says that vocabulary provides much of the basis for how well learners speak, listen, read, and write. While learning Business English, depending on a

traditional dictionary has obvious limitations because of the technical nature of the word or usage. Wu Jiangwen and Wang Binbin identifies two broad areas related to technical vocabulary. They are; 1) Vocabulary that is used in general language but has a higher frequency of occurrence in specific and technical description and discussion, and 2) Vocabulary that has specialized and restricted meanings in certain disciplines and which may vary in meaning across disciplines. Several learning strategies appear to be helpful for learning new words. According to Rubin and Thompson (1994) and Richek et al. (1996), students learn vocabulary by either explicit learning approach and or implicit learning approach. In the first one, students are systematically taught specific words and language structures, which can be used especially in learning core vocabulary. On the contrary, Implicit approach, involves learning the meaning of new words implicitly whereby language students hear or see the words used in many different contexts. It is mostly an unconscious process. In any case, for learning technical vocabulary, context serves as a good platform, if it is integrated with form and content.

VI. a. Setting the *context* for emerging words

While there are many sources to be used as a context for vocabulary learning, newspapers are considered as a major tool in business schools. There is no wonder, Vila de la Cruz (2010) observes that newspapers are perfect tools for teaching English. It is generally expected that the student can imbibe good Business English by learning to read the business section of English newspapers or Business dailies in English.

Newspapers and magazines are considered as authentic material as it is routed in natural situations, as enunciated by Richards and Schmidt (2010). Language in such kind of materials tends to be more natural than in those used in the classroom, like textbooks.

Still, it can be seen that, in spite of many such reading exercises and supporting activities, the quality of Business English usage remains questionable in many mainstream business schools. Theoretically, while reading a business daily in English, the student is exposed to more situations or contexts, and is learning the words and usages in implicit approach. While it is true that the student learns through this method, lack of consistency in reading, repeated references to dictionary and lack of personal interest hampers the learning. Repeated exposure is important in implied vocabulary learning. In fact, due to lack of consistency, the student does not get enough contextual clues to remember the word to own it. As a result the learning becomes isolated and sporadic. An effort set out as an implicit approach to vocabulary learning ends up as an explicit one while looking dictionaries or internet for word meaning and hence sabotaging the whole learning philosophy. Another problem of the above method is that, there is no

vocabulary selection involved in the process.

For learning to be effective, Mackey (1976) suggested a set of criteria for vocabulary selection. They are frequency, range, availability, coverage and learning ability. Utility of the selected lexical item is another criteria pointed out by Gairna and Redmen (1986). Lack of any of these factors will reduce student interest in reading a newspaper, as it is vouched by any mainstream business schools.

A solution to the above problems is to create a corpus from news clippings itself, for the learning of emerging words in business context. This approach can provide a body of most prominent words in Indian business context, used by two leading business newspapers in recent times. This will be a moving account by capturing business words from the original context and exploring it further by its etymology and examples. All criteria for vocabulary selection should be taken care while preparing the wordlist. It is important to which functional area or section of business the word is used. This will further facilitate the integration of form and content. Scott Doyle (2012) elaborates this using business, cultural and geographic context of each business usages and its link with a variety of disciplines with the following figure.

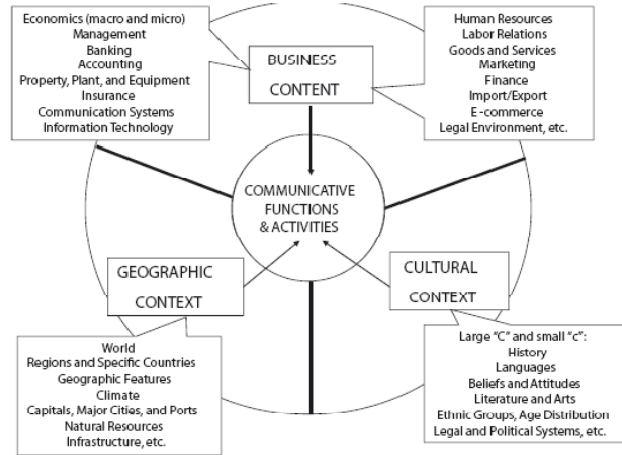


Figure 1: Communication function and Activities

Source: Adapted from Scott Doyle, M. (2012). Business Language Studies in the United States: On Nomenclature, Context, Theory, and Method. *The Modern Language Journal*, 96, 105–121. doi:10.1111/j.1540-4781.2012.01276.x

VI. b. Enhancement and methodological considerations

The method can be enhanced using technology and can be aligned with a variety of methodology. For example, in line with the above idea a general corpus can also be developed. A work in Thailand through Word Smith Version 4, a corpus of the 4,375 most frequently appearing words was chosen from a total of 238,558 words in 420 business news stories published in a one-month period.

Once such a repository of business vocabulary is created, it can serve a fabric of teaching business English. Teacher can use a specified set of emerging words in a given discipline incorporating in a guided instructional methodology. The process can be sequenced from design to evaluation of learning outcomes. A variety of learning activities which are currently used like domino games, search games, odd-man-out, crosswords, matching pieces,

completing structures etc can also be used appropriately.

VII. CHALLENGES AND THE WAY FORWARD

Use of such a business lexicon provides creates the mental framework in order to understand new information in ones' discipline as relevance is the key. Integration of form and content essentially helps in transferring the language skills learned into professional or disciplinary skills and vice-versa.

The challenge for the educator is to create a full fledged repository of business usages, phrases and samples with enough contextual clues. The ways to use this rich repository of Business English knowledge has a variety of dimensions and variations to prepare learners for future professional communication.

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tkmijrm@tkmim.ac.in

www.tkmim.ac.in

Phone: 0474 – 2488465, 2482466



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