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EDITORIAL

EDUCATION LOAN SCHEME

Cost of education is increasing because of privatization, commercialization and inflation. On the other hand government funding for education is relatively decreasing. Certain sections of the society based on social and economic considerations receive some financial assistance from the Government. Others, who do not afford and do not receive financial assistance of any kind, are deprived of the opportunity to pursue higher education just because of cost in spite of their eligibility and willingness.

For to see that no student is deprived of the opportunity of pursuing higher education in spite of their eligibility and willingness, 'education loan scheme' has been introduced. 'Education Loan' can be defined as the money lent to meet education related expenses. SBI Started to have introduced education scheme in 1975 but for all practical purposes it can be said that the banks in India began to grant education loans from 2000-01. 'Education loan scheme' is an attempt to bring out a viable and sustainable bank loan scheme to meet the aspirations of our society. It aims to provide need-based finance to meritorious students. Education loan is becoming popular day by day because of rising fee structure of higher education.

Indian nationals, for pursuing approved courses leading to graduate/postgraduate degree and PG diplomas conducted by colleges/universities recognized by UGC/Govt./AICTE/AIBMS/ ICMR etc. are eligible to receive loans under 'education loan scheme'. Reputed professional and technical courses are also considered. Loans for courses in reputed foreign universities are also granted. The Ministry of HRD has given a list of 1,100 A-rated institutions and universities to banks. Eligible Expenses for education loan are: fees payable, accommodation charges, exam and library fees, reasonable expenses for books and equipment including computer, travelling expenses abroad and other reasonable expenses required to complete the course. Quantum of finance may vary from Rs.10 lakh for study in India and Rs.20 lakh for study abroad. Banks may consider lending higher amount in special cases at their discretion. The nature and extent of the security and the margin money to be provided by the borrower varies depending upon the loan amount. Moratorium period for repayment is the course period plus one year or six months after getting job, whichever is earlier. Tenure of the loan varies from 10 to 15 years for loan up to Rs.7.5 lakhs and above respectively. Interest rates generally vary from 11.75 per cent to 13.75 per cent.

As of December 31, 2014, the total outstanding education loans in the country was Rs. 70,475 crore. Out of that public sector banks had disbursed Rs 61,177 crore, while private sector banks provided the remaining Rs 9,298 crore. Among the public sector banks, State Bank of India topped the list with Rs. 15,295 crore followed by Canara Bank with Rs. 5,371 crore. As per the data prepared by the Department of Financial Services (DFS), Ministry of Finance, banks have disbursed Rs. 16,380 crore in Tamil Nadu, Rs. 10,487 crore in Kerala i.e., over 38 per cent of the total disbursements. This has been attributed to higher literacy rate and awareness in the states concerned. A large number of middle-class students seemed to have applied for education loans.

Education loans were included under priority sector lending of the banks by the RBI. Just like in any other priority sector lending, defaulting on education loan repayments has increased. This has prompted Indian Bankers Association to review the 'education loan scheme' framed in 2001. Banks have been advised to be prudent and cautious while granting educational loans. The Reserve Bank of India has also started taking steps to improve the quality of education loans. Despite high level of defaults in repayment of loans taken by the students to pursue higher education the Government and the RBI empathetic towards their needs.

The protagonists of education loans argue for reducing the interest rates, for increasing the moratorium and loan repayment periods, and for taking the job prospects but not the ability to provide security into consideration while processing the loan applications. They also argue for the Government to review the old cases and to help them to get out of the situation. Otherwise they say we may have hear parents and students committing suicide just like poor farmers and weavers in the country.

The Ministry had asked banks:

- to give loans to meritorious students under the management quota,
- not to reject applications on the ground of non-service area of the branch concerned.
- not to consider the mortgage but to focus on employability, and
- to take into account the new budgetary announcement of Student Financial Aid Authority, which is being set up to administer and monitor scholarships and loan schemes through the Pradhan Mantri Vidya Lakshmi Karyakram.

In spite of the rules, regulations, directions by the Government, Reserve Bank of India and the IBA some of the educational loans are sanctioned not on the merit and employability of the student, not on the value of the programme and not on the reputation of institution but on personal influence and/or distorted information. Sometimes education loans are used for the purpose other than education. For the scheme to function well all these loopholes are to be plugged.

Dr. P. B. Apparao
CHIEF EDITOR

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A Study on the Borrowers Perception of Reasons for Rejecting Educational Loan Application (*With Special Reference to UT of Puducherry*)

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ABSTRACT

The Reserve Bank asked banks not to reject any educational loan application even if the residence of the borrower does not fall under their service area. "... This study attempts to find out the borrowers perception of reasons for rejecting educational loan application. The data are collected from 300 educational loan borrowers in Puducherry. The analysis reveals that borrowers' inability to arrange proper collateral securities followed by insufficient income is the reason for rejection. The difference in perception arises mainly from different social class and different age category people. Amount of loan asked for and course of study and collateral demanded are correlated.

Introduction

Now-a-days education is a right to all which was amended by the government to provide education to all categories of people. To get that education money should not be a problem. For that purpose the Govt. is encouraging banks to give loan to the needy people on concessional terms. Previously getting education loan was very difficult. Only few people have availed the loan because banks were insisting on collateral securities. But now the trend has changed. Getting educational loan is very easy than before. But sometimes banks have rejected some customers' applications due to some reasons. This study concentrates on this issue i.e., to study why the banks have rejected some of the customers' loan applications, what they are expecting from the customers etc. Findings of this study will be useful to new or existing customers to properly submit their applications for fast processing of education loan applications. Banks are advised not to reject any educational loan application for reasons that the residence

of the borrower does not fall under the banks service area," RBI said in a notification. RBI has further asked the banks to issue suitable instructions to their branches or controlling offices for meticulous and strict compliance in this regard. The apex bank issued the notification in view of number of complaints where students were refused educational loans as the residence of the student does not fall under the bank's service area. It also said that the service area norms should be followed only in the cases of government sponsored schemes.

Review of Literature

Adrian (2003) says while student loans schemes are in place in some 50 countries, the central objective and type of policies pursued differ from case to case. We may identify five different sets of objectives for student loans schemes which, in turn, will influence the design and operation of the scheme as a whole, as well as its financial sustainability. These are: pure cost recovery; facilitating the expansion of the higher education system; meeting specific manpower needs; easing student financial burdens.

A study by O'Malley (2003) on how student borrowers perceive their education debt indicates that, although students who received Pell Grants as undergraduates (i.e. low-income borrowers) have debt and loan payment levels similar to overall averages, they report lower starting salaries and current earnings than other borrowers, resulting in higher average payment-to-income ratios that may make repayment difficult.

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Monge-Naranjo (2004) points out that the post-college earnings of African Americans is lower than that of all other racial/ethnic groups. Institutional type may also be a factor, as defaulters who attended proprietary institutions cited unemployment as the cause for default (83%) in higher proportion than defaulters who attended other types of institutions

Elisa Rose Birch and Paul W. Miller (2007): The results from the analysis that relate to wealth (e.g., the socioeconomic status index) are consistent with studies in the USA, the UK and Canada. Students from poorer families are more likely to resort to loans to finance their tertiary studies. The parameters of loan schemes do not seem to be able to over-ride the influence that family background has on loan taking behavior. That is, poor students use loans regardless of the parameters of the loans scheme in order to overcome short-term credit constraints. In other words, these student loan schemes channel funds to those without other means of funding their higher education.

Don Hossler (2009): The study found that, after taking into account the characteristics a student brought with him or her to postsecondary study, very little productiveness was added to the model by also taking into account the characteristics and practices of the school the borrower attended. That is to say, this study found default is primarily related to borrower willingness and ability to repay, not to anything the institution is doing.

Objectives of the Study

To investigate the borrower’s opinion on probable reasons for rejecting educational loan application in UT of Puducherry.

Methodology

For the purpose of this study primary data are collected by using a well-structured questionnaire comprising of statements with a five point Likert scale wherein 1= strongly disagree to 5= strongly agree. The questionnaire was administered to 300 borrowers who have availed educational loans in the UT of Puducherry. Multistage random sampling was used to select respondents, at first 55 bank branches were selected at random. Then respondents were selected at random from the list collected from branches. Several statistical techniques such as the factor analysis, cluster analysis, correspondent analysis, discriminate analysis, ANOVA, chi-square, and canonical correlation were used to augment the borrower’s response on the probable reasons for rejecting application by banks to sanction educational loan.

The Reasons for Rejecting Educational Loan Application

The banks use several reasons to evaluate borrowers’ strength to understand whether the credits availed will be repaid without default. This section contains nine statements and the responses are collected from educational loan borrowers through a structured interview schedule.

Table-1: Banks’ Reasons for Rejecting Educational Loan Application

S.No	Criteria	Mean	S.D	Rank
1	Proper surety was not arranged	3.44	1.205	V
2	Less marks were obtained in the qualifying exam	3.53	.941	IV
3	My inconsistent academic performance	3.62	.983	III
4	Inability to arrange proper collateral securities	3.80	1.064	I
5	Insufficient parental income	3.63	.992	II
6	Parent has defaulted earlier loan	3.30	1.050	VI

7	Bank has exhausted its target	2.40	1.227	VIII
8	Bank is not near to my educational institution	2.87	1.151	VII
9	Bank is not near to my residence	2.30	1.236	IX

Table 1 shows that customers feel that “inability to arrange proper collateral securities”, is the most important reason for rejection of bank loan. The other reason such as insufficient parent income, inconsistent academic performance, less marks in the qualifying examination and improper surety are also important reasons for rejecting loan application. The least important reason is “bank is not near to my residence”. The banks will not give loan when the applicant is not living near the branch. The place of study is not important but place of residence is most important. The other least important reason is “bank has exhausted its target”. Normally this will not be a reason because bank never exhausts educational loans. Though there is a sub target which is flexible.

Factorization of Reasons for Rejecting Loan Application

There are nine reasons used to identify the most important reason for rejecting loan application. There is no necessity to keep all nine reasons for future analysis because people may have similar perception on some reasons. Such reason can be grouped by using factor analysis. Factor analysis is used to reduce the large number of statements in to smaller manageable number of factors for easy interpretations of data. Before performing factor analysis, adequacy of data will be tested by using KMO- Bartlett’s Test. KMO tests of sampling adequacy test whether the sample is adequate or not. Generally KMO value should be greater than 0.60. Further Bartlett’s Test of Sphericity should be significant at 0.000. If these two conditions are satisfied, then one can proceed for error free factor analysis.

Table-2: KMO and Bartlett’s Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.764
Bartlett's Test of Sphericity	Approx. Chi-Square	695.796
	df	36
	Sig.	.000

Table 2 suggests that KMO is greater than the expected limit 0.60. Further Bartlett’s Test of Sphericity is significant at 0.000. These two tests give positive signal to the researcher to perform factor analysis. These tests indicate that the statements will be properly loaded into factors and each factor will be distinctive factors.

Determination of Factors

The variables which have Eigen values greater than one are taken for subsequent analysis. Principal Component Analysis is used for extraction of factors. Extracted factors are simultaneously rotated by using Varimax rotation. Table-2 displays the complete information of deducted factors and the percentage of variance explained by them.

Table 3: Variance Explained by Factors

Component	Eigen values	% of Variance	Cumulative %
1	3.095	27.565	27.565
2	1.688	25.575	53.139

As per table, first factor contributes about 27 per cent of the total variance and the second factor account for 25 per cent of the total variance extracted. Overall, the two factors have explained around 53 percent of total variance, which can sufficiently explain all nine statements.

Table 4: Rotated Component Matrix

	Component	
	1	2
Insufficient parental income	0.739	
Inconsistent academic performance	0.737	
Inability proper collateral	0.687	
Less mark was obtained by in qualifying exam	0.665	
Proper surety not arranged	0.462	
Parent has defaulted earlier loan	0.440	
Bank is not near to my residence		0.878
Bank has exhausted its target		0.876
Bank is not near to my educational institution		0.752

The first factor consists of six statements such as insufficient parent income, poor academic performance. All reasons are relating to borrowers. This means that first factor contains reasons for rejecting loan application due to borrower’s poor performance and borrowers’ earlier default. Hence first factor is named as **borrower’s reasons**. The second factor consists of the three statements which are related banks such as bank has exhausted its target and bank is not near to the institution. Therefore second factor is named as **bank’s reasons**.

Segmentation of Educational Loan Borrowers

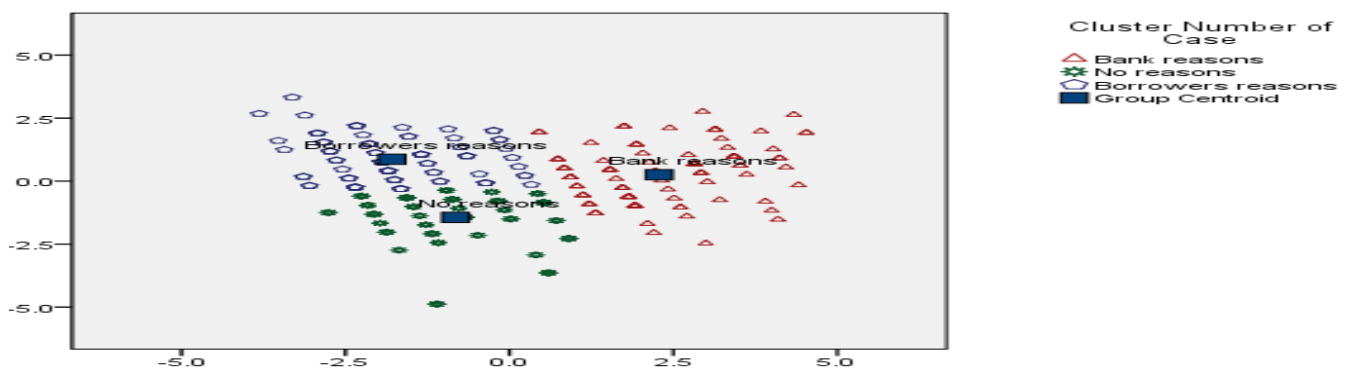
All the educational loan borrowers may not have similar perception on reasons for rejecting loan application. The reasons may differ from borrowers on reason for rejecting educational loan application. Hence, there is necessity to segment the borrowers based on the reasons for rejected educational loan applications. Based on the two factors the educational loan borrowers can be segmented. K-means cluster analysis is used to categorize educational borrowers into three clusters based on the reasons for rejecting loan application.

Table 5: Final Cluster Centers and ANOVA

	Cluster			ANOVA	
	1	2	3	F	Sig
Borrowers reasons	3.77 (II)	2.83 (III)	3.89 (I)	132.366	.000
Banks reasons	3.68 (I)	1.93 (II)	1.76 (III)	464.768	.000
Average	3.72	2.38	2.82		
Number of cases	112	83	105		
Percentage	37	27	36		

The first cluster is named as “bank’s reasons” for rejecting educational loan applications because this cluster has high mean score in the bank reasons within the two factors. The second cluster has two mean score for both bank reasons and borrower’s reason. Therefore the

Fig. 1: Group Centroids for Reasons for Rejected Educational loan application



second cluster has been named as ‘no reasons’. The third cluster named as borrower’s reasons because borrower’s reason is having high mean score. The table 5 also indicates that 37 percent of educational loan borrowers belong to banks’ reasons, 36 percent of borrowers in borrowers’ reasons cluster and 27 percent of educational loan borrowers belong to the no reasons for rejecting loan application cluster. This reveals that the majority of the people feel loan applications are rejected due to banks’ reasons.

Reliability of Segmentation

Reliability of the cluster classification is verified using discriminant analysis. The two factors (borrower’s reasons, banks reasons factors) are taken as independent variables and the cluster classification is taken as grouping variables (dependent variables) to find out the reliability of cluster classifications.

Table 6: Eigenvalues and Wilks' Lambda

Function	Eigen value	Canonical Correlation	Wilks' Lambda	Chi-square	Df	Sig.
1	3.293 _a	.876	.124	617.809	4	.000
2	.687 _a	.682	.534	185.834	1	.000

The table indicates the extraction of two discriminant functions from the three clusters. Among the two functions extracted, only one function has the Eigen value of more than one, which represents the maximum spread of the groups’ means. This implies that there is a good difference among the clusters in the factors included in the function. The canonical correlation which helps to measure the association between functions and factors also reveals that function one with a high canonical correlation. Wilks’ lambda for the first function is at 0.124 and for the second it is at 0.534, which also indicates that the group means are different for function one.

Table-7: Structure Matrix

	Function	
	1	2
Bank reasons	.966*	.259
Borrowers reasons	.090	.996*

Table 7 presents the standardized beta value for the function one and function two. Function one contains bank reasons and function two contains borrower’s reasons. With the help of this Co-efficient two discriminant functions can be written. The two domain functions are

$$Z1 = 0.966 * \text{Bank reasons}$$

$$Z2 = 0.996 * \text{Borrowers reasons}$$

The group centroids diagram shows that all the three clusters are significantly different clusters having different group centroids and different mean values. The cluster members are aligned separately from other group members. This shows that there is no error in the classification. This indicates that there exists a good variation among the three discriminant groups.

Table-8: Classification Results

	Cluster Number of Case	Predicted Group Membership			Total
		Bank reasons	No reasons	Borrowers reasons	
Count	Bank reasons	110	0	2	112
	No reasons	0	79	4	83
	Borrowers reasons	0	7	98	105
%	Bank reasons	98.2	.0	1.8	100.0
	No reasons	.0	95.2	4.8	100.0
	Borrowers reasons	.0	6.7	93.3	100.0

***95.7% of original grouped cases correctly classified**

Table 8 presents the extent of success of the classification on the basis of reasons for rejecting loan applications for educational loan. The number and percentage of cases classified correctly and wrongly classified are displayed in the table. Almost 98 percent of the respondents are correctly classified and only 2 cases are included in the borrower’s reasons segment. In the no reasons segment, 95 percent (79 cases) are correctly classified and only 4 cases are included in the borrower’s reasons segment. Furthermore, with regard to the borrower’s reasons segment, 98 cases accounting for 93 percent are correctly classified and only 7 cases are included in no reasons segment. Therefore, it can be concluded that the segmentation of educational loan borrowers based on the reasons for rejected loan applications of educational loan has been correctly done by more than 95 percent.

Relationship between Profile Variable and the Reasons for Rejecting Loan Application

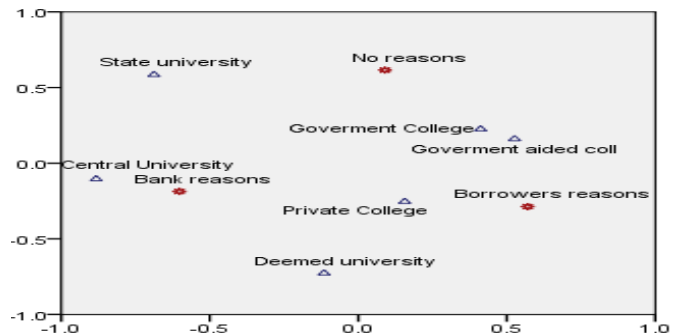
This study analyses the relationship between profile variable and reasons for rejecting the educational loan application by banks. For this purpose chi-square, analysis of variance and independent sample t-test are used. There are many profile variables included in the study, for easy understanding the demographic variables are categorized into two groups namely demographic profile and loan profile.

Table 9: Relationships between Profile Variable and Reasons for Rejecting Educational Loan Application

S.No.	Particulars	Chi-square	D.F	Sig
1	Gender	.282	2	.862
2	Age	.487	2	.784
3	Social class	12.341	6	.055
4	Education	5.863	6	.439
5	Percentage of mark	10.633	8	.222
6	Nature of institute	7.219	2	.027*
7	Type of institute	25.428	10	.005*
8	Place of Institute	3.028	4	.553
9	Course studied	17.613	8	.024*
10	Duration of Course	6.929	4	.140
11	Hosttler	3.006	2	.222
12	Present status	7.213	4	.125
13	Parent Education	11.744	8	.163
14	Occupation of Parent	3.677	8	.884
15	Family Income	11.350	8	.183
16	Sources of family Income	5.077	8	.749

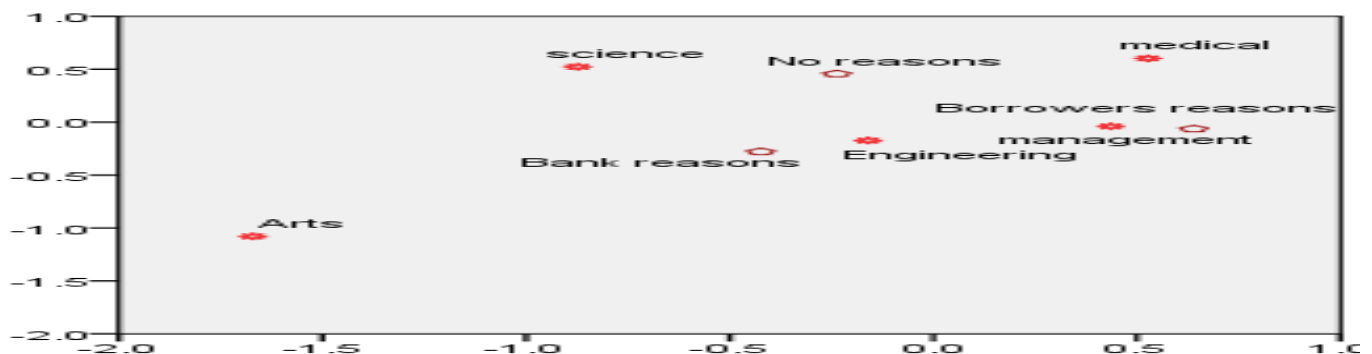
Table 9 presents the level of significance for the chi-square results. If the significant value is less than 0.05 which means the variables are associated. It is clear that the majority of the on of profile variable are not associated with reasons for rejecting loan application cluster. It means that the profile variable such as the nature of institute, type of institutions and course studied are associated with the reasons for rejecting the loan applications cluster.

Figure 2: Correspondence diagram for Type of Institution and for Reasons for Rejecting Educational Loan Application



The correspondence diagram depicts the association between the reasons for rejecting loan application and type of institution. This diagram shows that respondents from central university are closely associated with bank reasons cluster. Private college and deemed university borrowers are associated with borrowers reasons cluster and state university, government college and government aided college are associated with no reasons cluster.

Figure-3: Correspondence diagram for Course Studied and Reasons for Rejecting Loan Application



The correspondence diagram explains the association between course studied and reasons for rejecting loan applications cluster. Loan borrowers who are from engineering colleges are associated with bank reasons. Respondents from management courses are closely associated with borrower's reasons and medical and science course respondents are associated with no reasons cluster.

Table 10: Relationships between Profile Variable and Reasons for Rejecting Loan Application (ANOVA)

S.NO	Particulars	Borrowers reasons	Banks reasons
1	Social class	1.300 (.275)	4.584 (.004)*
2	Education	1.882 (.133)	4.224 (.006)*
3	Percentage of mark	2.518 (.042)	1.594 (.176)
4	Type of institute	2.654 (.023)*	3.507 (.004)*
5	Place of Institute	1.473 (.231)	.567 (.568)
6	Course studied	1.543 (.190)	2.255 (.063)
7	Duration of Course	1.826 (.163)	1.523 (.220)
8	Present status	1.152 (.317)	2.457 (.087)
9	Parent Education	.811 (.519)	1.688 (.153)
10	Occupation of Parent	.856 (.491)	1.371 (.244)
11	Family Income	1.146 (.335)	.888 (.471)
12	Sources of family Income	1.570 (.182)	1.215 (.304)

Chi-square analysis is carried out with profile variable as one variable and reason for rejection of application based cluster as another variable. Now Analysis of variance is performed with loan variable as fixed factor variable and reason for rejecting loan application based factors as dependent variable. Chi-square analysis takes all reasons as one variable and in Anova two factors are taken. Table 10 shows results of analysis of variance test carried out between profile variable and reasons for rejecting loan application. Among the 12 profile variables, only three variables are having significant relationship. They are social status, education and type of institutions.

Table-11: Duncan table for Social Class and Education

Social Status	Bank reasons (Mean)	Education	Bank reasons (Mean)
SC	2.23 (I)	12th	2.34 (I)
General	2.43 (I)	10th	2.50 (I)
OBC	2.73 (I)	UG	2.64 (I)
MBC	2.77 (II)	PG	3.66 (II)

Post hoc Duncan analysis results reveal that MBC category students feel that the rejection of loan application due to bank reasons. The PG qualified respondents feel that rejection of loan application is mainly due to bank reasons because their mean score is 3.66 whereas others mean score is less than 3. Duncan analysis is performed only for bank reasons because Anova results show that different social class people and different qualification people differ only in bank reasons.

Table-12: Duncan table for Type of Institutions

Type of institution	Borrowers reasons (Mean)	Type of institution	Bank reasons (Mean)
State university	3.23 (I)	Government aided college	2.31 (I)
Government aided college	3.54 (II)	Private College	2.32 (I)
Private College	3.55 (II)	Government College	2.39 (I)

Government College	3.59 (II)	Deemed university	2.62 (I)
Central University	3.60 (II)	State university	2.65 (I)
Deemed university	3.73 (II)	Central University	3.07 (II)

Analysis of variance shows that people who have studied from different educational institutions differ on both borrower's reasons as well as bank reasons. People who have studied from private colleges and deemed universities feel that borrower's reason is the main reason for rejection of loan application. In the bank reasons central university people have high mean value which means they feel that bank reason is the important reason for rejection of loan application.

Table-13: Relationships between Profile Variable and Reasons for Rejecting Loan Application (Independent sample T-test)

S.No	Particulars	Borrowers reasons	Banks reasons
1	Gender	1.334 (.739)	-.287 (.774)
2	Age	1.777 (.077)	1.046 (.296)
3	Hostel	.730 (.466)	1.947 (.052)

Table 13 shows the independent sample t-test results, the values within the brackets are significant values; the value outside the bracket is the t-value. The value indicates that none of the variables have any significant relationship with reasons for rejecting educational loan applications. This means that female and male do not significantly differ in reason for rejection of loan application.

Relationship between Loan Variables and the Reasons for Rejecting Loan Application

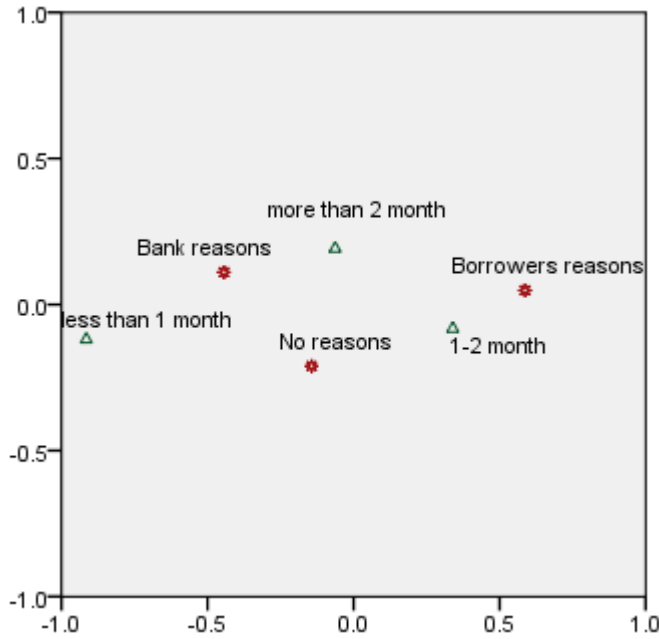
This study analyses the relationship between loan variables and reasons for rejection of loan applications. For this purpose chi-square, analysis of variance and independent sample t-test is used.

Table 14: Relationships between Loan Variable and Reasons for Rejecting Educational Loan Application

S.No	Particulars	Chi-square	D.F	Sig
1	Bank branches	5.543	8	.654
2	Name of the bank	20.297	20	.439
3	Total loan applied	12.094	8	.147
4	Total amount Sanctioned	10.327	8	.243
5	Interest rate	8.501	8	.386
6	Margin paid	4.229	8	.836
7	Collateral security	1.353	2	.508
8	Surety	7.448	8	.489
9	Year availing loan	13.813	8	.087
10	Recommendation	6.374	2	.041*
11	Getting the total amount	7.086	2	.029*
12	Education expenditure	12.315	2	.002*
13	Sanctioning time	12.055	4	.017*
14	Disbursement time	23.867	4	.000*
15	Eligible for scholarship	4.048	2	.132
16	Repayment started period	13.993	6	.030*
17	Portion completed repayment	39.113	16	.001*
18	Repayment person	3.916	6	.688
19	Level of satisfaction	9.044	8	.339
20	Overall perception	19.925	8	.011*

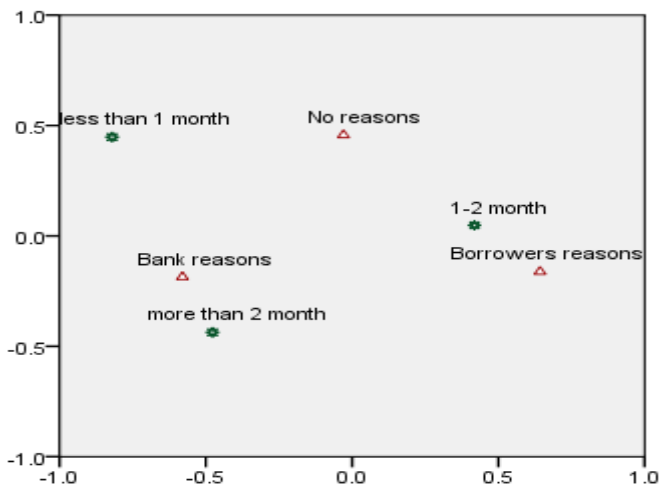
Chi-square test indicates the association between loan variables such as recommendation, getting the total amount, education expenditure, loan sanctioning time, disbursement time, and repayment started period, portion of completed repayment and overall perception of awareness of educational loan borrowers and reasons for rejection of educational loan application borrowers at 5 percent level of significance.

Figure 4: Correspondence diagram for Loan Sanctioning Time and Reasons for Rejecting Loan Application



The correspondence diagram explains the association between loan sanctioning time and reasons for rejecting educational loan application. The borrowers getting loan sanctioned time within 1 month are associated with bank reasons. Borrowers who are getting loan sanctioned with 1-2 months are associated with borrower's reasons and more than 2 months borrowers are associated with no reason.

Figure 5: Correspondence diagram for Loan Disbursement Time and Reasons for Rejecting Loan Application



The correspondence diagram explains association between the borrowers loan disbursement time with reasons for rejected educational loan application. Borrowers in more than two month loan disbursement borrowers are associated with bank reasons. Followed by 1-2 month respondent are closely associated with borrower's reasons and less than one month respondent are associated with no reasons cluster.

Figure-6: Correspondence diagram for Portion of Loan Repaid Reasons for Rejecting Loan Application

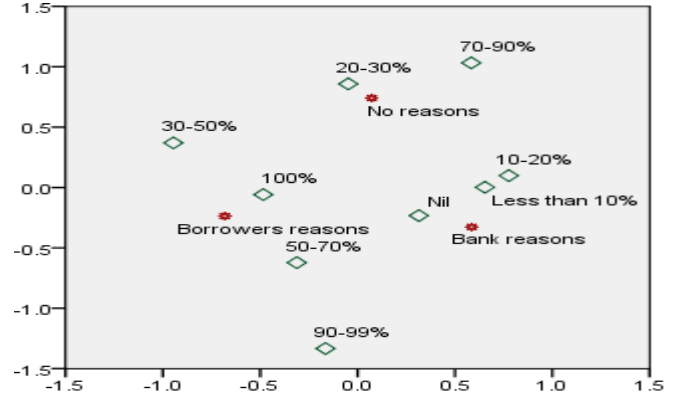


Diagram 6 explains that those borrowers who have repaid less than 10% and 10% to 20% have perception that loan application is rejected due to bank reasons. Similarly, those borrowers who have repaid 50%-70%, and 100% are associated with the borrower's reasons

Figure 7: Correspondence diagram awareness and reasons for Rejecting Educational Loan Application

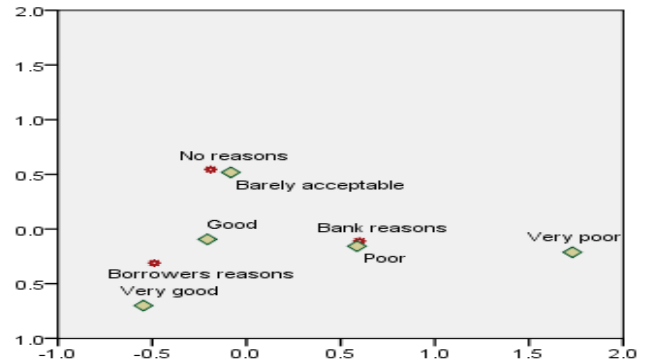


Diagram 7 explains that those borrowers with good and very good level of awareness about educational loan are closely associated with the borrower's reasons; similarly, borrowers with poor and very poor reasons are associated with bank reasons. If the people have more and more awareness then they may know what to do and what not to do.

Table 15: Relationships between Loan Variable and Reasons for Rejecting Loan Application (ANOVA)

S.No	Particulars	Borrowers reasons	Banks reasons
1	Bank branches	1.447 (.229)	2.933 (.034)*
2	Name of the bank	.339 (.971)	2.749 (.003)*
3	Total loan applied	2.386 (.051)	1.583 (.179)
4	Amount Sanctioned	2.246 (.064)	1.545 (.189)
5	Interest rate	.966 (.426)	.388 (.817)
6	Surety	.400 (.809)	1.033 (.390)

7	Year availing loan	1.076 (.368)	1.846 (.120)
8	Sanctioning time	5.731 (.004)*	3.484 (.032)*
9	Disbursement time	5.898 (.003)*	6.800 (.001)*
10	Repayment period	.128 (.880)	7.898 (.000)*
11	Portion completed	3.325 (.001)*	3.229 (.002)*
12	Repayment person	.080 (.971)	1.954 (.121)
13	Level of satisfaction	1.408 (.231)	2.395 (.051)
14	Overall perception	3.887 (.004)*	4.774 (.001)*

ANOVA test is done to test the relationship between loan variables and the reasons for banks rejecting educational loan applications. Among the 14 loan variables, only six variables such as bank branches, name of the banks, loan sanctioning time, disbursement time, portion of loan repayment completed and borrowers perception of educational loan awareness are significantly related with the reason banks rejected educational loan applications.

Table-16: Duncan table for Name of the Banks

Name of the bank	Banks reasons	
	1	2
Laksmi vilas	2.0370	
HDFC	2.0833	
Central bank	2.0833	
IOB	2.3077	
City union bank	2.3333	
SBI	2.3568	
Canara bank	2.5000	
Others		2.6250
ICICI		2.6667
Karur vysya		2.9167
Indian bank		2.9536

The Duncan table 16 shows that bank wise borrowers have more reasons for banks rejected for educational loan application to borrowers.

Table-17: Duncan table for Loan Sanctioning time

Sanctioning time	Borrowers reasons (Mean)	Sanctioning time	Bank reasons (Mean)
Less than 1 month	3.36 (I)	1-2 month	2.37 (I)
1-2 month	3.50 (I)	More than 2 month	2.61 (I)
More than 2 month	3.71 (II)	Less than 1 month	2.77 (II)

Table 17 shows the post-hoc Duncan analysis results examining the relationship between educational loan sanctioning time and reasons for banks rejected educational loan application. From the results it observed that borrowers in the more than 2 month loan sanctioning borrowers have more reasons for rejected applications from the borrower's reasons. However, borrowers in the less than one month sanctioning educational loan borrowers have reasons for rejected applications from banks reasons.

Table-18: Duncan table for Portion of Loan Repaid

Portions of completed repayment	Borrowers reasons (Mean)	Portions of completed repayment	Bank reasons (Mean)
70-90%	3.12 (I)	30-50%	2.01 (I)
20-30%	3.15 (I)	20-30%	2.20 (I)
30-50%	3.41 (I)	70-90%	2.29 (I)

10-20%	3.47 (I)	100%	2.34 (I)
Nil	3.56 (I)	50-70%	2.56 (I)
Less than 10%	3.66 (II)	Nil	2.65 (I)
50-70%	3.72 (II)	90-99%	2.66 (I)
100%	3.74 (II)	Less than 10%	2.92 (II)
90-99%	3.75 (II)	10-20%	2.94 (II)

Duncan post hoc results reveal that borrowers who have repaid less than 10% and more than 90% feel that educational loan applications are rejected mainly due to borrower's reasons. The borrowers who have repaid less than 20% feel that banks are rejecting their loan application reasons because of bank reasons. The people who repaid less have more and more reasons for rejection of loan application.

Table-19: Duncan Table for Level of Awareness

Perception about level of awareness	Borrowers reasons (Mean)	Perception about level of awareness	Bank reasons (Mean)
Very good	3.34 (I)	Very good	2.26 (I)
Good	3.48 (I)	Barely acceptable	2.40 (I)
Barely acceptable	3.52 (I)	Good	2.42 (I)
Poor	3.81 (II)	Poor	2.92 (II)
Very poor	3.89 (III)	Very poor	3.30 (III)

Table 19 shows that borrowers with a very poor level of awareness have high mean score for both borrows reasons and bank reasons. This means that they feel borrowers' reasons and banks reasons are reasons for banks rejecting educational loan application. Hence it can be stated that less awareness people have more and more problems.

Table-20: Relationships between Loan Variable and Reasons for Rejecting Educational Loan Application (Independent sample T-test)

S.No	Particulars	Borrowers reasons	Banks reasons
1	Margin paid	.987 (.324)	.699 (.485)
2	Collateral security	1.390 (.165)	-.154 (.878)
3	Recommendation	1.061 (.289)	1.832 (.068)
4	Getting total amount	.995 (.321)	.762 (.446)
5	Education expenditure	3.905 (.000)*	.660 (.510)
6	Scholarship	1.248 (.213)	.791 (.429)

Independent sample t-test shows that only one loan variable such as education expenditure is significantly associated with the reasons for banks rejecting educational loan applications at 5 percent level of significance.

Factors Influencing Reasons for Rejecting Educational Loan Applications

The chi-square analysis reveals that nature of institute, type of institute, course studied, recommendation, getting the total amount, education expenditure, sanctioning time, disbursement time, repayment started period, portion of completed repayment and overall perception of awareness are having significant association with reasons for rejecting educational loan applications. Now there is necessity to find out the order of influence of those variables. For this purpose canonical correlation is used. Canonical correlation is the examination of the relationship between two sets of variables. The first set contains two variables which are extracted from factor analysis such as borrower's reasons and banks reasons. The second contains the significant chi-square variables such as social class, education, type of

institution, loan sanctioning time, disbursement time, name of the banks and overall perception. In order to know the set relationship between the two set of variables, the Canonical Correlation is used.

Table-21: Canonical Correlation for Reasons for Banks Rejecting Educational Loan Application

Linear combinations for canonical correlations				Number of obs = 300		
	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
u1						
Borrowersr~s	.6291933	.2663925	2.36	0.019	.1049515	1.153435
Bankreasons	.7677869	.1702782	4.51	0.000	.4326914	1.102882
v1						
Socialclass	-.0343974	.1970911	-0.17	0.862	-.4222587	.353464
Education	.8791916	.317872	2.77	0.006	.2536418	1.504741
Typeofinst~n	-.1638258	.0969212	-1.69	0.092	-.3545599	.0269083
Sanctionti~e	-.2915094	.3187955	-0.91	0.361	-.9188766	.3358578
Disburseme~e	.4254916	.3347795	1.27	0.205	-.2333308	1.084314
Nameofbanks	-.0536407	.0551713	-0.97	0.332	-.162214	.0549326
overallper~n	.6925395	.1860359	3.72	0.000	.326434	1.058645
u2						
Borrowersr~s	1.465331	.3619793	4.05	0.000	.7529811	2.177681
Bankreasons	-.6704822	.2313772	-2.90	0.004	-1.125816	-.2151481
v2						
Socialclass	.4637573	.2678111	1.73	0.084	-.0632761	.9907906
Education	-.2746674	.4319306	-0.64	0.525	-1.124676	.5753416
Typeofinst~n	.2305092	.1316984	1.75	0.081	-.0286639	.4896823
Sanctionti~e	.9295371	.4331854	2.15	0.033	.0770587	1.782016
Disburseme~e	.3164734	.4549047	0.70	0.487	-.578747	1.211694
Nameofbanks	-.0113133	.0749678	-0.15	0.880	-.1588448	.1362181
overallper~n	-.0417377	.2527891	-0.17	0.869	-.5392088	.4557334

(Standard errors estimated conditionally)

Canonical correlations:
0.3281 0.2477

Tests of significance of all canonical correlations

	Statistic	df1	df2	F	Prob>F
wilks' lambda	.837596	14	582	3.8518	0.0000 e
Pillai's trace	.169008	14	584	3.8504	0.0000 a
Lawley-Hotelling trace	.186007	14	580	3.8530	0.0000 a
Roy's largest root	.120659	7	292	5.0332	0.0000 u

e = exact, a = approximate, u = upper bound on F

The canonical correlation analysis reveals that the people differ in the bank as reasons for rejecting educational loan applications because of difference in borrower's education, level of awareness. The difference in borrower's reasons is due to loan sanctioning time. Hence it can be concluded that difference in perception on reasons for rejecting loan application is influenced by their education and level of awareness of borrowers.

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Predictors of Work-Family Conflict & Family-Work Conflict: An Exploratory Study among Officers of Defense Manufacturing Companies in India

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ABSTRACT

Work-Family conflict (WFC) occurs when work-role activities interfere with family responsibilities and family-work conflict (FWC) occurs when family-role responsibilities impacts performance at work. The purpose of the paper is to explore how work demands like impact the family domain and home demands like impact work domain. The role of support type in the form of spousal support and self-management in the relationship between work demands and work-family conflict was also investigated. The study is carried out in a different sector – defense Central Public Sector Enterprises (CPSEs) as limited study has been conducted in this sector. The sample was comprised of 338 respondents from three public defense manufacturing companies and all of them were officers at various levels. The research instrument was a questionnaire comprising of five parts. The variables were measured under four categories – work demands, self-management, individual use of company support policies and work-family conflict & family-work conflict. The findings showed that work demands, self-management, number of dependents and total experience were significant predictors of work-family conflict. Multiple regression analysis showed that support type in the form of spousal support and self-management did not show any moderator or mediator effect between work demands and work-family conflict.

1.0 Introduction

Traditionally balancing of work and family roles was focused on conflicts or interference between these roles (Eby et al, 2005). The mutual interference of work and family domains has been identified as one of the major stressors in the workplace. Work-family conflict occurs when pressures from the work and family domains are mutually incompatible in some respect (Greenhaus and Beutell, 1985). Different types of stress models have been studied that have negative impact on both work and family outcomes like work stressors (eg. no. of hours worked, work deadlines), non-work stressors (eg. no. of dependent children/ dependent parents, strain in marital relationships) and

interaction between work and family (eg. inter-role conflict), (Greenhaus and Parasuraman, 1986; Frone, Yardley and Markel, 1997). Work constraints may force employee to work longer and harder to make up for inadequate supply of work resources like information, training, manpower and equipment, thus augmenting work-family conflict (Lu et al., 2010).

Thus Greenhaus and Beutell, (1985) defined work-family conflict as “A form of interrole conflict in which the role pressures from the work and family domains are mutually incompatible in some respect” and divided work-family conflict into three categories: time-based, strain based and behavior based. Literature is enriched by Gutek et al. (1991); Frone, Russell & Cooper (1992), who stated that work-family conflict is bidirectional and found that work stress increased work-to-family conflict, while family stress increased family-to-work conflict. Both work-to-family conflict and family-to-work conflict contributes to stress for employees. Rothbard (2001) reported that participating in multiple roles can be detrimental and working parents and dual family earners are negatively affected by simultaneously handling work and family roles. Grant-Vallone and Donaldson (2001) stated that work-family conflict is not restricted to employees with traditional

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responsibilities but extends to higher level positions and employees with all types of family circumstances experience high levels of work-family conflict.

Combining work and family is the major challenge for the current generation of workers today (Halpern, 2005). This has given rise to different types of work-family conflicts: "Work – Family Conflict" (WFC) and "Family – Work Conflict", (FWC) (Frone, Yardley and Markel, 1997; Netemeyer et al., 1996; Byron, 2005). Work-Family Conflict (WFC) occurs when work-role activities interfere with family responsibilities (e.g. long working hours interfering with home roles). Family-Work Conflict (FWC) occurs when family-role responsibilities impacts performance at work (e.g. attending a sick child on a busy work day). Although many researchers have recognised the bidirectional influences and have assigned similar processes to family-work conflict, but the greatest amount of focus has been given to work-family conflict (Eby et al., 2005).

This study is designed to investigate the presence of work-family conflict and family-work conflict among officers of defense manufacturing companies in Bangalore and the variables associated with them. The aim of the study is to examine the common predictors of WFC and FWC in a different occupational setting – public defense CPUs. The study will also examine the moderating or mediating role of support type (Spousal support and self-management) in the relationship between work demands and work-family conflict.

Need of the study: The majority of research on work-family conflict has been conducted on various occupational sectors like IT/ITES, BPOs, healthcare, academics, banking and finance. But very few studies on work-family conflict have been conducted on defense sector in India. In India there is a general perception among people that employees of defense CPSEs, state and central government usually have balanced life. But results of this study shows that even in CPSE, officers work for longer hours, face tight deadlines, weekend work, work pressures etc. The study also aims to find whether spousal support and self-management moderates the relationship between work demands and work-family conflict. In literature the beneficial nature of spousal support and self-management is studied as separate entities but not as a moderator or mediator. Also stringent security guidelines in these companies impart a very different paradigm for any researcher to conduct a survey investigating the work life of employees of defense CPSEs.

Theoretical Background and Hypothesis

Variables predicting WFC/FWC

Several variables will be related to WFC and FWC as per the model proposed like: work demands, total experience, marital status, age and number of children, number of dependents and individual use of company support policies. Literature provides evidence that experience of work-family conflict is more prevalent than family-work conflict (Pleck, 1977; Greenhaus and Beutell, 1985; Gutek et al., 1991). As per Pleck (1977), work is permitted to interfere with family domain to a greater degree than family is allowed to interfere with work domain. Based on this motive, the present study aims to study work-family conflict among officers of defense manufacturing companies in Bangalore.

H1: Work-family conflict (WFC) is more prevalent than Family-work conflict (FWC) among the officers.

Work demands. Literature has confirmed negative impact of work-stressors like no. of hours worked, work deadlines and overload on both work and non-work domains (Greenhaus and Parasuraman,

1986; Frone, Yardley and Markel, 1997). Work demands are the strongest predictor of work-family conflict and are an important factor in exacerbating WFC. Research showed that work demands like number of hours worked per week, work overload, work schedule and overtime work were positively related to WFC (Burke and Greenglass, 1999; Voydanoff, 1988; Duxbury and Higgins, 2003; Hammer, et al., 2005; Yildirim and Aycan, 2008). Work constraints may force employee to work for longer, irregular hours and harder to make up for inadequate supply of work resources like information, training, manpower and equipment, thus augmenting work-family conflict (Lu et al., 2010). Working for longer hours, weekends and holidays restricts the time that an individual has allotted for fulfilling family responsibilities. In the current study, the researcher is expecting that higher work demands in the form of longer work hours per week and working on weekends/holidays would be associated with higher work-family conflict among the officers.

H1a: A higher level of work demands will be positively related to WFC.

Total experience. With experience a person acquire skills and strategies to cope with the conflicting demands. Experience in job helps to juggle effectively between work and home demands (Cohen and Liani, 2009).

H1b: Total experience in job will be related to WFC. Longer experience will reduce WFC.

Marital status. Literature provide evidence that work demands can undermine marital quality and family responsibilities can undermine job satisfaction (Frone, Russell & Cooper, 1992; Parasuraman et al., 1996). A study conducted by Byron (2005), Yildirim and Aycan, (2008); Mjoli et al. (2013) revealed that marital status is weakly related to work interference with family (WIF) and family interference with work (FIW), thereby suggesting that marital status alone is poor predictor of work-family conflict. A study conducted by Cohen and Liani (2009) on female employees of hospitals found that marital status is not related to any of the conflict variables, thereby concluding that being married does not automatically add to more work demands. Moreover marital status and quality is an important buffer for work-related stress, especially for men because of more resources to draw upon i.e., spouse and more financial resources (Barnett, Marshall, and Pleck, 1992; Grzywacz and Marks, 1999; Grandey and Cropanzano, 1999 and O'Neil and Greenberger, 1994).

H1c: Being married will be related to higher levels of FWC.

Age and number of children. Parental role is the most demanding non-work role demanding commitment and time (Gutek et al., 1991). Age of the oldest child is an important predictor of the work-family experience (Voydanoff, 1988). Young, dependent and number of children still living at home (in contrast to having no children) is the primary determinant of work-family conflict for working parents (Lewis and Cooper, 1998; Lundberg, Mardberg and Frankenhaeuser, 1994; Grzywacz and Marks, 1999; Quick et al., 2004; Cinamon and Rich, 2002; Eby et al., 2005; Cohen and Liani, 2009; Mjoli et al., 2013). Moreover Mjoli et al. (2013) found that parents with children under the age of six had the highest levels of work-family conflict, followed by parents with school-age children. The number of children living at home increases the difficulty of meeting work and family demands and therefore decreases satisfaction with work-family balance (Grandey and Cropanzano, 1999; Valcour, 2007). Those who are having more children under 18 have to devote more time to family rather than career success. Thus, Goff, Mount and Jamison (1990) advocate that supportive supervision and satisfaction with child care

arrangements (regardless of location) result in less work-family conflict.

H1di – Children under the age of 5 will be related to higher levels of FWC.

H1dii – Number of children will be related to higher levels of FWC.

Number of dependents. There are basically three groups of dependents – children, adults with disabilities and elders. Home demands like lack of spousal support and presence of dependents in the family exacerbate work-family conflict and family-work conflict. Literature has confirmed that with the increase in family size and complexity with children/ elders or with sick children/elders, the work-family conflict increases (Quick et al., 2004). People who are single and those with smaller families and/or with grown children experience less work – family tensions than those who are married, have larger families and young children or elder care. Increase in the number of children or elderly persons lead to more competition for resources at home in the form of medical care and financial security (Preston, 1984).

H1e: Number of dependents will be related to higher levels of FWC.

Individual use of company support policies. There are various types of family-friendly workplace supports provided by the organizations. Neal et al. (1993) categorizes family-friendly workplace supports into three types – policies (e.g. flexi time, job sharing), services (e.g. resources and information about dependent care and benefits (e.g. childcare care options). For an employee these family-friendly supports are meant to mitigate the difficulty faced in balancing multiple life roles. Only mere implementation of workplace support policies is not important, but its actual utilization is important. Though literature has confirmed that use of such supports by the employees will be associated with reduced work-family conflict and improved balance (Kossek and Ozeki, 1998; Thomas and Ganster, 1995; Allen, 2001), little research has been carried to examine this relationship.

Only a few studies have studied the impact of actual utilization of workplace supports on work-family conflict (Kossek and Ozeki, 1999; Hammer et al., 2005). Hammer et al. (2005), in their study focused on impact of variety of supports like alternative work arrangements and dependent care supports on individual's work-family conflict. In the light of literature, the present study focus on utilization of only alternative work schedules by the employees. It is expected that use of alternative work schedules will reduce work-family conflict.

H1f: Individual utilization of company support policies will be related to lower levels of WFC and FWC.

Support type. Every person do not face work demands, family obligations and conflict to the same extent. This implies that there are factors moderating the effects of work demands and work-family conflict. Among various factors, the most important factor that is widely studied is social support. Social support is defined as information leading the subject to believe that he is cared for and loved, esteemed, and a member of a network of mutual obligations (Cobb, 1976). There are four sources of social support: spouse, relatives and friends, organisation and colleagues. Social support emanating from work-related sources plays an important role in reducing occupational stress than does non-work related sources (Daalen, Willemsen and

Sanders, 2006). Among non-work related sources the prominent social support comes from family members and family members provide both emotional and instrumental support to individuals outside work environment. As per the 'buffering hypothesis proposed by Cohen and Wills (1985), social support has been treated as a buffer between life stress and wellbeing (Cobb, 1976). In the light of literature, the current study takes the same theoretical concept and proposes that social support in the form of spousal support would moderate the relationship between work demands and work-family conflict.

The present study considers spousal support as an important component of social support. Spousal support is defined as the help, advice, mutual understanding that spouses give each other. There are two components of spousal support – emotional and instrumental (Frone, Yardley and Markel, 1997). Emotional support is emphatic understanding, concern, advice, and affection for well-being of partner whereas instrumental support from the partner deals with household chores, child or elderly care (Adams, King and King, 1996; Frone, Yardley and Markel, 1997). Instrumental support mitigates an individual with family responsibilities and enables to devote more time to work. Other researchers opined that spousal support is associated with management of work-family conflict (Adams, King and King, 1996; Perrewe and Hochwater, 1999; Aryee et al., 1999, Burke and Greenglass, 1999; Aycan and Eskin, 2005).

The present study focuses on instrumental support from the spouse as a major moderator. Studies have found that spousal support was an important component of social support and was effective in lowering levels of WFC (Burke and Greenglass, 1999; Anderson, Coffey and Byerly, 2002). If a person gets support from spouse at home after a hectic day at office, then a person can balance work and family more easily. The importance of spousal support is given adequate emphasis in literature and it is surely going to help employees in a large way.

Many researchers have tried to link work-family conflict with health outcomes. The moderator role of exercise and leisure activities between work demands and work-family conflict has been neglected in literature. Allen and Armstrong (2006) studied the relationship between both directions of work-family conflict – WIF and FIW with health related behaviors like physical activity and diet. Research shows that people who exercise regularly experience less health problems and psychosomatic symptoms than those who do not exercise (Burke, 1994; Ensel and Lin, 2004). Despite importance of exercise in one's life, individual shouldering work and family roles restrict exercise (Allen and Armstrong, 2006)

Exercise is considered one of the elements of leisure activities and is often neglected by individuals with both work and non-work roles (Nomaguchi and Bianchi, 2004). Person's overall quality of life is determined by sum of the domains of life – work, family, community, religion or leisure (Rice, Frone and McFarlin, 1992). People often report work schedules and excessive amount of work, time constraints and tiredness to interfere with leisure activities (Staines and Connor, 1980; Rice, Frone and McFarlin, 1992). The role

H1g: Support type in the form of spousal support and self-management act as a moderator between work demands and work-family conflict.

The conceptual framework including all the study variables is presented in Fig. 1.

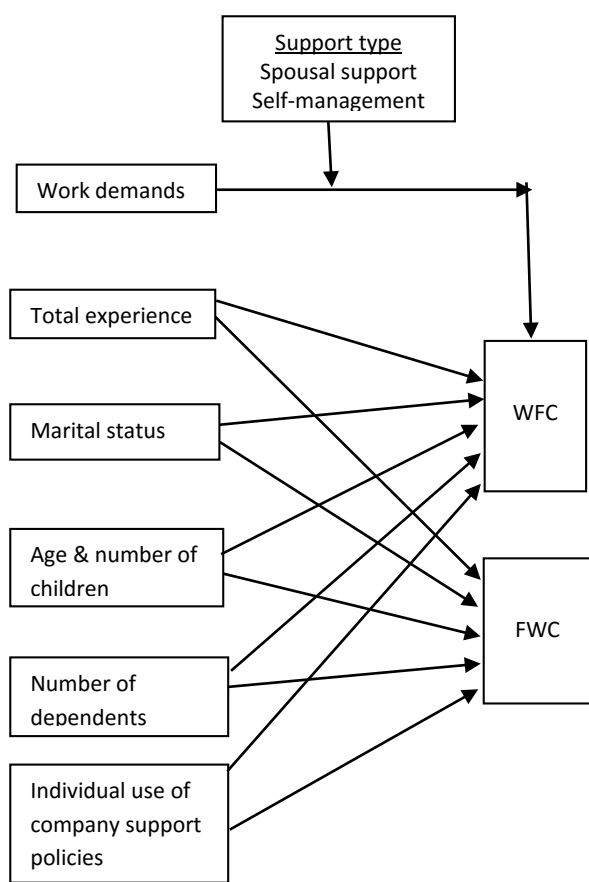


Figure. 1 Proposed conceptual model of the study

Work demands include number of hours worked per week, working on weekends/holidays, partner’s employment and length and time of commuting and are expected to be related to work-family conflict. Other variables that are expected to be associated with WFC and FWC are total experience, marital status, age and number of children, number of dependents and individual use of company support policies. It is also proposed that spousal support and self-management moderates the relationship between work demands and work-family conflict. It is expected that officers who experience higher levels of work demands will face less work-family conflict when they receive support from their spouses and are involved in self-management.

Research Methodology

Participants and procedures

The sample comprised of 338 officers. The demographic profile of the respondents has been listed in table 1.

Table-1: Demographic Profile of the Respondents

S.No.	Profile	Sub Profile	Nos. (N)	%
1	Company	BEML	57	16.9
		BEL	219	64.8
		HAL	62	18.3
2	Gender	Male	286	84.6
		Female	52	15.4
3	Age	20 to 29	110	32.5
		30 to 39	143	42.3

		40 to 49	54	16
		More than 50	31	9.2
4	Managerial Level	Junior	134	39.6
		Middle	173	51.2
		Senior	30	8.9
		Top	1	0.3
5	Marital Status	Single	93	27.5
		Married	245	72.5
6	Education	BE/B. Tech.	253	74.9
		ME/M.Tech/MS/MBA	47	13.9
		Diploma	19	5.6
		MSW	7	2.1
		Others	12	3.6
7	Total Experience	0 to 09	197	58.3
		10 to 19	79	23.4
		20 to 29	55	16.3
		More than 30	7	2.1
8	Partner’s Employment	Yes	85	34.7
		No	160	65.3
9	No. of Children	0	58	23.7
		1	105	42.9
		2	80	32.7
		3	2	0.8
10	Children’s age	Less than/equal to 5	105	56.2
		More than 5	82	43.8
11	No. of dependents	1	68	24.3
		2	111	39.6
		3	66	23.6
		4	28	10.0
		5	6	2.1
		6	1	0.4

The data for this study were collected during February 2013 to June 2014 from officers working full time in manufacturing unit of three public defense manufacturing CPSE at Bangalore. The sample respondents were selected by using systematic random sampling. Two days in a week i.e. Friday and Saturday was dedicated to collect the data in a phased manner. 634 nos. of officers were working in the manufacturing complex of public defense CPSE at Bangalore. Out of 635 questionnaires distributed, 370 were returned, yielding a response rate of 58%. Among the returned questionnaires 32 of them were discarded due to excessive missing data.

Measures

The research instruments comprised of five parts. The first part consists of questions pertaining to demography of respondents like gender, age, managerial level, total experience, marital status, partner’s employment, number and age of children, number of dependents and education.

Demographic variables under study: Total experience was measured by the actual years. Marital status was measured as a dichotomous variable (0 = single, 1 = married). Partner’s employment was measured as (0 = employed, 1 = not employed). The variable of age of children was measured by actual years and number of children was measured by actual number of children. Number of dependents was measured by actual number of dependents.

WFC/FWC: Data was collected using WFC and FWC scales developed by Netemeyer, et al., (1996). It is a 10 – item scale with 5 items each under WFC and FWC scales. The instructions that preceded

these items are as follows: “The given sets of questions are about your work and non-work lives. The word ‘Family’ may include your spouse, children, parents, siblings, grandparents, in-laws or any combination of these”. All items were measured using a 7-point Likert scale, with 1 meaning strongly disagree and 7 meaning strongly agree. Higher score mean more conflict.

Work demands: Work hours – The total number of hours worked per week was assessed through one question: “How many hours in a week do you normally work?”. This variable was measured on a scale: 1 = >60, 2 = 56 – 60, 3 = 51 – 55, 4 = 46 – 50 and 5 = <45.

Working on weekends/holidays: This variable was assessed through one question: “Do you work on weekends/holidays?”. There were three options to choose from: 3 = No, 0 = Yes and 1 = Sometimes.

Carrying work to home: This variable was assessed through one question: “Do you carry office related work at home?”. There were two options to choose from 3 = No, 0 = Yes and 1 = Sometimes.

Length and time of commuting: Two questions were designed to assess commuting of respondents. The questions were “How far do you stay from your organization’s premises?”. This variable was measured on a scale: 1 = More than 20, 2 = 16 – 20, 3 = 11 – 15, 4 = 6 – 10 and 5 = 0 – 5. The other question was “How many hours per day do you spend on commuting (To and fro)?”. This variable was

measured on a scale: 1 = others, 2 = 91 – 120 min, 3 = 61 – 90 min, 4 = 31 – 60 min and 5 = 0 – 30 min.

Individual use of company support policies: Two questions were designed to assess this variable. The questions were “Does your company take any measures to balance work life?. This question has two options a) Yes & b) No.

The other question was “Do you utilize measures taken by your company to balance work and family?”. There were two options to choose from 3 = Yes, 0 = No.

Support type: There are two types of supports:-

Spousal support: One question was designed to assess the spousal support. The question was “Does your spouse help you in household chores/ child or elderly care?”. There were two options to choose from 3 = Yes, 0 = No.

Self-management: Two questions were designed to assess this variable. “Do you exercise?. There were three options to choose from: 3 = Yes, 0 = No and 1 = Sometimes and “Are you involved in any leisure activities?”. There were two options to choose from 3 = Yes, 0 = No.

Results

Table 2 & 3 presents descriptive statistics and intercorrelations among all respective study variables.

Table-2: Mean Score, Standard Deviation and Intercorrelations of Measures

Variable	M	SD	Self-Mgmt.	IUOCSP	Work demands	Total exp.	No. of dependents	WFC
Self-Mgmt.	3.66	2.00						
IUOCSP	1.28	1.48	0.037					
Work Demands	15.85	3.22	0.097	-0.041				
Total exp.	10.84	8.07	0.046	0.032	-0.139*			
No. of dependents	1.88	1.26	-0.096	0.015	-0.051	0.412**		
WFC	20.49	7.83	-0.197**	-0.043	-0.319**	0.141**	0.150**	
FWC	13.47	6.14	-0.064	0.080	-0.148**	-0.017	0.137*	0.458**

Note: IUOCSP-Individual Use of company support policies, M-Mean Score, SD-Standard Deviation, N-Sample size, *p<0.05, **p<0.01

Table-3: Intercorrelations among WFC, FWC and Variables Related to Married Respondents

Factors	No. of children	Age of youngest child	Spousal support	WFC
Age of youngest child	0.000*			
Spousal support	0.024*	0.003*		
WFC	0.068	0.411	0.148	
FWC	0.728	0.032*	0.693	0.000*

Cell Contents: Pearson correlation P-Value, Note: * P < .05

The correlation matrix showed some significant relationship between WFC/FWC and study variables. Work demands were strongly related to both WFC and FWC, thus supporting hypothesis *H1a*. Total experience was positively related to WFC but not related to FWC, thus contradicting previous findings. The result of *H1b*, showed that as experience in job increases, WFC also increases. This finding of *H1b* was not expected in this study. *H1c*, which expected that being married would increase the levels of FWC, was not supported by the data. Instead FWC did not depend on marital status, as evident from table 4 a, b and 5 a, b.

Table-4a: 2t test for married officers

	N	Mean	Std. dev.	SE mean	t value	P value
WFC	245	21.30	7.6	0.49	11.99	0.000*
FWC	245	13.70	6.3	0.40		

Note: N – Sample Size, *P < .05

Table-4b: 2t test for single officers

	N	Mean	Std. dev.	SE mean	t value	P value
WFC	93	18.38	7.90	0.82	5.43	0.000*
FWC	93	12.88	5.73	0.59		

Note: N – Sample Size, *P < .05

Table-5a: 2t test for married WFC Vs single WFC.

	N	Mean	Std. dev.	SE mean	t value	P value
Married WFC	245	21.30	7.6	0.49	3.06	0.003*
Single WFC	93	18.38	7.9	0.82		

Note: N – Sample Size, WFC – Work Family Conflict, *P < .05

Table-5b: 2t test for married FWC Vs single FWC

	N	Mean	Std. dev.	SE mean	t value	P value
Married FWC	245	13.70	6.29	0.4	1.14	0.255
Single FWC	93	12.88	5.73	0.59		

Note: N – Sample Size, FWC – Family Work Conflict, *P < .05

Table-6: 2t test for WFC and FWC

	N	Mean	Std. dev.	SE mean	t value	P value
WFC	338	20.5	7.8	0.4	12.96	0.000*
FWC	338	13.5	6.1	0.3		

Note: N – Sample Size, WFC – Work Family Conflict, FWC – Family Work Conflict, *P < .05

In case of *H1c*, WFC was more significant among married officers than FWC. This means that work-role activities interfere with family responsibilities.

H1d, which expected that children under the age of 5 would increase the levels of FWC, was supported by the data. For *H1dii*, the data did not support hypothesis. The number of children is not related to either WFC or FWC that contradicts previous findings. *H1e*, which expected that number of dependents would increase the levels of FWC, was supported by the data. Number of dependents was positively related to both FWC and WFC i.e. as number of dependents increases both FWC and WFC increases.

H1f, which expected that individual utilization of company support policies will be related to lower levels of WFC and FWC, was not supported by the data. Individual utilization of company support policies was not related to either WFC or FWC. The moderating effect of support type between work demands and work-family conflict was not supported by the data, thus rejecting hypothesis *H1g*. Finally the main hypothesis – *H1*, which expected that Work-family conflict (WFC) is more prevalent than Family-work conflict (FWC) among the officers, is supported by the data. Table 4a, b; 5a and 6 provide evidence to this hypothesis.

While correlation analysis provided adequate support for the hypothesis, regression analysis is more suitable to quantify the dependent variables of the given hypothesis.

Regression Analysis: Work-Family Conflict versus Work Demands.

The regression equation is:

$$\text{Work Family Conflict} = 32.76 - 0.7736 \text{ Work Demands}$$

The regression analysis between work-family conflict and work demands in table 7 showed that these two variables are strongly related, thus supporting *H1a*.

Table 7: Regression Analysis: Work-Family Conflict versus Work Demands

Source	DF	SS	MS	F	P	R-Sq
Regression	1	2101.7	2101.70	38.03	0.000	10.2%
Error	336	18570.8	55.27			
Total	337	20672.5				

Regression Analysis: Work-Family Conflict versus Self-Management.

The regression equation is

$$\text{Work Family Conflict} = 23.31 - 0.7693 \text{ Self-Management}$$

Regression analysis in table 8 showed positive relationship between work-family conflict and self-management.

Table-8: Regression Analysis: Work-Family Conflict versus Self-Management

Source	DF	SS	MS	F	P	R-Sq
Regression	1	804.8	804.850	13.61	0.000	3.9%
Error	336	19867.6	59.130			
Total	337	20672.5				

Regression Analysis: Work Family Conflict versus Support type, Work Demands

Regression Equation.

$$\text{Work Family Conflict} = 33.74 - 0.422 \text{ Self-Management} - 0.682 \text{ Work Demands} - 0.0151 \text{ Self Management} * \text{Work Demands}$$

H1g, which expected that support type in the form of spousal support and self-management act as a moderator between work demands and work-family conflict, was not supported by the data as in table 9.

Table-9: Multiple Regression Analysis: Work Family Conflict versus Support type, Work Demands

Source	DF	Adi SS	Adi MS	F-Value	P-Value
Regression	3	2682.9	894.299	16.00	0.000
Self-Management	1	11.9	11.912	0.22	0.638
Work Demands	1	466.4	466.398	8.66	0.003
Self-Management* Work Demands	1	3.8	3.791	0.07	0.791
Error	334	17989.6	53.861		
Lack-of-Fit	65	3138.0	48.277	0.87	0.738
Pure Error	269	14851.6	55.210		
Total	337	20672.5			

Note: R-sq. - 12.98%

Spousal support was not related to either WFC or FWC as per correlation analysis. Self-management was related to WFC as per both correlation and regression analysis. But the role of support type as a moderator between work demands and work-family conflict was not supported by multiple simultaneous regression analysis. Thus buffering hypothesis, H1g was rejected by the data of study. Support type is not the moderator between work demand and WFC. Support type is not the moderator between work demand and WFC.

Discussion and Conclusion

The findings of the study supported the conclusion of Pleck, (1977); Greenhaus and Beutell, (1985) and Gutek et al., 1991 that experience of work-family conflict is more prevalent than family-work conflict among the officers. Work interference into family domain to a greater extent than family is allowed to interfere into work domain. The model tested here explained a significant amount of variance in the two conflict variables. The model explained that variance of WFC is more (61%) than the FWC (38%), supporting the distinctiveness of the two conflict variables in the study.

Other findings of the study are worth mentioning. Work demands in the form of hours worked per week, working on weekends/holidays, carrying work to home, length and time of commuting and partner's employment were the strongest predictor of work-family conflict and are an important factor in exacerbating WFC. In this study work demands were positively related to both WFC and FWC and confirmed the studies done by Burke and Greenglass, (1999); Voydanoff, (1988); Duxbury and Higgins, (2003); Hammer, et al., (2005); Yildirim and Aycan, (2008). As for the relationship between total experience and WFC, it seems that as experience in job increases, WFC also increases. This finding contradicts the findings of Cohen and Liani, (2009). This unexpected finding may be due to fact that experience add on more responsibilities and complexities to job.

With regard to home roles, being married was not associated with higher levels of FWC. Instead married officers were facing more WFC. That means work demands was interfering with family responsibilities for married respondents. Barnett, Marshall, and Pleck, 1992; Grzywacz and Marks, 1999; Grandey and Cropanzano, 1999 and O'Neil and Greenberger, 1994). Their finding concluded that marital quality is an important buffer work related stress due to more resources to draw upon. Children under the age of 5 were related to higher levels of FWC. This relationship support the contention that more time one spends in one role, the more likely he/she perceives the other role to interfere with the first (Byron, 2005; Pleck, 1977). This finding was in coherence with the findings of Quick et al., (2004); Cinamon and Rich, (2002); Eby et al., (2005); Mjoli et al. (2013). The lack of significant relationship between the number of children and FWC contradicted previous findings that there exists stronger relationship between the two. Grandey and Cropanzano, (1999); Valcour, (2007). Number of dependents is significantly related to both WFC and FWC. This signifies that increase in the number of children or elderly persons lead to more competition for resources at home.

The insignificant relationship of individual utilization of company support policies with either WFC or FWC contradicted previous findings that actual utilization of workplace supports reduces work-family conflict (Kossek and Ozeki, 1999; Hammer et al., 2005). This finding emanate from a study conducted among Israeli teachers that found no relationship between non-work organizational support and the two conflict variables (Cohen et al, 2007).

The present study hypothesized that support type would moderate the relationship between work demands and work-family conflict. However multiple regression analysis did not provide evidence to the

moderating effect of support type. Thus, buffering hypothesis was rejected by the data of this study. This finding echoed from another study conducted on nurses that found supervisory support to play no moderating role between work demands and work-family conflict (Yildirim and Aycan, (2008). Future research should examine the direct effect of support type on work-family conflict.

The study has some practical implications for human resource professionals. The findings showed that both work and non-work roles are more strongly related to WFC rather than FWC. It is necessary for employers to assist employees in coping better with pressures from work and family. It is inevitable to create positive attitudes among employees regarding their job and work environment, to reduce WFC and FWC. This strategy would be more effective than investing in support policies for coping with work and family pressures.

Limitations of Study

Finally limitations of this study need to be mentioned. First, the study is based on a sample from one occupation i.e. defense manufacturing consisting of officers working in three defense CPSEs in Bangalore. In these public sector enterprises, everybody is assigned to work for six days in a week for eight hours daily. Here employees get extra remuneration or leave benefits for working overtime, but officers are deprived of such benefits. Thus the findings cannot be generalized to other occupations or to private sector where people have different work settings and culture. Second, the female constitute a small percentage of the sample (15.4%). Thus, the study could not compare findings from gender point of view as the proportion of female was too low to have any comparison. Third, in India conducting research on defense PSUs is quite difficult due to security issues. These companies come under Ministry of defense and the data are kept very confidential. Even the employees working in these companies are restricted to carry laptops, pen drives and mobile phones inside the companies. Any external visiting or conducting research on these companies has to relinquish all electronic gadgets at the reception and all the documents are thoroughly checked on entering and leaving the premises.

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APPENDIX A

Questionnaire

Demographic Profile

1. **Name:** _____
2. **Company Name:** _____
3. **Gender:** Male Female
4. **Age:** _____
5. **Managerial level:**

<input type="checkbox"/> Junior Level	<input type="checkbox"/> Middle Level
<input type="checkbox"/> Senior Level	<input type="checkbox"/> Top Level
6. **Job title:** _____
7. **Total experience (In years)** _____
8. **Marital status:** Single Married
9. Is your partner employed? a) Yes b) No
10. **Have children:** Yes No
11. If yes, no. of children _____
12. Age of all children _____
13. **Number of dependents, if any** _____
14. **Education completed:** _____

APPENDIX-B

Work/family Balance Scale

For questions 1 – 10, give the responses by writing, ticking or circling/coloring the appropriate items.

Questions related to work

- 1) How many hours in a week do you normally work?

a) < 40	b) 46 – 50	c) 51 – 55
d) 56 – 60	e) > 60	
- 2) Do you work on weekends/holidays?

a) Yes	b) No	c) Sometimes
--------	-------	--------------
- 3) Do you carry office related work at home?

a) Yes	b) No.	c) Sometimes
--------	--------	--------------

Questions related to commuting

- 4) How far do you stay from your organization's premises? (Please answer in km)

a) 0 -5 b) 6 - 10 c) 11 – 15 a) Yes b) No

d) 16 – 20 e) More than 20

Questions Related to Support Type

5) How many hours per day do you spend on commuting (To and fro)?

a) 0 – 30 min b) 31 – 60 min c) 61–90 min

d) 91 – 120 min e) Others

8) Does your spouse help you in household chores/ child or elderly care?

a) Yes b) No

9) Do you exercise?

a) Yes b) No c) Sometimes

Questions related to individual use of company support policies

6) Does your company take any measures to balance work-family?

a) Yes b) No

10) Are you involved in any leisure activities?

a) Yes b) No

7) Do you utilize measures taken by your company to balance work and family?



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Locus of Control and Job Satisfaction among the Employees of a Shipyard

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ABSTRACT

Locus of control reflects the degree to which an individual believes that what happens to him or her is within his or her control, or beyond it. The present study was aimed at studying the relationship between locus of control and job satisfaction among the employees of a shipyard. A sample consisting of fifty five employees working in a shipyard participated in the study. Questionnaire method was used to gather primary data. By administering questionnaires locus of control and job satisfaction among the employees were assessed. The collected data were analysed with various statistical tools like Mean, Standard Deviation, ANOVA, Correlation, regression and t-test. Results indicated that there was a significant negative correlation between locus of control and job satisfaction. Approximately eighteen per cent of the variance in job satisfaction was explained by locus of control. There was a statistically significant difference between the mean job satisfaction score for internals and externals.

1. Introduction

Locus of control is a personality construct that reflects one's belief or perception about who controls life and the environment (Lefcourt, 1976). People with an internal locus of control believe that the outcomes of their actions are a result of their own personal efforts (Andrisani & Nestel, 1976), abilities (Carrim et al., 2006), or permanent characteristics (Littunen & Storhammar, 2000). They believe that hard work and personal abilities lead to positive outcomes (Carrim et al., 2006). These individuals interpret reinforcements they receive from their surroundings as contingent upon their own actions (Lee-Kelley, 2006).

People with an external locus of control believe that their own actions are dependent on factors outside their personal control (Landy & Contre, 2004). The consequences of behaviour are randomly administered, and are thought to be controlled by outside forces (Connolly, 1980). Rotter himself had suggested four types of beliefs in externals, which include: powerful others, luck or chance, fate, and a belief that the world is too complex to be predicted (Marks, 1998).

Externals are reluctant to change behaviour as they do not see it as a primary source for altering reinforcements (Marks, 1998). Even in the case of positive reinforcement, the credit may not be taken personally, but attributed to ease of task, luck or on a helpful hand by a powerful other (Hyatt & Prawitt, 2001).

Research studies indicate that when people perceive the locus of control to reside within themselves, they are not only more creative and productive but they also believe that their unique potential is being utilized. When individuals experience repeated failure, they either remove themselves from the context of failure by transferring to another job, leaving the company, or attributing failure to outside factors.

Several studies revealed the relationship between locus of control and various organisational variables. Lied and Pritchard (1976) found that internals are more motivated to work than externals are. Nair (1997) found a significant negative correlation between external locus of control and internal work motivation. Reitz and Jewell (1979) found that Locus of control was significantly related to job involvement, with internals showing more involvement. Anderson and Schneier (1978) found that internals were more likely to emerge as group leaders, and groups led by internals performed better than those led by externals. According to Spector (1982) internals attempt control in the following areas: work flow, task accomplishment, operating procedures, work assignments, relationships with supervisors and subordinates, working conditions, goal setting, work scheduling and organisational policy.

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Review of Literature

Jui-Chen Chen (2008) investigated the relationships between locus of control and job stress, job satisfaction and job performance in Taiwan. The sample consisted of accounting professionals. The results indicated that locus of control plays a major role in predicting the level of job satisfaction, stress and performance. Individuals with a higher internal locus of control tend to have lower levels of job stress and higher levels of job performance and satisfaction.

Singh, A. P. and Dubey (2011) conducted a study among managerial personnel working in private sector organizations to investigate the role of stress and locus of control on job satisfaction. Occupational Stress Index (OSI) (Srivastava and Singh, 1981), Social Reaction Inventory (Rotter, 1966), and S-D Employees' Inventory (Pestonjee, 1979) were used for the assessment of stress, locus of control, and satisfaction respectively. The results indicated that stress was significantly negatively correlated to satisfaction with management and total satisfaction and also Locus of control was significantly negatively correlated to satisfaction with management and total satisfaction.

Kurt A. April et al. (2012) investigated the impact of locus of control on the level of happiness of an individual. Participants were asked to fill in questionnaires to assess their locus of control and level of happiness. The results indicated that a maximum level of happiness is achieved by individuals with a balanced locus of control expectancy – a mix of internal and external locus of control, also known as 'bi-local expectancy'.

Arvind Hans et al. (2013) investigated the relationship between locus of control and level of job satisfaction among middle level managers working in semi-government organizations in Sultanate of Oman. Questionnaires were distributed to assess Locus of Control and Job Satisfaction. It was found that the managers were primarily driven by internal locus of control and most of the employees in the sector scored low in job satisfaction.

Suvarna Biradar, None (2014) examined the effect of locus of control of college teachers on their job satisfaction. One hundred and fifty teachers working in different colleges of Gulbarga city in Karnataka participated in the study. The results of the study revealed a significant relationship between locus of control and job satisfaction of college teachers.

Objective of the Study

The present study was aimed at studying the relationship between locus of control and job satisfaction among the employees of a shipyard.

Methodology

For the purpose of the study a survey design was used. This design is suitable to study the relationships between different variables. A convenience sample consisting of 55 employees working in a shipyard participated in the study. Structured Questionnaires were used to gather primary data. By administering questionnaires locus of control and job satisfaction among the employees were assessed. The data was analysed with various statistical tools like Mean, Standard Deviation, ANOVA, Correlation, regression and t-test.

Measures

Rotter's (1966) internal-external scale was administered to assess locus of control expectancy using 29 questions. Each question has two

options for the participant to choose from. One option expresses internal locus of control expectancy, and the other external locus. The participants were asked to choose the option which they more strongly believe in. One point was scored for each external option chosen by the participant. Thus, the higher the score, the more external the individual is regarded.

Minnesota Satisfaction Questionnaire (MSQ) Short Form was used to assess the level of job satisfaction among the employees. Responses were scored as follows: Very Dissatisfied = 1; Dissatisfied = 2; Neither Dissatisfied Nor Satisfied = 3; Satisfied = 4; Very Satisfied = 5.

Results and Discussion

This section presents the analysis of the data collected from the respondents. The collected data were analysed with Mean and Standard Deviation, ANOVA, Correlation and Regression tests.

Table-1: Demographic Characteristics of the Sample

Demographic factors	Classification	Number of Respondents	Percent
Age (in years)	20-30	12	21.8
	30-40	35	63.6
	40-50	8	14.5
Education	Graduate	28	50.9
	Postgraduate	14	25.5
	Diploma	13	23.6
Experience (in years)	Below 2	11	20.0
	2-5	13	23.6
	5-10	20	36.4
	Above 10	11	20.0
Income (in rupees)	20000 & Below	43	78.2
	Above 20000	12	21.8

Among the 55 respondents, 35 (63.6%) belong to 30-40 years age group; 28 (50.9%) are graduates; 20 (36.4%) belong to 5-10 years of experience group; and 43 (78.2%) belong to 20000 rupees and below income group.

Table-2: Mean and Standard Deviation of Research Variables in different Age Groups

Age (in Years)		Locus of Control	Job Satisfaction
20-30 (N=12)	Mean	11.83	45.92
	Std. Deviation	1.528	5.071
30-40 (N=35)	Mean	12.31	42.80
	Std. Deviation	1.997	4.999
40-50 (N=8)	Mean	13.12	40.88
	Std. Deviation	1.553	4.549
Total (N=55)	Mean	12.33	43.20
	Std. Deviation	1.856	5.119

A higher level of locus of control score (Mean=13.12) and a lower level of job satisfaction (Mean=40.88) was observed among the 40-50 years age group. A lower level of locus of control score (Mean=11.83) and a higher level of job satisfaction (Mean=45.92) was observed among the 20-30 age group.

Table-3: Mean and Standard Deviation of Research Variables in different Education Groups

Qualification		Locus of Control	Job Satisfaction
Graduate	Mean	12.75	42.43
	N	28	28
	Std. Deviation	1.531	5.051
Postgraduate	Mean	11.57	45.00
	N	14	14
	Std. Deviation	2.593	5.616
Diploma	Mean	12.23	42.92
	N	13	13
	Std. Deviation	1.363	4.591
Total	Mean	12.33	43.20
	N	55	55
	Std. Deviation	1.856	5.119

A higher level of locus of control score (Mean=12.75) and a lower level of job satisfaction (Mean=42.43) was observed among the graduates. A lower level of locus of control score (Mean=11.57) and a higher level of job satisfaction (Mean=45.00) was observed among the post graduates.

Table-4: Mean and Standard Deviation of Research Variables in different Experience Groups

Experience		Locus of Control	Job Satisfaction
Below 2	Mean	12.00	47.73
	N	11	11
	Std. Deviation	1.483	3.289
2-5	Mean	12.38	40.92
	N	13	13
	Std. Deviation	1.710	5.852
5-10	Mean	12.10	44.20
	N	20	20
	Std. Deviation	2.337	3.928
Above 10	Mean	13.00	39.55
	N	11	11
	Std. Deviation	1.342	3.778
Total	Mean	12.33	43.20
	N	55	55
	Std. Deviation	1.856	5.119

A higher level of locus of control score (Mean=13.00) and a lower level of job satisfaction (Mean=39.55) was observed among the above 10 years' experience group. A lower level of locus of control score (Mean=12.00) and a higher level of job satisfaction (Mean=47.73) was observed among the below 2 years' experience group.

Table-5: Mean and Standard Deviation of Research Variables in different Income Groups

Income		Locus of Control	Job Satisfaction
20000 & Below	Mean	12.21	44.23
	N	43	43
	Std. Deviation	1.922	4.805
Above 20000	Mean	12.75	39.50
	N	12	12
	Std. Deviation	1.603	4.622
Total	Mean	12.33	43.20
	N	55	55
	Std. Deviation	1.856	5.119

A higher level of locus of control score (Mean=12.75) and a lower level of job satisfaction (Mean=39.50) was observed among the above 20000 income group. A lower level of locus of control score (Mean=12.21) and a higher level of job satisfaction (Mean=44.23) was observed among the 20000 and below income group.

Table-6: Results of ANOVA test of Research Variables and Age

		Sum of Squares	df	Mean Square	F	Sig.
Locus of Control	Between Groups	8.025	2	4.012	1.172	.318
	Within Groups	178.085	52	3.425		
	Total	186.109	54			
Job Satisfaction	Between Groups	137.408	2	68.704	3.797	.040
	Within Groups	1277.392	52	24.565		
	Total	1414.800	54			

There was a significant difference (F=3.797 & p<.05) in job satisfaction among the respondents of different age groups.

Table-7: Results of ANOVA test of Research Variables and Education

		Sum of Squares	df	Mean Square	F	Sig.
Locus of Control	Between Groups	13.123	2	6.561	1.972	.149
	Within Groups	172.986	52	3.327		
	Total	186.109	54			
Job Satisfaction	Between Groups	63.020	2	31.510	1.212	.306
	Within Groups	1351.780	52	25.996		
	Total	1414.800	54			

There was no significant difference in locus of control and job satisfaction among the respondents of different education groups.

Table-8: Results of ANOVA test of Research Variables and Experience

		Sum of Squares	df	Mean Square	F	Sig.
Locus of Control	Between Groups	7.232	3	2.411	.687	.564
	Within Groups	178.877	51	3.507		
	Total	186.109	54			
Job Satisfaction	Between Groups	459.768	3	153.256	8.184	.000
	Within Groups	955.032	51	18.726		
	Total	1414.800	54			

There was a significant difference (F=8.184 & p<.01) in job satisfaction among the respondents of different experience groups.

Table-9: Results of ANOVA test of Research Variables and Income

		Sum of Squares	df	Mean Square	F	Sig.
Locus of Control	Between Groups	2.743	1	2.743	.793	.377
	Within Groups	183.366	53	3.460		
	Total	186.109	54			
Job Satisfaction	Between Groups	210.126	1	210.126	9.245	.004
	Within Groups	1204.674	53	22.730		
	Total	1414.800	54			

There was a significant difference (F=9.245 & p<.01) in job satisfaction among the respondents of different experience groups.

Table-10: Correlation among the Research Variables

		Locus of Control	Satisfaction
Locus of Control	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	55	
Satisfaction	Pearson Correlation	-.344*	1
	Sig. (2-tailed)	.010	
	N	55	55

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

There was a significant negative correlation (r= -.344 & p<.05) between locus of control and job satisfaction. This indicates that when the locus of control score is high (external locus) job satisfaction will be low and vice versa. This finding replicates the findings of the studies conducted by Jui-Chen Chen (2008), and Singh, A. P. and Dubey (2011).

Table-11: Regression Analysis with Job Satisfaction as Dependent Variable

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.344 ^a	.178	.102	4.851

a. Predictors: (Constant), Locus of Control

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	167.577	1	167.577	7.121	.010 ^a
Residual	1247.223	53	23.533		
Total	1414.800	54			

a. Predictors: (Constant), Locus of Control

b. Dependent Variable: Job Satisfaction

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	54.897	4.432		12.387	.000
	Locus of Control	-.949	.356	-.344	-2.669	.010

a. Dependent Variable: Job Satisfaction

Regression analysis was done to investigate the relationship between stress and job satisfaction. F-Test was statistically significant, which means that the model was statistically significant. The R-Squared is .118 which means that approximately 18% of the variance of job satisfaction was explained by the predictor variable, that is, locus of control. This finding replicates the findings of the studies conducted by Jui-Chen Chen (2008), and Singh, A. P. and Dubey (2011).

Table-12: Results of 't'-test for Equality of Means among Internals and Externals

Group Statistics

	LOC	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction	INTERNALS	29	44.76	4.911	.912
	EXTERNALS	26	41.46	4.860	.953

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Satisfaction	Equal variances assumed	.138	.712	2.498	53	.016	3.297	1.320	.650	5.944
	Equal variances not assumed			2.499	52.466	.016	3.297	1.319	.651	5.944

For the purpose of this study, respondents who scored less than 13 in locus of control were considered to be internals and those who scored above 13 were included under externals. It was found that internals were more satisfied (Mean=44.76) with their jobs than the externals (Mean=41.46). T-test was performed to test equality of means. The results indicated that there was a statistically significant difference between the mean job satisfaction score for internals and externals ($t = 2.498, p < .05$).

Conclusion

Locus of control refers to those causes to which individuals attribute their successes and failures. The present study was aimed at studying the relationship between locus of control and job satisfaction among the employees of a shipyard. A convenience sample consisting of 55 employees working in a shipyard participated in the study. Structured Questionnaires were used to gather primary data. By administering questionnaires locus of control and job satisfaction among the employees were assessed. The collected data were analysed with Mean, Standard Deviation, ANOVA, Correlation, regression and t-test. Results indicated that a higher level of locus of control score and a lower level of job satisfaction was observed among the 40-50 years age group. A lower level of locus of control score and a higher level of job satisfaction was observed among the 20-30 age group. A higher level of locus of control score and a lower level of job satisfaction was observed among the graduates. A lower level of locus of control score and a higher level of job satisfaction was observed among the post graduates. A higher level of locus of control score and a lower level of job satisfaction was observed among the above 20000 income group. There was a significant difference in job satisfaction among the respondents of different age groups, experience groups, and income groups. There was a significant negative correlation between locus of control and job satisfaction. Approximately eighteen per cent of the variance of job satisfaction was explained by locus of control. There was a statistically significant difference between the mean job satisfaction score for internals and externals.

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Candid Appearances; Sordid Reality – Bar Dancers: Just another Profession

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ABSTRACT

This case study is a part of a 'social out-bound project' of the students of 'Business Communication'. It is about a detested and mistreated section of our society, i.e. the female dancers of the infamous dance bars, of Maharashtra and Mumbai region. This project has a twin purpose of understanding the morbid nature of India's two-face reaction and responses to social evils as well as finds a way out of this abyss. Political intrusion is both the cause and effect of social evils. We looked at the unbalanced and prejudicial approach of government in their 'clean city' drive. This study aims at understanding the different viewpoints of different sections of Indian society before, during and after the lifting of ban on dance bars by the Supreme Court of India. We collected data through direct observation, interview and examination of available records and evidences. This case should help the readers to get a deep insight about the 'after effect' of the ban on people associated with dance bars, unfulfilled promises of the government and society's negligence. It should help us to take initiative to contribute to the welfare and upbringing of exploited and affected women.

Introduction

The only thing they feared was the police raid and the sexual exploitation by the guardians of the law!

- Flavia Agnes

Working towards this project in a group gave us an opportunity to understand the murky world of Bar Dancers in Mumbai. We chose this topic for more than one reason, primarily to focus on the shifting values of contemporary urban Indian society. Supreme Court ruling on the removal of ban of dance bars brought an unexpected jolt to the Government of Maharashtra, legal fraternity, social leaders and almost everyone else. We all were taken by surprise. We decided to do an in depth study of the issues relating to dance bars.

Seeing the sensitivity of the issue, we first thought of completing our work based on secondary data. But we gathered our courage to look for some direct facts. We began our task of collecting primary information from a dance bar itself. This was a challenging task as all dance bars had become dysfunctional due to the earlier ban. Our task was even made very difficult due to the secrecy involved in the dance bar operations. It was a herculean task to unlock the mysterious hidden world of dance bars.

Initially we began by some regular visitors and the auto rikshaw drivers who operated in the vicinity of such dance bars. We were fortunate to get some initial leads by one of the regular visitors who advised us not to waste time in a futile exercise as none would come out with the truth about the operation of these dance bars. However we got luckier by the day and were able to cross the initial hurdles to get some relevant information.

Our first lead came via a waiter who was willing to provide us some ground information about the operation of dance bars in return for some Mullah. But there was extreme reluctance to part with any information for some unknown irrational fears. We were able to manage our entry to a dance bar and talk to the bar dancers under harsh security and vigilance. This succinct experience as an insider infused a trigger of curiosity in us to look around for other germane argument.

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Inception of a Community

Nritya, the pure dance, is where the cadence and idioms of music are reflected in the enhancing movement of our total body. It depicts the mood through facial expressions, hand motion and position of legs and feet.¹ Dance has been the central part of every celebration of human evolution. Dance is a form of nonverbal communication between humans, but is also performed by other animals. In India we find the citation of dance in Hindu mythology, and are believed to have been conceived by Brahma. He used Pathya (words) from Rigveda, Abhinaya (gestures) from the Yajurveda, Geet (music) from Samaveda and Rasa (emotions) from Atharvaveda to form the Natyaveda (body of knowledge about dance).² Dance, with different appearance has also been a portrayal by Hindu deities like Shiva, Kali and Krishna.

Dancing before the God is an important facet in temple ritual to show devotion towards almighty and dance is to portray one's emotion and state of mind. Different dance forms have come into existence over time. Forms of dances vary from classical, semi-classical, folk to contemporary. Forms of dance even diverge so as to adapt to local needs. Dance spread its roots all over India in different forms. It soon became more of a source of entertainment rather than expression of devotion towards God.³ During ruling emperors of India and British colonizers, dance grew to become an essential part of people's joyous and loud carousing. Dancing became an expression of contentment for people. Mujra, a part of classical kathak dance gained popularity during earlier days at celebrations. It began as a dignified dance, but political and social upheaval turned it into the province of prostitutes drawing several criticisms from sections of the society.⁴

In present scenario, dance bars have replaced mujra. Dance bar refers to the bars in which adult entertainment in the form of dances by women are performed for male patrons in exchange for money.⁵ Providing drinks with girls dancing on the floor attracted lot of people. Men visit such places called Dance Bars where they have fun and entertainment watching girls dancing and having alcoholic drinks. This has resulted in tremendous growth in the daily sales and intakes of such dance bars, which now is an adult entertainment industry. This culture of dance bars was initiated in Khalapur in the Raigad district of Maharashtra, in the early 1980s. The first such bar was called "Baywatch". Dance girls came from different parts of Mumbai and Thane to dance and earn money. These bars in turn blossomed as frontage/cover for prostitution and human trafficking.⁵ Uneducated and unemployed poor girls from different regions of the country found it an alluring way to earn money. The bar owners too prospered earning good money from higher sales. This created an unthinking and unmanageable boom in metro and other Indian cities as well. Nevertheless this form of entertainment faced huge criticism from conservative and moderate sections of the Indian society.

Political/Government Intrusion

Government's intervention in dance bars has been a crucial element. Trouble started brewing for the dance bar owners and dancers from 1997, with the entire political class going against them. Initially a powerful political party in Maharashtra called for a ban on late night shift for women. That became controversial in the State. Government promulgated an order to close all bars and pubs before midnight with the deadline of 1.30 am, but failed to implement it firmly. On that ground, the order hardly affected the business of bar owners and income of dancers and waiters working there, and the controversy continued.⁶

In 2004, government issued a notification, which restricted persons below the age of 21 from entering dance bar. That notification stated that bars found breaching the law would face fine and possible

cancellation of license. This saw a profound reduction in the footfalls in bars.⁷ Same year police even raided some major Mumbai bars and filed charge sheets in court against them under sections of encouraging obscenity and prostitution. Police claimed that the bars were operating beyond the stipulated closing time of 1.30 am and acting as fronts/cover for prostitution and selling alcohol without requisite licenses.⁸

For every action taken against dance bars, government was supported by political parties.⁹ Few ministers of Maharashtra wanted the dance bars in the state to be shut down with immediate effect.¹⁰ They criticized the bars for corrupting the youth of the country. People at powerful positions said that these places and women working there are wreaking havoc in rural Maharashtra and corrupting the moral fiber of country's youth.¹¹

Finally on 12 April 2005, the State Government of Maharashtra banned the dance bars in Mumbai. The state cabinet unanimously supported the home department proposal to cancel all the dance bar licenses. All these austere actions forced all most all the bars to put up the shutters finally. They were allowed to operate as eating houses or restaurants and government promulgated an ordinance for that.¹²

This action taken by the government faced a lot of criticism on legal and constitutional grounds. People expressed their concern over the future of the employees and bar dancers who would become unemployed as a result of this ban. Sunil Dutt, the then Member of Parliament argued saying it should be people's choice whether or not they want to visit and we should not decide for them. The ban was also opposed by congress Member of Parliament Govinda, asking the government to provide rehabilitation package for the people left in distress because of the ban.¹³ Government too lost out on huge revenue because of this ban. The unemployment rate in the state increased suddenly. The ban became the reason for unemployment of 1,50,000 peoples in the state including 75,000 dancers. No proper initiative was adopted for a rehabilitation package by the state.¹⁴ The ban was opposed by Association of Hotel and Restaurants (AHAR), Dancer Bar Owner's Association (DBOA) and Bharatiya Bar Girls Union (BBGU). They argued that government was showing partiality and discrimination towards bar dancers as opposed to other female dancers in society.¹⁵

Later in the Maharashtra High Court it was alleged and argued that the banning of dance bar was unconstitutional and it was discriminating and violating the right to equality by prohibiting dance in certain establishment while permitting them in some others, mainly five star hotels. High court advised government to lift the ban, though government were not asked to reopen the dance bars immediately.¹⁶ On 16 July 2013, Supreme Court ordered government to lift the ban on dance bars supporting High Court's order of 2006.¹⁷ With the Supreme Court lifting the ban on dance bar in the state, government started receiving numerous applications for performance licenses from bar owners across all Mumbai.¹⁸ Government is now contemplating to make the license procedure very rigorous by adding stringent conditions and enhancing the annual license fee unaffordable to bar owners to exercise greater control.¹⁹

Ignored Anguish of the Vulnerable

These bars provided employment to thousands of women from vulnerable economic backdrop. For most women, dancing in a bar was not an aspiration. It offered them the opportunity to earn for two square meals and modest savings.²⁰ Sonia Faleiro, reporter and author while researching for her book 'Beautiful Thing: Inside the Secret World of Bombay's Dance Bars' interviewed many such bar dancers. She found that nearly everyone belong to deprived unprivileged background.

They were uneducated young women who were often raped or sold by someone, before they ran away to Mumbai to chart their own path and destiny.²¹ In 2006, a survey conducted by SNDT Women's University and Forum Against Oppression of Women illustrated that a large segment of these women came from Uttar Pradesh (24.8%) and West Bengal (20.6%). Roughly 12% were from Mumbai whereas 5% came from other parts of Maharashtra. Many girls were even from traditional dancing communities.²²

While working on this project, we had the good fortune to carry on our tasks after the scary experience of visiting a dance bar in Mumbai. Despite the place being modest, our entire stay inside the bar was kept under constant observation and close watch. That created mental worry and stress in all of us who were inside and for those of us who were waiting outside. We experienced a little of a dance bar that night. The bar people allowed us to meet and talk to few dancers and few other bar personnel, but we were neither allowed to ask nor to share any detail surreptitious information. We were amazed with the unusual cautious practices inside the bar from the very initial interaction. We had drafted a small questionnaire to seek primary information for our project. But due to our intense edginess at the moment when we were supposed to ask those questions, we instead asked all the dancers to share their life experiences of their journey till date.

We started working on this project at a time when there was a lot of talk going on about the ban and people were waiting for Supreme Court's judgment. The eagerness and anxiety on dance bar registration and authorization issue was so apparent on the dancers' face. Subsequently they began to share with us few techniques they use to attract customers and the unlike indications that are customary, which in our management language are the practices and strategies adopted by them to find customers. We came to know that the dancers put a red colour (preferably sindoor) on their head when they are in need of customer and putting red cloth on their hand indicates the customer or people that the offer is placed. While further talking one of the members gave a little background of her life. She entered this profession at the age of 18, got into prostitution when she was 20 to handle, manage and tide over the financial cynicism in her family. Now she is 23 years old and got married to a waiter from the same bar. She is carrying on with prostitution alongside dancing in bar and her husband has no issues with that.

Further conversation with them really connected us with the fact of our research. They mentioned that all of them accepted this profession not because of interest but due to destitution and grim need to earn livelihood for their entire family. A few of them were forcibly made to join this vocation. And after this they see no possibility to become a part of our mainstream society yet again. They became the fraction of a community which is most neglected, seen as objects who are bought and sold for use. One of the most important observations by our group was that these women had overtime developed a strong power of observation and understanding the intention of human behavior. We realized that their profession must have developed such a perceptive sense which helps them in various ways. We guess that is why they instantaneously were able to interpret our surprise and shock on hearing their reality. They didn't show any hesitation in sharing such things with us. They were highly enthusiastic and comfortable in revealing the truths of their life. They made us realize that we are the privileged ones to get all the demands fulfilled by our parents as they are financially strong. These dancers are also trying to do the same for their kids, trying to give them a better and happy life than what they have.

Through the conversation we realized the deprivation of different people since the ban. Not less than 50,000 to 60,000 women lost their

jobs, as did 40,000 men. Almost 40% women were pushed into prostitution and some committed suicide, says Anil Gaikwad, legal adviser for Indian Hotel and Restaurant Owners' Association, citing a government study.²³ Earnings of the bar dancers dropped by 70%. Even the dependent economies have tanked. Across the street of dance bars the tailors in 1990s used to have prosperous trade stitching skirts and blouses for the girls. Make-up artists and jewelers as well lost regular patrons as the premier paid dancers' always sported real diamond and gold jewelry sets for different nights. The paanwalla outside a dance bar said he once sold 300 paans a night to customers. Today, he hardly manages to sell 20 on a good night. A taxi driver who had a fixed bar girl drop service that time used to earn up to Rs.5,000 a night could hardly now manage Rs.500 a night.²⁴ The bar dancers voiced that the police orders had assaulted their right to living. They also expressed that they knew no other job to earn their living besides dancing at the bar.²⁵ Earlier the girls were much safe as the bouncers used to hurl the customers out for trying to touch the girls on the premises. The dancers were only providing entertainment through their performances and nothing more. Today, they are forced to provide something more with the obligation of wearing revealing clothes and others which ends in desperation.

Human and Social Stance

Along with the dancers, the verdict of lifting the ban also benefited the waiters, cab drivers, tailors, bouncers, cooks, jewelers and make-up artists. On July 21, 2005, the Bill to ban the dance bars in Maharashtra was passed unanimously. Varsha Kale, chief of the Womanist Party of India, who campaigned against the ban for years, claimed that the verdict would be welcomed with delight. She also added that it was not a loss for the government, but for the ego of certain leaders. According to Kale, "20,000 of the 50,000 bar girls will not be returning to their erstwhile profession -- while age has made some of them unfit for the exertions of the profession, some have settled down. Others have succumbed to diseases like AIDS".²⁶ Madhur Bhandarkar, Director of Hindi Films did a lot of research for his movie Chandni Bar which gave the audience an in-depth foretaste about the life of bar dancers. Hearing the Supreme Court's decision of lifting the ban on dance bars, Bhandarkar expressed his happiness saying that 'now many people will be able to get back to earning their livelihood'. Mr. Sanjay Gupta, who made Shootout at Lokhandwala movie said, "I don't know whether it was for the good or not, but overnight, the livelihood of many people was abruptly stopped. They could have been given some time. It was extremely cruel. This kind of moral policing is not done, especially when a lot worse is happening in the city right now."²⁷ Smruti Koppikar, Editor, Hindustan Times expressed "Beyond the moral high ground and crime risks, was the dance bar economy. When Mr. R. R. Patil, an Indian politician effected the ban, the economy didn't disappear; it went underground. Who lost the most? The bar dancer, the face of this economy, the woman who carried both the burden of the work and the society's judgment."²⁸

Different women's organizations from the state of Maharashtra had asked the State Government for a remedy towards the gender bias and caste apartheid practiced by the ban on dance bars and stresses the need for long term development plans. Advocates & futuristic also insisted on regularizing working conditions of dance bar women. Women's Organizations, Bar Dancers' Association and Bar Owners' Associations, all had come together to insist the formation of a grievance cell which can look at the issues arising out of working conditions in dance bars. Women's groups have even demanded a legal authority to this grievance cell to craft proper service conditions and look after their implementation in form of an advisory and drafting committee.³⁰

Flavia Agnes, Indian feminist, legal scholar and activist practicing in Mumbai said, "We were sad, not because we were outnumbered, not even because the Bill was passed unanimously, but because of the manner in which an important issue relating to women was discussed, the comments that were passed on the floor of the House, by our elected representatives, who are under the constitutional mandate to protect the dignity of women! One of the comments was aimed at us. 'These women who are opposing the ban, we will make their mothers dance.' During the campaign we had been asked, 'Will you send your daughter to dance in a bar?' But on the floor of the House, the situation had regressed, from our daughters to our mothers! They sniggered: "Isha Koppikar ... she is an atom bomb, atom bomb ... " This evoked great deal of laughter and cheer ... "The dancers wear only 20 per cent clothes" ... More laughter and cheering ... "These women who dance naked (nanga nach), they don't deserve any sympathy". A round of applause.²⁹

But the same questions arise every time: how did this 'clean up' act help the city? What did the government, police, people do to save these vulnerables? What happened to those promised rehabilitation facilities? What happened to those swearing of helping the family and children of the dancers? How long do they have to fight in this unjust environment to get their rights? Sonia Faleiro said "I think we can safely say that the relationship between the ban and a clean Mumbai is a bogus one, manufactured by the same people who told us all bar dancers were prostitutes."

After every dawn comes the clear dazzling sunshine. Many NGOs have taken the initiative to fight against all odds and provide a helping hand to the bar girls. These NGOs are trying to give shelter and make the life of bar dancers a better one. They are working to deal with various aspects like rescue of minors, dealing with health awareness and treatment with special focus on HIV/AIDS and other STD related diseases, providing counseling services, de-addiction programmes, skill development and training etc. Some organizations are taking care of the children of these women by providing full-time care, protection and education through the day & night care shelters or residential homes away from the red light area. They help these dancers in opening bank accounts to start small businesses with loans. Prabha Desai, who runs the NGO called Sanmitra Trust, said, "Many bar girls never saved their money and blew it on drinks and clothes." In some cases, the money they earned was stolen by their so-called lovers and it would be too late by the time they would find out about the theft. As a result, these women did not have anything to fall back on during times of crisis and used to borrow at high rates from local moneylenders. Therefore there is a need for them to open bank accounts so that they could start saving."³¹

A Mysore-based NGO working for people affected by HIV-AIDS, is the first in the Asia-Pacific region being run by sex workers. It has launched a novel project to resist exploitation and safeguard their rights. The Ashodaya Academy contributes in the developmental activity of skill and capacity building among them. It has made possible for those people to taste some success in their fight for rights," as told by Bhagyalaxmi, the NGO's Director.³² The NGOs, even help the dancers to get identity proofs which in turn help them in getting insurance policies.

The bar dancer who became one of the most successful script writers in Hindi Film Industry is Shagufta Rafique. Her story is an exemplary success narrative of strong determination fighting against all possible odds.³³

Our group took the imitative to contribute a little that was possible towards the development of this community. We got the opportunity to be a part of and work with Navjeevan Society in Mumbai. The Navjeevan Centre (ISO 9001-2008 certified) is an NGO initiated in 1994. Its aim is to reach out to Commercially Sexually exploited women and their children, to motivate and support them to give up their demeaning occupation and work towards integrating them in society. Currently the centre functions with five field offices and an administrative office. There are thirteen units all over Mumbai and Thane district which includes, three day and night care shelters at red light areas of Mumbai, an ecofriendly residential home at Kapri Village in Tokowade, Murbad, an English medium primary and secondary school, a vocational training centre offering ten different technical trades, seven extension homes to facilitate higher education and a women's unit focusing at empowerment, rehabilitation and reintegration.³⁴ We were amazed to see the developmental activities taken up by this society. By their initiatives not only the women but their children are getting benefited. The kids of such women are winning country wide competitions. Few are even working with companies like JP Morgan and TCS. The spark in the eyes of these mothers is totally different when they see their child on a higher platform of respect and success.³⁵

Conclusion

Although this study provided a broad view of the unbalanced reaction and response of the country towards these dancers, the aim was to highlight the need to respond to this issue at the earliest. These bar dance girls have the right to dance along with the right to livelihood. As a developing country, we all need to demonstrate greater serious involvement in promoting the rights and facilities for these girls. The bar dancers have the right to equality, right to work, right to healthy work and social atmosphere, right against exploitation and right to rehabilitation.

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The Quality of Life of Male Single-Parent Families in the Central Region of Ghana

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A B S T R A C T

The study investigated the quality of life of male single-parent families in the Central Region of Ghana. The study used the evaluative survey design. Using a multi-stage sampling procedure, 300 male single-parents were selected for the study. Structured questionnaire and interview schedule were used to collect the data. The Statistical Product and Service Solutions (SPSS) (Version 16.0) software was used to generate frequency distribution tables to analyse the data. The study revealed that family survival; improved lifestyle; satisfactory living standards; situations changed; and improved living standards were the key indicators of quality of life. The majority of the respondents rated their achievement of the indicators as high or very high. With appropriate managerial strategies, male single-parents could perform all roles at home and improve the quality of their lives. It was recommended that the Ghana Statistical Service in partnership with the Ministry of Local Government and Rural Development (MLGRD) and the Metropolitan, Municipal and District Assemblies (MMDAs) should conduct quality of life surveys in the region to create awareness of the indicators of quality of life. Family specialists should collaborate with the local government authorities to embark on outreach programmes, seminars and workshops to educate male single-parent families on how managerial strategies can improve their lives.

1. Introduction

Quality of life is both the output of the life management system and a standard for measuring the satisfaction people gain from their lifestyles (Rice & Tucker, 1986). The United States Federal Environmental Protection Agency (1973) defines quality of life as the state of well-being of people as individuals or groups as well as the characteristics of the environment in which people live. The state of well-being also includes people's feelings of happiness and satisfaction with their material and non-material accomplishments and the surroundings of their community.

The United States Census Department (2010) reported that the quality of life biennial surveys are conducted in partnership with the Ministry of Social Development and measure residents' perceptions of

health and well-being, their community crime and safety, economic well-being, education, work, environment, culture and identity. In this wise, indicators of quality of life include: health, safety, housing, social connectedness, civil and political rights, economic standard of living, economic development, natural and built environment. The quality of life could be said to be the achievement of what is desired for life over time based on thoughtful processes and judicious use of resources in terms of level of education attained, housing arrangements, housing environments, and the quality and quantity of household items possession (Rice & Tucker, 1986). The quality of life depends on how people are able to manipulate available resources in their environment to their advantage. The satisfaction people derive from the use of resources and the lifestyles they lead determine the quality of life.

A family, as explained by Rice (1999), is any group of persons united by the ties of marriage, blood, or adoption, or any sexually expressive relationship, in which the adults cooperate financially for their mutual support and care of the children; the people are committed to one another in an intimate, interpersonal relationship; and the members see their identity as importantly attached to the group with an identity of its own. People who live together and hold similar values may direct their shared resources through everyday living to improve the quality of life of the group. This means recognizing and coming to

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grip with one's personal value system and sharing that system with living partners.

There are different types of families and they also come in all patterns and sizes. Even though families have different patterns they function basically as a unit to meet goals and desires of members. Conventional families have been nuclear and extended families. Single-parent families may occur as a result of divorce or separation, unwedded parents or death of one of the spouses (Paolucci, Hall & Axinn, 1977). Deacon and Firebaugh (1988) have also said that varied circumstances accompany single-parenthood such as premarital pregnancy, separation or divorce, death of a spouse, and adoption, which are all directly related to the single-parent status. Each of these factors has special conditions surrounding the single-parent and parenting roles that make them unique with respect to the responsibilities, problems, and benefits that pertain.

Most of the attention has been focused on studying the female single-parents, perhaps as a result the prevalence of female single-parents. The way men manage the home and carry out their responsibilities as single-parents have almost been neglected as an issue. There were also no human resource development programmes in developing countries that seek to equip male single-parents with the necessary skills and attitudes to play their useful role as single-parents. The paucity of information on the quality of life by male single-parents has informed this paper.

The general objective of this paper is to examine the quality of life by male single-parent families in the Central Region of Ghana. Specifically, the study seeks to:

1. assess how male single-parents perceive the quality of life; and
2. examine male single-parents' achievement of the indicators of the quality of life.

Literature Review

This section reviews literature on the concept of the family, parenting, single parenting, male single-parenting, the concept of the quality of life and measuring the quality of life.

The concept of the family

Amissah (2014) considers a family system as individuals who are independently responsible for themselves, as well as related or unrelated individuals who share at least some portion of their day-to-day interests and necessities through mutual interaction. The definition specifies mutual interaction and sharing of day-to-day interests and necessities as functions of the system. Saase (1994) refers to the family as the cultural cornerstone of any society transmitting its cultural history; instilling its prevailing value systems; and socialising the next generation into effective citizens and human beings. The unit, referred to as a family, shares common values and resources. Each family member is responsible for certain decisions, and they all share emotional bonds.

Families exist in a variety of forms based on structure and the relationships among the people in them. As far as family forms are concerned, no form is better than another. Family functions can be served regardless of the form, as long as people find the will and the way. Deacon and Firebaugh (1988) opined that what truly counts in any family is not its form but it is what goes on inside the family. It is within the family that people gain the skills, strengths, insights, creativeness, foundation and knowledge that enable them to cope in society and build new families for society to carry on.

Some trends have become apparent regarding family patterns, and the changing picture of the family has given rise to many family configurations and challenges. Rice (1999) has identified the following types of families: nuclear family; extended family; blended or reconstituted family, binuclear family; a single-parent family; adoptive family; and a gay male or lesbian family.

Parenting

Parenting is the process of caring for children and helping them to grow and learn from birth to adulthood. Allan (1994); and Gross, Crandol and Knoll (1980) have asserted that being a parent to any children you might have is probably the most difficult task of a life time. Many do not receive enough information on or training in parenting to know how to handle the challenging situations that arise in every home. Subsequently, Kennedy (1995) reiterated that, lacking any formal training in parenting, most parents have only the model of their own parents for guidance in how to take care of children.

Before an individual can make choices about parenting, they need to have a full understanding of what it means to be a parent. It involves taking care of children in all the ways that children require. It means meeting emotional, mental, and social needs of children. Good parents use skills, lots of time, energy, patience and understanding to raise children who are healthy and well-adjusted. It also involves being a role model for the child, teaching acceptable values and assisting the child to develop self-esteem.

Single-parenting

Single parenthood refers to the situation where only one parent is left with the responsibility of a child's upbringing, be it the mother or father. It may occur for a variety of reasons including as a result of divorce, adoption, artificial insemination, surrogate motherhood, child neglect or abandonment by a biological parent. There are also natural circumstances where either the father or mother may die, leaving the child or children with the other surviving parent.

Glossan, Meek and Winkler (1997) observed that, in spite of the positive traits and functions the family provides, society is being profoundly undermined by modern sociological changes that are taking place. In recent times, a common set of forces, including industrialisation, urbanisation, modernisation and increased communication, is changing radically the quality of living among people. Such transformations will continue, in so far as human society remains dynamic. From one perspective, the trend may be called progress or development. It means the transformation of the old order and the introduction of new and complex problems may defy easy and ad hoc solutions.

Rice (1999) has observed that in the ideal situation, there are two people at home (father and mother) who are able and willing to meet children's needs. In many families, this is not the case as families are being headed by either of the two parents. A single-parent family consists of one parent and his or her children. Families headed by single-parents have increased more rapidly than other types of families, due to high rates of divorce and separation. In the same vein, Waldman (1985) has indicated that, as time goes on, the experience of being a lone parent, who maintains a household, is becoming steadily much less unusual. Single-parenting can be rewarding as well as challenging. The greatest challenge, perhaps, is in juggling all the responsibilities. Finlay (2010) has also observed that many single-parents provide and manage all the income for the family. Unless the children are old enough to help, the parent takes care of all household tasks. A study done by Dizard and Gadlin (1990) revealed that single-parents often face the challenges of childrearing, maintaining a home,

establishing a supportive social life and working full-time with little assistance from other adults. Due to these many responsibilities, single-parents often feel overwhelmed. Time management is usually a major problem.

Male single-parenting

Men account for about 10 percent of single parents in the United States. Male single-parenting is not an entirely new phenomenon. Historically, death was the major cause of mother absence in the home. With the high maternal mortality rates of earlier times, the widower with young children was not an uncommon type of single-parent. He, however, often obtained considerable aid from his extended kin so that a male single-parent would not perform his parental role alone. In recent years, the phenomenon of male single-parenting has changed. In spite of the decline in the rate of maternal mortality, the number of male single-parents has increased. The increase has been brought about by the accelerated rate of marital instability (United States Bureau of the Census, 1997). The situation in Ghana is not different as observed by Boateng (1995), cited in Ardayfio-Schandorf (1995), who indicated that one dimension of the changing family in Ghana is the increase in the frequency of marital disruption. Consequently, men and women are being over-burdened by absentee spouses.

The incidence of fathers obtaining custody of children is increasing. In the past, custody of children was invariably awarded to the mother. Winter (1996) has asserted that, if the father desired to obtain custody of the children, he had to prove that the mother was unsuitable for the task of caring for the children. Such bias in the courts is slowly giving way and the emphasis is now beginning to shift to the best interest of the child and is not based solely on the assumption that a child must have a mother present for proper development. As a result, the number of male single-parents is increasing.

The changing roles of men and women in today's society are also providing men with a greater opportunity to interact with their children. With such a social change, there may be confusion in regard to role expectations, and so the male single-parent is often left without clear guidelines or prescription for performing that role. A male single-parent solely has responsibility for the upkeep, welfare, nurturance and socialization of the children without the assistance of a female parent at home. Normally, in traditional two-parent families, mothers and fathers split up chores and responsibilities and stick to their areas of child's life. They just cross the boundaries when the other person is not there or busy with something else. Thus, both of them miss out on some significant aspects of their children. Single-parents, on the other hand, know everything about their children and become an all-rounder. They tend to become totally dedicated and committed to their children. It may be harder for them to cope but then they are also the 'special' parents who can do anything they want for their children and take all the decisions about how to raise them and what is good or bad for them, without having to fight it out with their partner. However, there are many challenges they go through while bringing up children to achieve a good quality of life; some even fail to achieve the type of quality of life they expected (Paolucci et al., 1997).

The concept of quality of life

Questions regarding the essential qualities of a good society and the good life have captured the minds of the greatest thinkers across time and cultures. For example, in Aristotle's concept of *eudaimonia*, individuals were called on to realize their full potentialities in order to achieve a "good life." In contrast, Eastern philosophers stressed the virtue of restraining individual desires, and prescribed an ideology that encouraged the equal distribution of resources among people. In the categorical imperative, Emanuel Kant called for individuals to achieve

a good society by acting in a moral way such that their actions could be the basis of universal laws. A challenging agenda laid down by recent trends in the social and behavioral sciences is to design scientific ways of measuring human well-being (Sen, 1993).

There are three major philosophical approaches to determining the quality of life (Brock, 1993). The first approach describes characteristics of the good life that are dictated by normative ideals based on a religious, philosophical, or other system. For example, a good life must include helping others, which is dictated by religious principles. Another example of this approach is judgments about the correctness of behaviour, and, therefore, the good life comes from rational thought. This approach to quality of life depends neither on the subjective experience of people nor on the fulfilment of their wishes.

The second approach is based on the satisfaction of preferences. Within the constraints of the resources they possess, the assumption is that people will select those things that will most enhance their quality of life. The quality of life of a society is based on whether the citizens can obtain the things they desire. People select the best quality of life for themselves that is commensurate with their resources and their individual desires. This approach to the good life based on people's choices that relate to modern economic thinking. The third approach is in terms of the experience of individuals. If a person experiences her life as good and desirable, it is assumed to be so. Factors, such as feelings of joy, pleasure, contentment, and life satisfaction, are paramount. This approach is most associated with the subjective well-being tradition in the behavioural sciences.

These three approaches to defining the quality of life have often competed in political and philosophical thoughts. Policy makers usually weigh choice utility most heavily because of the pre-eminence they grant to economic considerations. Nevertheless, there are limitations to quality of life that rests solely on economics and people's ability to obtain the marketplace goods and services that they choose. First, economic progress may not guarantee other important factors, such as an absence of crime. In some cases, economic progress might even be thought to be inversely correlated with certain facets of quality of life such as leisure time or a healthy environment. Second, people's choices may not make them happy, or may be inconsistent with normative ideals. People might want things that are not good or that will not make them happy. Finally, market factors clearly deemphasize important elements that influence the quality of life such as love, self-development, and possessing meaning in life. Thus, researchers have increasingly turned to additional approaches to defining and measuring the quality of life.

During the last few decades, two new scientific approaches to measuring quality of life have been initiated, namely: objective or social indicators; and the measurement of subjective well-being (SWB). Land (1996) provides a history of the social indicators and subjective well-being movements in the social sciences. The social indicators movement focuses its attention on measuring. The growth of the social indicators movement coincided with the questioning of economic growth in terms of whether more was always better.

Subjective well-being research, in contrast, is concerned with individuals' subjective experience of their lives. The underlying assumption is that well-being can be defined by people's conscious experiences – in terms of hedonic feelings or cognitive satisfactions. The field is built on the presumption that to understand the individuals' experiential quality of well-being, it is appropriate to directly examine how a person feels about life in the context of his or her own standards. The significance of this effort becomes obvious when we understand

that findings in social indicator and subjective well-being research have direct relevance to the fundamental concerns of societies and individuals. For instance, to determine whether the quality of a society is improving or deteriorating, it is imperative to gain empirical evidence that is based on more than intuitions.

Defining the quality of life is often difficult because determining it is based on broad concepts, which are not easy to measure. The quality of life however, is as a result of decision-making which, according to Rice and Tucker (1986), is rooted in the past, carried on in the present and shaping the future. The quality of life could be said to be the achievement of what is desired for life over time based on thoughtful processes and judicious use of resources. It depends on how people are able to manipulate available resources in their environment to their advantage. This indicates that there is a relationship between the application of managerial skills and output. The output is based on decisions made presently and which has future implications. The satisfaction people derive from the use of resources and the lifestyles they lead determine the quality of life. The quality of life has a lot to do with what people have, the places they live, their physical, social, economic, environmental and psychological conditions and characteristics and how they are manipulated for benefits at a particular time. It also has to do with feelings of happiness and satisfaction derived from material and non-material accomplishments and the surroundings of their community. As per this definition, quality of life involves both objective aspects of reality and subjective perceptions and evaluations of life (Rice & Tucker, 1986).

The quality of life is due to the excellence of management skills and behaviours exhibited, which is based on the brilliance of decisions made in relation to the use of resources in everyday living (Rice & Tucker, 1986). Thus, the quality of life is a function of the management skills of which decision-making is the core and resources manipulations, and the resultant effect is the derivation of maximum or less satisfaction. This confirms Stephens' (1985) statement that management procedures contribute significantly to the satisfaction derived from the use of resources and that management procedures are second to income in predicting satisfaction which is a component of quality of life. Since income is also a resource, management is the basis and provides the parameters within which the quality of life can be defined and derived. The quality of life is both the output of the life management system and a standard for measuring the satisfaction people gain from their lifestyles. Families therefore, combine the use of resources and decision-making to achieve family goals.

Measuring the quality of life

Wallace (1974) reported that concern over high population growth and depletion of food and natural resources in the 1970s caused a concerted attempt in the years to describe and measure the quality of life. Her concept demonstrates the interconnectedness of four macro and micro-indicators namely; economic, environmental, social and psychological issues.

Macro-measures

According to Wallace (1974), economists tend to measure the quality of life by indicators of quantity such as the Consumer Price Index and Gross National Product. Environmentalists use indices for conditions of air, water, soil, wildlife, and recreation while sociologists use indicators such as the educational attainment of age populations and the proportion of populations who are literate. Others measure quality of life through the nation's health, evidenced by life expectancy, infant mortality and maternal mortality. The quality of life is often measured by relating a family's income to a baseline income defined as poverty or inadequacy for the number of people involved.

In some societies, quality of life is sometimes measured by the number and kinds of people receiving government aid. However, Wallace (1974) pointed out that these macro-indicators are more suitable for measuring quality of societies and large segments of populations than for describing families and individuals.

Micro-measures

The quality of life of individuals and families is easier to talk about than it is to measure because it includes non-material characteristics. Non-material accomplishments are more difficult to measure because characteristics, such as changes in feelings of human dignity, are specific to a given time, person, and place. Paolucci et al. (1977) acknowledged this and contended that the quality of life may be measured by people's consumption patterns (which are buying of goods and services in quality, quantity and kinds); people's income over time and the possessions that individuals and families have. Also, people's aspirations, level of consumption and present attainment could be used as a measure of the quality of life. All these involve the effective recognition, allocation, and use of both human and non-human resources to achieve the quality of life.

In partnership with the Ministry of Social Development, the United States Census Department (2010) conducted quality of life surveys biennially to measure residents' perceptions of health and well-being, their community crime and safety, economic well-being, education, work, environment, culture and identity. The state of well-being covers people's feelings of happiness and satisfaction with their material and non-material accomplishments and the surroundings of their community.

Methodology

The study was conducted in the Central Region of Ghana. The region had 17 districts made up of one metropolis, six municipalities and 10 districts at the inception of the study in 2012. After the field work in 2014, the region has been demarcated 21 districts. The region shares boundaries with four regions - Western Region to the west, Ashanti Region to the north, Greater Accra Region to the south-east and Eastern Region to the east. The region is bounded to the south by the Gulf of Guinea (Figure 1). The total population of the region in 2010 was 24,658,823. About 42.1 percent of the economically active population in the region were engaged in agriculture, forestry and fishing (Ghana Statistical Service, 2012).

This study employed the evaluative survey design, using male single-parents in the Central Region. An evaluative research is the systematic assessment of an operation and/or the outcomes of a programme or policy, compared to a set of explicit or implicit standards, as a means of contributing to the improvement of the program or policy. Evaluative research is usually used for decision-making and provides a basis for making a judgement about a programme or phenomenon (Bell, 2010). The male single-parents had already experienced their situation, which then could be evaluated.

The study population consisted of all male single-parents in the Central Region of Ghana. The Ghana Statistical Service (2012) had data on the distribution of male single-parent households by status for the Central Region. All male single-parents in the region could have been used for the study. However, for time and other resource constraints, male single-parents in six districts were chosen to represent the population under investigation. Bryman and Cramer (2006) explain sampling as the process of selecting a portion of the population to represent the entire population.

A multi-stage sampling procedure was used to get the sample. At the first stage, the districts were clustered into two namely; coastal and inland. At the second stage, proportionate stratified sampling was employed to select six districts based on a sampling frame of names of the districts in the region. The names were written on sheets of paper and folded separately and placed in a bowl. The papers were randomly picked from the bowl in six turns to select six districts. These districts were: (i) Cape Coast; (ii) Efutu-Awutu-Senya (iii) Abura-Asebu-Kwamankese; (iv) Ajumako-Enyan-Essiam; (v) Agona; and (vi) Assin respectively.

At the third stage, two communities in each district were used for the study. The political administrative capitals were purposively selected while one other urban community was randomly selected from each district, using a sampling frame of names of urban communities obtained from their respective Assemblies. At the third stage, names of public schools were obtained from the Assemblies to serve as a sampling frame. Two public basic schools were then randomly selected in each community, using the lottery method.

The study used Krejcie and Morgan's (1970) table for determination of sample size (with 95% confidence level) for a given population. By the table, for a total accessible population between 1400 and 1499, a sample size of 302 is appropriate. The selected districts in the region have a total population of 1450 male single heads of households. The sample size for each district was calculated as a proportion of the total sample size (300), based on the district population as provided by the Ghana Statistical Service (2003).

The difficulty in identifying male single-parents was overcome by identifying pupils living with male single-parents in the basic schools in the sampled communities. Teachers in the schools assisted to interview these pupils. Other respondents were referred by an informal net-work established to identify respondents. The male single-parents were then contacted for their consent to participate in the study.

Questionnaire and interview schedule were used to collect primary data from literate respondents and illiterate respondents respectively. Both the questionnaire and interview schedule comprised the same items made up of both open-ended and close-ended items. In the administration of the data collection instruments, two enumerators took turns to visit the selected communities in the districts. When respondents were identified questionnaires were administered to the literate respondents. The research team then explained the purpose of the study and assured them of anonymity and confidentiality for the purposes of ethical considerations. After that, the illiterate respondents were interviewed at an agreed date and convenient time. The interview was in the vernacular and recorded in the English Language. The month of May 2014 was used for the fieldwork, which was supported by two field assistants.

The completed questionnaires and interview schedules were edited for consistency. Cross-validation was done by comparing responses with each other to ensure accuracy and completeness. The responses were then coded and entered on the computer programme: Statistical Product and Service Solutions (SPSS) (Version 16) software. Frequency distribution tables were employed to present the data.

Results and Discussion

This section presents findings and discussion relating to the background characteristics of the respondents; the perceived indicators of the quality of life; and male single-parents' achievement of the indicators of the quality of life.

Background characteristics of the respondents

The background characteristics of the respondents covered were: age, educational level, occupation, monthly income, number of dependents and the years respondents had been single-parents. The ages of the respondents ranged from 31 years to 70 years. The mean age was 45 years with standard deviation of 8.3. The educational levels of the respondents were categorized into: no formal education, basic, senior high school, post-secondary and tertiary education. The results show that 17.3 percent of the respondents had no formal education, 24.7 percent had basic education, 18 percent had secondary education, 12.7 percent had post-secondary education, and 27.3 percent had some form of tertiary education.

The occupations captured in this study included teaching, trading, artisanship, farming, driving, administrative work, office work, banking and nursing. The results indicate that 25 percent of the respondents were teachers. The other occupations were traders (14%), artisans (13.3%) and farmers (10.7%). Twenty-eight percent of the respondents were into occupations, such as driving, administration, office work, banking and nursing. Nine percent of the respondents reported that they were engaged in other occupations such as medical doctors, medical assistants and police personnel. The monthly incomes of the respondents were up to GH¢3,000.00 and the respondents had varied number of years as single-parents. The majority (61%) of the respondents received monthly income between GH¢1,000 and GH¢1,500, while 31.7 percent of the respondents received at least GH¢500 per month. The respondents had varied number of years as single-parents ranging from one to seven years or more. The majority (80.7%) of the respondents had between one and three dependents.

Male single-parents' opinion on the indicators of quality of life

Male single-parents' level of agreement and disagreement on the indicators of the quality of life are shown in Table 1. The results indicate that the majority (more than 70%) of the respondents perceived all the factors as important indicators of the quality of life. The perceived indicators agreed or strongly agreed to included: family survival (96.0%), lifestyle improved (96.0%), satisfactory living standards (95.4%), situations improved (91.3%), living standards improved (91.3%), problem solved (82.7%), happy home (79.7%), adequate financial resources (78.6%); aspirations met (74.7%) and household environment conditions (74.7%). The results confirm the assertion of Paolucci et al. (1977) that the quality of life may be measured by: people's consumption patterns; standard of living; goal attainment; possessions that individuals and families have; peoples' income over time; people's aspirations; level of consumption; lifestyle; and present attainment.

The results were also in line with those of Rice and Tucker's (1986) assertion that the quality of life has a lot to do with what people have, the places they live, their physical, social, economic, environmental, emotional and psychological conditions and characteristics. They are associated with how these are manipulated for benefits at a particular time. They also have to do with feelings of happiness and satisfaction derived from material and non-material accomplishments. The resultant effect is the derivation of maximum or less satisfaction (quality of life). However, 30 percent of the respondents disagreed that the factors were important indicators of the quality of life. These variances agree with the assertion made by Rice and Tucker (1986) that defining the quality of life is often difficult because determining it is based on broad concepts, which are not easy to measure.

Table-1: Male Single-Parents' Level of Agreement of Perceived Indicators of the Quality of Life

Perceived Indicators	Strongly Disagree	Disagree	Agree	Strongly Agree
Family survival	0.0	4.0	48.0	48.0
Lifestyle improved	0.0	4.0	36.7	59.3
Satisfactory living standards	1.3	3.3	46.7	48.7
Situations improved	6.0	2.7	46.0	45.3
Living standards improved	8.0	14.7	46.0	45.3
Problems solved	5.3	12.0	30.0	52.7
Happy home	5.3	15.0	45.0	34.7
Basic needs met	9.3	29.3	28.7	32.7
Aspirations met	11.3	14.0	22.7	52.0
Household environment conditions	8.0	17.3	44.7	30.0
Improved healthcare	9.0	18.0	41.7	31.3
Lifegoals achieved	8.7	18.0	38.7	34.7
Adequacy of financial resources	9.3	12.0	16.3	62.3
Present attainment in life (level)	6.7	27.3	32.0	34.0
Effective management of resources	9.3	29.3	28.7	32.7

n = 300 respondents; Source: Fieldwork (2014)

Male single-parents' achievement of the indicators of the quality of life

The respondents were asked to rate the level of achievement of the indicators of quality of life on a four-point Likert scale as shown in Table 2. The results show that the major indicators of quality of life achieved as high or very high were: aspirations met (100%); basic needs met (97.4%); life goals achieved (97.4%); living standards improved (97.0%); adequacy of financial resources (96.0%); problems solved (94.7%); improved health care (94.0%); effective use of resources (93.3%); happy home (90.0%); family survival (89.0%); lifestyle improved (85.7%); satisfactory living standard (78.7%); situations improved (68.7%); and household environment conditions improved (63.3%).

Table-2: Respondents' Ratings of the Achievement of the Indicators of the Quality of Life (Percentages)

Achieved Indicators	Ratings of Achievement		Quality of Life	
	Very High	High	Low	Very Low
Aspirations met	67.0	33.0	0.0	0.0
Basic needs met	63.7	33.7	1.3	2.7
Living standards improved	65.0	32.0	1.3	1.3
Life goals achieved	65.7	31.7	1.3	1.3
Adequate financial resources	31.7	64.3	3.3	0.7
Problems solved	61.0	33.7	5.3	0.0
Improved health care	36.0	58.0	3.0	3.0
Effective resource management	33.0	60.3	4.0	2.7
Happy home	33.3	56.7	4.3	5.7
Family survival	59.0	30.0	7.0	4.0
Lifestyle improved	51.7	34.0	11.3	4.0
Satisfactory living standard	31.0	47.7	17.3	12.0
Situations changed/improved	23.7	45.0	24.7	12.0
Household environment conditions improved	25.0	38.3	3.0	3.0

n = 300 respondents ; Source: Fieldwork (2014)

The reasons for highly meeting their aspirations included improved children's upbringing; disciplined children; having very helpful and respectful children; and children coping well and feeling normal. This confirms Paolucci et al's. (1977) explanation of aspiration as a means of achieving a means, a goal or objective desired. People's aspirations are the freedom and choices to fulfil their needs, desires and wants. Achievement of basic needs was rated 97.4 percent as very high by the respondents in the sense that they had access to various goods and services including food, clothing, healthcare, education and other necessities of life.

Living standards are the ease by which people living at a place over time are able to satisfy their needs and wants (Rice & Tucker, 1986). Achievement of improved living standard was highly rated (97.0%) by the respondents. They reported that they had achieved decent standards of living which included: adequate nutrition, adequate living arrangements, improved health care and education. Deacon and Firebaugh (1988) have reiterated that standards determine the level or degree at which goals could be achieved. Values, needs, knowledge, skills and availability of resources are some of the factors that influence the setting and achievement of standards. Goode (1959) is in agreement and observes that the individual needs command over resources in the form of money, possessions, knowledge, living space, mental and physical energy, social relations and security through which he/she can control and consciously direct his/her living conditions.

Life goals achieved was also rated high or very high (97%) by the respondents. They reported that matching of personal goals and needs was vital for a positive evaluation of well-being. They indicated that they were satisfied with their present level of living and what they had achieved for themselves and their family. The setting of goals may be the single most important activity that may be carried out towards the attainment of the quality of life desired. This is because it is difficult to achieve anything meaningful without a target or goal. Goals set direct affairs and guide the courses of action.

The adequacy of financial resources was rated 96 percent by the respondents since they were able to meet their financial needs adequately. Grief (1988) indicated that a male single-parent household may usually have more financial resources than a female single-parent. The reason is that men tend to work longer hours and generate a higher income than women outside the home, so the financial burden of male single-parents may be significantly less than other single-parents. This confirms Norton and Glick's (1986) assertion that male single-parents usually do not suffer poverty to the same extent as do female single-parents, even though financial pressure is still one of the most common complaints of some male single-parents. Most male single-parents have a larger income than their female counterparts but still not as large an income as that of both couple (Finlay 2010).

Achievement of solutions to problems solved was rated high or very high (94.7%). The respondents explained that problem solving was a managerial tool and, when used effectively would enhance quality of family living. The result is consistent with Rice and Tucker's (1986) assertion that management becomes very effective and efficient when problems are identified and analyzed to determine whether resources, including information, capacity, knowledge, skills, money, energy and time, are available, harnessed and used. Improved healthcare was rated high or very high (94.0%) by the respondents. The concept of health was understood very broadly to include not only physical health but also psychological well-being. For example, the World Bank (1994) has defined health as a state of complete physical,

mental and social well-being, and not merely the absence of disease or infirmity.

Effective resource management was rated high or highly (93.3%) by the respondents as the achievement of the quality of life. They indicated that the management of resources effectively enabled them to meet demands in terms of goals, needs, and satisfactory standards. In working towards the achievement of a goal, it is important to identify the existing resources (both human and non-human) that may be needed. Rice and Tucker (1986) define resources as assets used to accomplish goals. Family resources are what the family has or can create to get what it wants or needs.

Achievement of a happy home was highly or very highly rated (90%) by the respondents as they reported that home life was lively and that the children were in the right frame of mind and enjoyed home life. The result is consistent with that of Davidson's (2004) that happiness complements other measures of well-being, not as a sole measure. It is a mental process or emotional state of well-being, characterized by positive or pleasant emotions ranging from contentment to intense joy. Happiness may be the label for a family of related emotional states, such as joy, amusement, satisfaction, gratification, euphoria and triumph. Family experts (Dizard & Gadlin, 1990; Rice, 1999; Glossan, Meek & Smock, 1997) argue that a happy two-parent home is the ideal. However, many studies have shown that children are better off in a happy single-parent home than in an unhappy two-parent home.

Family survival was rated high or very highly (89%) by the respondents. They explained that family survival presupposed that the family was in equilibrium and therefore, functioning properly. They also reported that family goals were met as to the resources available and conformed to satisfactory standards. Some respondents reiterated that they confidently and effectively discharged their duties at home. Others indicated that their living conditions had improved and their families were doing well in many situations at home and that the home was a better place to live.

Achievement of improved lifestyle was rated high or very high (85.7%) by the respondents. The reasons underlying the rating included: the children were aware of the situation that their mother was not around; children tried to co-operate to run the home effectively; and single-parenthood was a choice. Others were: it looks like getting married was a mistake; marriage had never been a desire; solitude was more enjoyable; we felt secured without a disgruntled woman; and living this way ensured inward happiness. These responses attest to the fact that improved lifestyle is a good indicator of well-being of families, a view shared by Rice and Tucker (1986).

The quality of life is both the output of the life management system and a standard for measuring the satisfaction people gain from their lifestyles. There are some indications of the increasing diversity of lifestyles. The results agree with Macklin's (1980) indication that this is a time of rapid changes in the pattern of family life. Pluralism in lifestyles is one of the significant trends in family form in recent times. The United States Bureau of the Census (1997) indicates that, at any given point in time, the majority of households in the United States do not represent traditional nuclear families. There has been a slow but steady increase in the percentages of persons residing in single-parent or dual career nuclear families, as well as an increase in those living alone or in households comprised of non-related individuals. Tracing the labour force activities of family members from 1950 to 1993, Waldman (1985) predicts that today's school age and preschool children are more likely to be living with one parent or a stepparent.

Improved or changed family life situation was rated high or very high (68.7%) by the respondents. Some indicated that they were better off without their spouses. The result agrees with that of Dizard and Gadlin's (1990) observation that male single-parents, who attained their status by choice are willing to remain as such. This also confirms the results of a study done by Rice (1999) which has revealed that, with regard to the household structure, it is now evident that a new type of single-headed household has emerged and formed arising from both necessity and by choice.

The findings had generally revealed that the majority of the indicators of the attainment of the quality of life were rated highly. They confirm Grief's (1988) assertion that single-parents who have high self-confidence are usually better able to perform their duties and responsibilities successfully; while those with low self-confidence tend to function less effectively. Evidence from this study suggests that the majority of the respondents were satisfied with their life-styles. They claimed to be stable, rational, and established men with a strong motivation to be with their children. Most felt comfortable and competent as male single-parents. Amissah (2014) then concludes that developing and maintaining a high level of self-confidence can improve the lives of single-parents and their children.

Conclusions and the Way Forward

More than 70 percent of the respondents agreed or strongly agreed to all the factors as important indicators of the quality of life. The male single-parents perceived indicators of the quality of life as including: family survival; lifestyle improved; satisfactory living standards; situations improved; and living standards improved. The majority of the respondents rated their achievement of the indicators of quality of life as high or very high. The quality of life over time was based on thoughtful processes and judicious use of resources available in their environment to their advantage. With appropriate managerial strategies, male single-parents can perform all roles at home and improve the quality of their lives.

As the way forward, the Ghana Statistical Service in partnership with the MLGRD and the MMDAs should conduct quality of life surveys in the region and the country to create awareness of the indicators of quality of life. For male single-parents to achieve quality of life, they should pay attention to all the indicators of the quality of life. Family specialists should collaborate with the local government authorities to embark on outreach programmes, seminars and workshops in the entire region to educate male single-parent families on how management can improve their lives.

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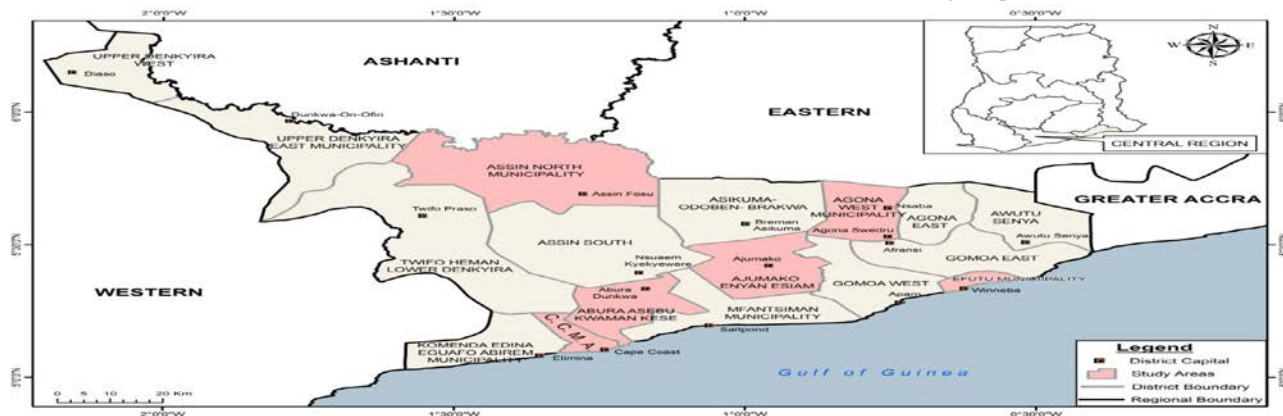


Figure 1: Map of Central Region

Source: Cartography Unit, Department of Geography and Regional Planning, UCC (2012).



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Liquidity at BSE and NSE – A Study

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ABSTRACT

Investors would invest in those financial markets which yield a decent return along with an optimal risk. One of the risk the investors would prefer to avoid is the 'Liquidity Risk'. All the major players in the financial markets (especially the players in the equity markets) would measure and monitor the 'Liquidity' in the markets on a regular basis and change their strategies accordingly. The liquidity across the various asset classes and across the markets is not same and requires different metrics to measure them. The present paper is an attempt to conduct a preliminary analysis of liquidity in equity segment of BSE and NSE. To have a comparative picture of liquidity across various popular global equity markets, initial analysis was conducted on select global equity markets by using parameters such as: Mcap.-to-GDP ratio, Turnover Ratio and Traded Value Ratio. On the same lines, liquidity at both BSE and NSE were analyzed. Apart from the said three ratios for measuring liquidity, the frequency of trading at the Indian stock exchanges has also been analyzed. The data for the study is drawn from secondary sources and the period of analysis depends on the availability of data for the said variable. The study shows that the Indian stock markets are relatively more liquid than the other stock markets in the emerging economies. The current study also confirms the earlier study that over a period of time NSE has gained more liquidity when compared to the peer BSE.

Introduction

The players and regulators of the financial markets have a common point for business discussions and that is 'Liquidity' in the financial markets as a whole and specifically the liquidity of the asset class they deal with. Majority of the academicians and stock market gurus believe that one of the better ways of gauging the performance of financial markets is to measure 'Liquidity' in that market and conduct a comparative analysis with other markets. However, the major hurdle in this process is that the term 'Liquidity' means many things depending on the context of usage. Liquidity, could be referred as ease of converting the financial assets into cash or could also be referred as easy availability of credit in the economy. The regulators would assess the liquidity in the markets' from time-to-time and provide for the liquidity if they feel that the liquidity has dried up. The liquidity may be measured and monitored from various viewpoints such as: a) liquidity in particular segment of the market or b) liquidity in a

particular instrument. Theoretically, liquidity in the financial markets would facilitate the efficient and effective allocation and reallocation of the economic resourcesⁱ. The liquidity across various financial markets as well as between various financial instruments would differⁱⁱ. The market analysts' would be continuously conducting 'Liquidity Risk Analysis' across markets and individual instrumentsⁱⁱⁱ. In general, the liquidity of large cap. Companies (blue chip companies) would be more than the mid-size or small cap. Companies.

Keynes (1930) has given the fundamental definition of 'Liquidity' by stating that, assets are more liquid if it more certainly realizable at short notice without loss. Stated otherwise, in a liquid market, large sales of stocks can be made without substantially changing the price of the stocks. In an illiquid market, however, they can have an adverse impact on stock prices. The following are the different dimensions of liquidity along with the measure used to quantify those dimensions:

- **Immediacy** – This concept refers to the time taken to complete the transaction. The dimension could be measured by average frequency of transactions and the transaction sizes^{iv}.
- **Depth of the Market** – The concept deals with the trading volumes and the impact of large trades on the present price. Generally, the turnover ratios and trading volumes are used to quantify this dimension. In the markets that have high depth, a larger lot size is needed to influence the prevailing market price of the security. The markets with low or poor depth will

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demonstrate high price fluctuations whenever there are large buy or sell orders flowing into the trading system.

- **Breadth** – The ratio between number of securities for which prices are advancing and the number of securities for which prices are declining would be referred as the ‘Breadth’ of the market. The market breadth may be positive or negative. If the number of securities for the prices have advanced are more than the number of securities for the prices have declines than it is referred as ‘Positive Breadth’ and vice versa. In specific situations the analysts would look at number of securities that have reached 52 highs in contrast to the number of securities that reached their 52 week lows. The markets that are ‘Deep’ tend to also have ‘Breadth’.
- **Tightness** – This dimension shows the cost of ‘Immediacy’. In other words, the financial cost of completing a transaction is referred as ‘Tightness’. The Bid-Ask spreads is the measure for quantifying this dimension. The Bid-Ask spreads are expected to capture both the explicit and implicit costs of the transaction.
- **Resiliency** – The ability of the market to generate new orders at a faster rate such that the market imbalance is corrected is referred as ‘Resiliency’.

The above stated five dimensions are inter-related to each other and influence each other. For instance, high transaction costs would reduce the demand for trades and therefore the number of participants may decrease. The reduction in the number of market participants would in turn reduce the breadth and resiliency of the market. The said dimensions could be applied to ‘Exchange Traded Markets’ but not ‘Over-the-Counter’ (OTC) markets. The information availability in OTC markets is very less. In general, the measures for assessing the ‘Liquidity’ in exchange traded financial markets may be grouped into: a) Transaction Cost measures, b) Volume-Based measures, c) Equilibrium-Price based measures and d) Market-Impact measures. The market regulators generally use ‘Prudential Ratios’ or ‘Benchmarks’ to monitor and maintain liquidity in the economy. However, the standards of benchmark ratios would differ between matured financial markets and emerging financial markets. Traditionally metrics such as Mcap.-to-GDP ratio, Turnover Ratio and Traded Value Ratio are used to gauge the liquidity in the equity markets.

One of the very popular and easy tracked parameter for assessing the stock market liquidity is ‘Market Capitalization-to-GDP Ratio’. Countries could be ranked by comparing their GDP to MCap. Theoretically, the country having more number of companies with strong market capitalization and steady GDP should perform impressively on this ratio. However, sometimes the countries with highest number of companies which have high market capitalization would not do well on this ratio^v. The metric has become popular due to Warren Buffett’s interview to Fortune Magazine in 2001. By having a look at the Mcap-to-GDP ratio the analysts can preliminarily decide whether the markets or securities are properly valued or not. Majority of the analysts quote that the Mcap-to-GDP ratio is similar to Mcap-to-Sales ratio of individual companies^{vi}. India’s Mcap-to-GDP ratio compares well with other major equity markets^{vii}.

To measure liquidity in the equity markets it would also be appropriate to measure ‘How many times the shares or securities have changed hands?’ and this measure is referred as Turnover Ratio (TRO). The factors like ‘Float’ and transaction costs have influence on the turnover. The participation of ‘Retail Investors’ in the secondary

markets would positively impact the turnover ratios^{viii}. Turnover is often considered as the proxy of liquidity. The increase in the turnover indicates that there is increase in trading activities of the stock exchanges. Finally, traded value ratio is the measure used by analysts to gauge the liquidity of the stock markets. Experts caution investors stating that apart from the herein stated popular liquidity measures, the investors should also look into earnings of the corporates and also assess the business environment with care. Few studies have already been conducted to analyze many of the parameters stated above. Therefore, it would be appropriate to review the broader aspects of the existing body of knowledge relevant for the present study. The following sections deals with review of literature review.

Literature Review

For the purpose of this paper the study conducted by Pastor and Stambaugh’s (2003) on the liquidity measurement of liquidity in United States was considered to be relevant for explaining the concept of liquidity. As per the said study, liquidity is broad and elusive concept that generally denotes the ability to trade large quantities, at low cost, and without moving the price. The study further states that liquidity has many dimensions and the study focuses on temporary changes accompanying order flow. Contrast to the concept of ‘liquidity’ Wall Street Journal (1998) explains the concept of ‘illiquidity’ by stating that “Illiquidity means it has become more difficult to buy or sell a given amount of any bond. The spread between prices at which investors will buy and sell has widened, and the amounts [being traded] have shrunk across the board.” The study of O’Hara (2004) makes comparison of liquidity with pornography by stating that: it is hard to define, but you know it, when you see it. The understanding of the concept relating to liquidity leads to another area of literature review relating to the various dimensions of liquidity. The study of Harris (1990) has given a more clear explanation for understanding liquidity by identifying four dimensions of the liquidity which are inter-related with each other. The first one is width, referring to the bid-ask spread for a given number of shares and commissions and fees to be paid per share. Secondly, depth is the number of shares that can be traded at given bid and ask prices. The third one, immediacy, refers to how quickly trades of a given size can be done at a given cost. The final aspect is resiliency. It characterizes how fast prices revert to former levels after they changed in response to large order flow imbalances initiated by uninformed traders.

To answer the question ‘Whether the liquidity in single asset was relevant or the market wide liquidity was relevant?’ study by Chordia, Sarkar, and Subrahmanyam (2002) was reviewed and the paper states that traditionally the study of market microstructure has focused on attributes of single assets and little theoretical attention and virtually no empirical work was taken to find the common determinants of liquidity or to their empirical manifestation, correlated movements in liquidity. Liquidity is more than just an attribute of a single asset. Individual liquidity measures co-move with each other. Even after accounting for well-known individual determinants of liquidity such as trading volume, volatility, and price, commonality retains a significant influence. Both the study of liquidity in individual assets and also the relevant markets has been emphasized. The stock exchange liquidity is one of the important parameter for the other sub-markets. In this regard, Pagano, Randl, Roell and Zechner (2001) also have stated that the firms would wish to list only in those stock exchanges which are more liquid. Parlour and Seppi (2003) state that stock exchanges compete based on liquidity. Based on the above stated brief review of literature, the current study makes an attempt to compare the liquidity at two of the most active stock exchanges in

India viz. BSE and NSE. The following section deals with the objectives and scope of the study.

Objectives and Scope of the Study

In the above stated backdrop, the present paper is an attempt to review and highlight the major theoretical aspects of equity market liquidity and to conduct preliminary assessment of liquidity in the Indian Equity Market. Few liquidity measures would also be applied for the select global equity markets. The data for the study has been captured from secondary sources and compiled according to the need of the study. Data pertaining to both the global stock exchanges and domestic exchanges has been extracted from the data bases of the concerned websites. In the case of data pertaining to global stock exchanges the time frame of 2005 – 2014 has been considered and in the case of the data relating to domestic stock exchanges viz. BSE and NSE the time period of 1992 – 93 to 2013 – 14 has been analyzed. Variables such as: a) Turnover in the stock markets, b) Number of listed companies, c) Number of traded companies and d) Market Capitalization are considered for the analysis. For the data analysis purpose fundamental statistics such as growth rates and percentages have been used for data analysis. The scope of the study primarily deals with liquidity in 'Equity Markets'. The importance of liquidity in other segments of the financial markets has been emphasized but not been included as a part of data analysis.

Data Analysis and Interpretation

The liquidity in the equity markets could be measured using only one variable at a time or by using combination of variables. In other words, the analysis of liquidity may be referred to as one-dimensional or two-dimensional analysis. Using only the traded volumes at a stock exchange or frequency of trading could be referred to as one-dimensional analysis. Using ratios such as MCap.-to-GDP is referred to as two-dimensional. For the purpose of this study, preliminary analysis of the data has been done at two stages: a) Global Scenario and b) Indian Scenario. Table-I through Table-III deal with preliminary analysis of liquidity at global stock exchanges. Table-IV through Table-VI deals with detailed analysis of liquidity at BSE and NSE.

Global Scenario

Globally, New York Stock Exchange (NYSE), NASDAQ OMX, Tokyo Stock Exchange, London Stock Exchange and Shanghai Stock Exchange are considered as most active and liquid stock exchanges^{ix}. Table-I depicts the MCap of listed domestic companies as percentage of GDP^x. The first three slots are occupied by: Hong Kong, Singapore and South Africa.

Table-1: MCap of Listed Domestic Companies as Percentage of GDP

Country Name	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
World	93	107	115	57	85	89	69	78	91	95
India	66	86	147	53	96	96	55	69	61	76
Australia	116	147	152	65	136	127	86	90	87	89
Brazil	53	64	98	35	80	70	47	51	43	36
China	18	42	127	39	71	67	46	44	42	58
Hong Kong SAR, China	581	886	1254	606	1077	1186	909	1078	1125	1111
Japan	100	106	99	64	66	70	56	58	92	95
Singapore	202	260	300	138	250	274	217	264	246	245
South Africa	213	262	277	168	270	246	189	228	257	267
Thailand	65	63	75	35	63	81	72	98	84	106
United States	130	141	138	79	105	115	101	115	143	151

Note - Market capitalization (also known as market value) is the share price times the number of shares outstanding (including their several classes) for listed domestic companies. Investment funds, unit trusts, and companies whose only business goal is to hold shares of other listed companies are excluded. Data are end of year values.

Source - World Development Indicators Report

Table - II Traded Value of Shares in Select Economies

Country Name	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
World	107	128	171	154	113	109	115	90	98	108
India	56	69	92	76	80	63	35	34	29	36
Australia	93	120	168	83	95	104	84	61	53	51
Brazil	19	25	46	34	43	42	32	35	31	28
China	17	42	179	86	155	137	89	59	81	115
Japan	95	126	151	128	77	78	73	56	124	105
Hong Kong SAR, China	232	391	954	716	662	654	582	421	480	523
Singapore	92	126	221	132	132	129	100	90	92	65
South Africa	57	87	118	99	102	100	80	81	87	93
Thailand	47	44	43	36	45	65	58	60	83	77
United States	211	239	301	354	216	204	283	212	209	237

Note: The value of shares traded is the total number of shares traded, both domestic and foreign, multiplied by their respective matching prices. Figures are single counted (only one side of the transaction is considered). Companies admitted to listing and admitted to trading are included in the data. Data are end of year values.

Source: World Development Indicators Report

Table-II depicts the traded value of shares in select global stock markets. Hong Kong and US markets are consistent performers. In US, NYSE and NASDAQ OMX Group are the major exchanges with highest traded values. NYSE is older stock exchange than NASDAQ whereas

When it comes to market share and volumes trades it is lagging behind NASDAQ. However, even today NYSE is the leader with respect to Market Cap. As at end of September, 2015 NYSE and NASDAQ have 2,447 and 2,850 listed companies respectively out of which 519 and 376 are foreign companies listed at respective exchanges.

Table-III tabulates the turnover ratios of some popular global stock markets. The list is dominated by United States, Japan and China^{xi}.

Table - III Turnover Ratio of Stock Markets in Select Economies

Country Name	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
World	120	132	161	187	156	129	152	121	115	116
India	99	95	87	75	112	74	49	54	44	54
Australia	82	94	120	88	91	87	88	72	60	55
Brazil	43	47	62	58	74	64	60	68	66	70
China	92	150	224	125	293	217	179	141	201	240
Japan	107	120	147	167	121	120	121	98	152	109
Hong Kong SAR, China	44	55	92	79	78	60	58	43	45	48
Singapore	49	58	86	63	68	54	44	38	37	27
South Africa	30	37	46	43	47	43	39	38	34	35
Thailand	75	73	67	71	90	98	79	73	94	79
United States	166	181	221	330	233	188	267	199	164	164

Note: Turnover ratio is the value of domestic shares traded divided by their market capitalization. The value is annualized by multiplying the monthly average by 12.

Source - World Development Indicators Report

Indian Scenario

Generally the Indian stock markets are characterized by low frequency and small trading volumes. The Indian financial markets are also said to witness high and frequent price fluctuations. However, the recent productive regulatory interventions have made the Indian financial markets (especially the equity markets) to work more efficiently and effectively than before. For instance, SEBI has introduced in 2011 and 2013 Liquidity Enhancement Schemes (LES) for brokers and intermediaries to enhance liquidity in illiquid securities in equity cash segment and similar scheme were also introduced to equity derivative segment. On the recommendations of the market regulator both NSE and BSE have also started publishing the list of 'Illiquid Stocks' such that the investors would take more care while investing in these stocks. During December, 2013 the capital market regulator also has relaxed the rules on trading in thinly-traded stocks (illiquid stocks). The regulator has allowed to move illiquid stocks from 'Periodic Call Auction' window to normal trading sessions. Initially, the concept of 'Periodic Call Auction' was introduced for illiquid stocks to reduce stock price manipulation. Similar measures have boosted investors' confidence as well as the competitive environment among the players has bettered than before such that the liquidity in the markets has started flourishing. Indian markets can boost of few good achievements in both cash and F&O segment of equity markets.

Based on WFE data for the month of September, 2015 the following comparative facts about BSE and NSE would be useful for further analysis:

- The Market Capitalization of BSE in USD Million is 1,458,934 when compared to 1,435,267 of NSE. These two figures are far away from the Japan Exchange Group and Shanghai Stock Exchange with a Market Capitalization of 4,405,198 and 3,951,566 respectively. When compared to September, 2014. BSE, NSE and Japan Stock Exchange lost

M.Cap. by -4.0%, -3.4% & -1.8% respectively. On the other hand Shanghai Stock Exchanges gained 37.7% along with another Chinese Stock Exchange (Shenzhen) has gained 38.6% over last year. The Market Cap, of all listed companies in Asia-Pacific region for the said period is 20,489,740 with a gain of 2.1% over preceding period.

- BSE and NSE have 5,764 and 1,779 listed companies respectively out of which one is a foreign company listed in both exchanges. With regards to listing of companies BSE is leading the table followed by Japan Stock Exchange Group with 3,487 companies (out of which 10 are foreign companies). Singapore stock exchange is showing unique leadership by having 288 foreign companies listed on its exchange out of 772 total listed companies. Malta Stock Exchange finds place at the bottom of the table with only 23 listed companies. The total listed companies in Asia-Pacific region are 25,084.
- The total value of share traded (USD Millions) for September, 2015 for Asia-Pacific region was 2,771,644 out of which BSE and NSE contributed 8,037 and 49,393 respectively. In this category also the two Chinese stock exchanges viz. Shanghai and Shenzhen stock exchanges were the clear leaders with 887,684 and 941,326 USD million respectively. The NYSE and NASDAQ had the traded value of 1,554,985 and 1,078,839 USD million.
- In the category of number of trades (thousands) NSE dominated BSE by having 149,423 trades in comparison to BSE's 27,445 trades. The total Asia-Pacific region is dominated by the two Chinese stock exchanges (Shanghai and Shenzhen) by having 295,052 and 301,732 trades respectively. NYSE and NASDAQ had 162,107 and 163,826 trades for the September, 2015.

The liquidity at any stock exchange is influenced by factors like: a) No. of companies listed, b) Turnover, c) Market Capitalization, d) Average Trade Size, e) Average Daily Turnover and f) Proportion of Retail and Institutional traders using the trading platform. At both BSE and NSE the trading volumes has increased considerable during the phase of 1990s and early 2000. NSE has started its operations during 1994 and from than onwards the turnover and Mcap. of the exchange has continuously increased. By the end of 2013 – 14, NSE was having approximately eighty four per cent of the market share. Both the exchanges have performed equally better when compared to global peers. Except during the phase of global financial crisis the growth in the turnover of both exchanges continued. It has to be noticed that turnover on BSE declined by approximately eighteen per cent in 2012 – 13 when compared to 2011 -12 on the other hand NSE's turnover for the same period declined approximately four per cent only. The WFE statistics (2011 – 2014) rank NSE as first among all exchanges in India with respect to number of trades in equity shares.

Table IV highlights the number of listed companies, turnover and Mcap. at both BSE and NSE. BSE is the World's largest stock

exchange in terms of companies listed. As at the end of FY 2014 BSE has three times more companies listed when compared to NSE. The CAGR in the listed companies of BSE is just 2.87 per cent when compares to the CAGR of NSE of 13.12 per cent. With respect to growth in the listed companies NSE has shown an impressive performance. NSE is also showing upper hand with respect to the growth in turnover. The CAGR in turnover of BSE is just one-fourth of NSE. However, when comes to Mcap, both BSE and NSE are moving neck-to-neck. In mid of 2007 (viz. May and July) both BSE and NSE have crossed the USD one trillion mark of Mcap for the first time. During 2007 India was among top 10 countries whose GDP as well the Mcap. of stock market have crossed USD one trillion mark. During Nov. 2014 BSE achieved the landmark performance of crossing Rs. 100 lakh crores (USD 1.66 trillion) in Mcap. By 2014, India's rank was 9th out of top 10 economies with highest Mcap. In 2014 India's Mcap comprises 2.5 per cent of World's GDP when compared to US which contributed 37 per cent of World's Mcap. (Ranked 1st in the world whereas Switzerland occupied 10th rank of Global Mcap. by contributing 2.4 per cent of World's Mcap.). Both on the basis of Turnover and Mcap. India is at par with global peers.

Table-IV: Trading Statistics of BSE and NSE

Year	No. of Cos. Listed		Turnover (Rs. Cr.)		Market Capitalization (Rs.Cr.)			
	BSE	NSE	BSE	NSE	BSE	YoY Gr. BSE	NSE	YoY Gr. BSE
1992-93	2861	NA	45696	NA	188146		NA	
1993-94	3585	NA	84536	NA	368071	95.63	NA	NA
1994-95	4702	135	67749	1805	468837	27.38	363350	NA
1995-96	5603	422	50064	67287	563748	20.24	401459	10.49
1996-97	5832	550	124190	295403	505137	-10.40	419367	4.46
1997-98	5853	612	207113	370193	630221	24.76	481503	14.82
1998-99	5849	648	310750	414474	619532	-1.70	491175	2.01
1999-00	5815	720	686428	839052	912842	47.34	1020426	107.75
2000-01	5869	785	1000032	1339510	571553	-37.39	657847	-35.53
2001-02	5782	793	307292	513167	612224	7.12	636861	-3.19
2002-03	5650	818	314073	617989	572197	-6.54	537133	-15.66
2003-04	5528	909	503053	1099534	1201206	109.93	1120976	108.70
2004-05	4731	970	518715	1140072	1698428	41.39	1585585	41.45
2005-06	4781	1069	816074	1569558	3022190	77.94	2813201	77.42
2006-07	4821	1228	956185	1945287	3545041	17.30	3367350	19.70
2007-08	4887	1381	1578857	3551038	5138014	44.94	4868122	44.57
2008-09	4929	1432	1100074	2752023	3086075	-39.94	2896194	-40.51
2009-10	4975	1470	1378809	4138023	6165619	99.79	6009173	107.49
2010-11	5057	1574	1105027	3577410	6839064	10.92	6702616	11.54
2011-12	5133	1646	667498	2810893	6214941	-9.13	6096518	-9.04
2012-13	5211	1666	548774	2708279	6387887	2.78	6239035	2.34
2013-14	5336	1588	521664	2808489	7415296	16.08	7277720	16.65
CAGR	2.87	13.12	11.70	44.41		18.18		16.17

Source: Compiled for the study from BSE and NSE Databases

Table-V illustrates one of the important parameter of 'Liquidity' viz. the frequency of trading where the ratio of traded companies to listed companies has been taken as a proxy. This ratio is one way measuring the activeness of the companies that have been listed on the stock exchanges. On this parameter, NSE is more active trading when compared to BSE. The share of companies that traded on BSE and NSE has shown increasing

trend 2003 – 04 to 2009 – 10. However, from the share of companies that traded BSE has shown a decline in contrast to the continuous increase of traded companies at NSE.

Table-V: Frequency of Trading at BSE and NSE

Year	BSE			NSE		
	No. of Cos. Listed	No. of Cos. Traded	Ratio of Traded to Listed (%)	No. of Cos. Listed	No. of Cos. Traded	Ratio of Traded to Listed (%)
2003 - 04	5528	2610	47.21	909	804	88.45
2004 - 05	4731	2382	50.35	970	856	88.25
2005 - 06	4781	2548	53.29	1069	928	86.81
2006 - 07	4821	2641	54.78	1228	1114	90.72
2007 - 08	4887	2709	55.43	1381	1244	90.08
2008 - 09	4929	3194	64.80	1432	1277	89.18
2009 - 10	4975	3297	66.27	1470	1343	91.36
2010 - 11	5067	2933	57.88	1574	1450	92.12
2011 - 12	5133	2977	58.00	1646	1533	93.13
2012 - 13	5211	2867	55.02	1666	1542	92.56
2013 - 14	5336	2841	53.24	1688	1540	91.23
Apr. 14 - Dec. 14	5541	2977	53.73	1708	1551	90.81

Source: Compiled for the study from BSE and NSE Databases

Table-VI documents all the *three major measures of liquidity for both BSE and NSE*. Based on Mcap.-to-GDP ratio both BSE and NSE have equal performance. Based on the turnover ratio and traded value ratios, NSE is performing much better than BSE. From the inception it is based on both the ratios NSE is performing well.

Table-VI: Liquidity Measures for Indian Stock Exchanges (%)

Year	Mcap/GDP		Turnover Ratio		Traded Value Ratio	
	BSE	NSE	BSE	NSE	BSE	NSE
1992 - 93	25.1	NA	24.3	NA	6.1	NA
1993 - 94	42.8	NA	23.0	NA	9.8	NA
1994 - 95	46.3	NA	14.5	NA	6.7	NA
1995 - 96	47.5	33.8	8.9	16.8	4.2	5.7
1996 - 97	36.9	30.7	24.6	70.4	9.1	21.6
1997 - 98	41.4	31.6	32.9	76.9	13.6	24.3
1998 - 99	35.6	28.2	50.2	84.4	17.8	23.8
1999 - 00	47.1	52.7	75.2	82.2	35.4	43.4
2000 - 01	27.4	31.5	175	203	47.9	64.1
2001 - 02	26.9	28.0	50.2	80.6	13.5	22.6
2002 - 03	23.2	21.8	54.9	115.1	12.7	25.1
2003 - 04	43.5	40.6	41.9	98.1	18.2	39.8
2004 - 05	52.4	48.9	30.5	71.9	16.0	35.2
2005 - 06	81.8	76.2	27.0	55.8	22.1	42.5
2006 - 07	82.8	78.4	27.0	57.8	22.3	45.3
2007 - 08	103.0	97.4	30.7	73.1	31.7	71.2
2008 - 09	55.3	51.9	35.6	95.0	19.7	49.3
2009 - 10	94.1	91.7	22.4	68.9	21.0	63.2
2010 - 11	94.1	92.2	16.2	53.4	15.2	49.2
2011 - 12	110.3	108.2	10.7	46.1	11.8	49.9
2012 - 13	108.3	105.7	8.6	43.4	9.3	45.9
2013 - 14	114.1	111.5	5.3	30.3	6.1	33.8
As per New Series of Estimates for GDP at 2011 -12 Prices*						
2011 - 12*	70.4	69.0	10.7	46.1	7.6	31.8
2012 - 13*	68.8	67.2	8.6	43.4	5.9	29.2
2013 - 14*	74.7	73.4	7.0	38.6	5.3	28.3
2014 - 15	92.3	90.1	6.3	32.9	5.8	29.6

*Note: From Nov. 2014 the base year has been revised from 2004 - 05 to 2011 - 12

NSE - National Stock Exchange and BSE - Bombay Stock Exchange

Source: Annual Reports of SEBI and Central Statistical Office (CSO)

Conclusion

Financial markets are the backbone of any economy and the well-functioning of the financial markets depends on the liquidity. Liquidity existence could be studied with respect to various sub-markets such as credit markets, forex markets or commodity markets. The present paper focused mainly on the liquidity of equity markets. Researchers have given various dimensions of liquidity in the stock markets. The popular definition of liquidity was given by Keynes in 1930s and it is still the preferred definition. In this paper focus was given to popular metrics used to gauge liquidity in equity markets. The preliminary analysis shows that Indian stock markets are relatively more liquid than other emerging economies and are more stable when compared to Chinese markets in recent times. The swings in the Mcap. Rankings of India when compared to global giants could also be influenced by the forex rates, especially US Dollar and Euro. The recent rise and fall of Chinese stock markets (2014–2015) has given a lot of insights to the regulators and policymakers with respect to promoting and monitoring liquidity in the financial markets. Indian popular stock exchanges NSE and BSE have achieved 1st and 2nd ranks in Global Liquidity Comparison of trading of Index Options (as on Nov. 2014) however based on the number of trades NSE occupies 3rd rank and BSE is the 9th largest exchange globally as on Nov. 2014. Few of these rankings itself indicate the effective and efficient functioning of Indian stock exchanges under the better guidance of the market regulator SEBI.

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ⁱ The 'Indicators' of the liquidity are different from 'Determinants' or 'Drivers' of liquidity.

ⁱⁱ Generally, it is difficult to measure and monitor the liquidity in Over-the-Counter (OTC) market. The need to have transparent measures of liquidity in OTC markets has come to forefront of research post-crisis of 2008. Even in the OTC markets the derivative segment are not so transparent with respect to liquidity. The reason for lack of transparent and measureable metrics of liquidity in OTC derivative markets is simply because of 'Customization' of the financial products to the financial needs of the end-users.

ⁱⁱⁱ The liquidity analysis (Measuring of liquidity risk) could be done for markets such as: a) Commodity, b) Forex, c) bond (both corporate and Govt.), d) Equities and so on.

^{iv} As per the PricewaterhouseCoopers's *Global Financial Markets Liquidity Study of August, 2015* – increase in electrification and digitalization in financial markets has reduced the transactions costs

(bid-ask spread) for the market participants and also has enhanced the immediacy in trade execution.

^v Global Top 100 Companies by market capitalization Report published by PwC in 2015 discloses that 53 companies (47 in 2014) are ranked among the World's top 100 companies with respect to market cap. On the same parameter, China has 11 companies (8 in 2014) with highest market capitalization. UK is consistent with 8 companies with highest market capitalization in both 2014 and 2015.

^{vi} The ratio would help conduct cross-country as well as across the time stock market liquidity analysis. If the total stock market capitalization is say \$20 trillion and the GDP is also \$ 20 trillion, the ratio would be 100% which indicates that the markets are correctly valued. On the other hand if MCap is \$ 20 trillion and the GDP is \$ 16 trillion then the ratio would be 125% which means the stock market is overvalued and vice versa. Generally, the said ratio would be 100% or more for developed markets and 70% to 100% for emerging markets. The past research papers have stated that this ratio would be higher for economies where the services to GDP ratio is higher when compared

to economies where manufacturing sector contributes more to GDP. The rising MCap is a function of two variables such as the valuations of already listed-securities and second new companies approaching the market through IPO route and getting listed.

^{vii} Usually, India has the highest ratio among the BRIC economics, while it was below those of developed economies such as Japan and the US. In July, 2015 Dalal Street has lost its position to Shanghai. The combined market cap of listed companies in China is was equivalent to 80 per cent of the country's latest annual GDP (on current prices at that point of time) against India's 76 per cent. In the past, India has been ahead of China, with a historical average (since March 2004) market capitalization to GDP ratio of 73 per cent, higher than China's 45 per cent. The rise of China is largely due to a sharp rally in Chinese stocks. The Shanghai market is up 150 per cent since March 2014, against a 27 per cent rise in the market cap of BSE-listed companies in the period. Of the BRICs economies, China has witnessed the sharpest rally in stock markets over the past year. The country's market cap has surged up 61 per cent to \$5.4 trillion in the stated period due to investors betting on the country's growth prospects.

^{viii} China and Turkey usually have high turnover ratios in the equity markets because of high retail participation from retail segment and equity being the favored investment route for high net worth individuals.

^{ix} As per the World Federation of Exchanges (WFE) Market Highlights Report of 2015, the value of the Worldwide share trading has risen 36% during the first-half of 2015 when compared to the second-half 2014 (In the first-half of 2015 the value of share trading was 59 trillion USD). On Y-o-Y basis global share trading value has risen by 58%. During the first-half of 2015 the Global Mcap. has stood at 73 trillion USD which was 6% greater on Y-o-Y basis. Among the Asian stock exchanges, China has shown a very impressive performance by

registering 166% rise in the share trading volume in the first-half of 2015 when compared to second-half of 2014.

^x As per the IMF World Economic Outlook (WEO) 2015, China, US and India occupy the first three places in the ranking based on GDP using PPP valuation. The China's GDP (Billion Dollars) has grown from 305 bln. In 2008 to 18,088 bln by 2014 whereas the GDP of India has raised from 386 bln in 1980 to 7,411 bln in 2014.

^{xi} Chinese stock markets were the hot topic during 2014 and early 2015. During May, 2015 the Shanghai Stock Exchange had a total market cap of \$ 5.9 trillion and the Shenzhen Stock Exchange had a MCap of \$ 4.4 trillion and it can be stated that the Chinese stock markets had a MCap of approximately \$ 10 trillion. During the said period the Chinese stock markets climbed the ranks and become the most liquid stock markets of the World by overtaking US stock markets and within few months also lost title to the US. China's stock market turnover has been above the US levels for a month through first week of July, 2015. China was able to retain the title of World's liquid market for a period of one month. The Global Financial Stability Report of IMF (2015) stated that the growth in the Chinese equity prices (which has started in mid-2014) was driven by combinations of factors such as: perception of official support for equities, reallocation of household savings from weaker property markets, and optimism about reforms in state-owned enterprises. Daily market turnover rose to 1.7 trillion Renminbi (RMB) in June, 2015 from less than RMB 0.2 trillion during 2014. During the August, 2015 the US has once again has emerged as the most liquid and actively traded equity market in the World. The major reasons for the China losing title to US is that two main stock exchanges restricted 'Short Sales' and halt in trading that lead to a decline in 'Volumes'. The Chinese government has also banned stake disposal by majority stakeholders along with restricting IPOs.



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Factors that Influence a Customer's Choice of a Bank: A Case Study

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ABSTRACT

Of late, across the world, many financial institutions are emerging which give customers a wide variety of choice of products and services. Based on this scenario the scholars desire to locate the factors that influence the customers to select a specific Bank in general more so in Gaborone, the capital city of Botswana. The study adopted qualitative and quantitative research methods. To be more specific a survey method was used through the distribution of questionnaires that included close-ended and open-ended questions. A cross sectional study was used to compare gender differences in terms of the importance of choice criteria when selecting a bank. The scholars identified that "efficient and prompt service, innovative products and services, low reasonable service charges, pleasant banking atmosphere and friendly manners of staff are the most factors that customers consider when they select a bank". The findings are applicable not only in Botswana but also elsewhere.

Introduction

Across the world the macro-environment is constantly changing and considering this fact banks should identify the most profitable markets now and in the future; assessing the present and future needs of the customers; setting business development goals and making plans to meet them; managing various services and promoting them to achieve the plans and adapting to a changing environment in the market (Bruce Pattullo, 1982). Therefore, it is important for banks to adapt to these changes in order to meet the demands of customers. It is important for financial institutions to position their services in such a manner to be distinguishable from their competitors. Banks' are financial intermediaries that are involved in transferring funds from savers to borrowers (Peter, 2005). Since customers are the main source of banks'

profitability, it is important for banks' to identify factors which influence customers' choice when they determine their bank selection decision so that they are able to serve their customers well. "Unless the business serves its customers well it will fail." (Braddick, 1987). As the banking industry grows so does competition between banks. In order to have a large share of the market banks have to come up with marketing strategy defined as a long-term direction of an organization (Gerry Johnson, 2014) to retain existing customers and to also attract new customers. According to Rohlwink (1991) competitive intensity should be measured in terms of the number of competitors and the distribution of market share amongst these. This indicates how easy or difficult it will be for the financial institution to achieve a reasonable share of the market given a reasonable general level of competition. Botswana has 10 commercial banks (see Appendix-1 for the list of banks in Botswana). Taking into consideration that it is a country with a small population the banking sector has a potential for market saturation. "Generally more competition and choice is a good thing. That is the advantage the consumer will enjoy as he will have a wider choice of banking services." (Balise, Sunday Standard, 2013). Hence, banks need to investigate the determinants of customers' choice of a bank.

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Problem Statement

The problem emanates from financial industries, particularly the banking sector growing rapidly and becoming competitive due to factors such as technology, the convenience of service availability and service differentiation to say the least. The intense competition that exists in the market for financial services presents a big challenge to the profitability of banking institutions of all sizes (Mokhlis, 2009). Banks are faced with the challenge of attracting customers but firstly, they need to know and understand the selection criteria customers adopt in choosing a bank. This problem leaves room for research to be conducted on the determinants of customers' choice of a bank.

By investigating the factors that determine customer's choice of the bank it will help banks to understand their customers' changing needs and behavior such that they can efficiently and effectively deliver services to meet their expectations.

Objectives

- To determine the factors customers consider important when selecting a bank and how customers rank the factors based on their level of importance.
- To analyze gender differences when it comes to the importance of choice criteria when selecting a bank.
- To find out if customers require additional services apart from services that are currently offered by the bank of their choice or not.
- To give best possible recommendation to the banks on the best way to retain or attract customers.

Specific Research Questions

1. What are the most important factors that customers' consider when selecting a bank?
2. Apart from the services currently provided which other services do customer expect?
3. What are the key factors a bank has to consider in order to attract and retain its customer?

Hypotheses

The contention on this research is that customers choose a bank based on several factors including the quality of service offered by that particular bank. Customer service is linked to customer satisfaction and retention and will subsequently increase the organization's profit. Customers' perception regarding the prompt service rendered by the salespersons of the bank, bank staff performing services right on time, and banks' understanding the specific needs of the customers have a great impact on customer satisfaction (Khurana, 2014).

- H₁** There is a positive Relationship between customer retention and factors which customers look at when choosing a bank.
- H₂** Customers will not move away from the bank if it satisfies all their needs and expectations.
- H₃** Bank's effective marketing strategy is an important tool to retain and attract customers.
- H₄** Customer preferences depend on underlying assumptions which are not easily recognized and only identified in everyday actions.
- H₅** The survival of a bank depends on how aggressive it markets itself and its products.

Conceptual Clarifications

Banks are important to the economy as a whole; there is still much confusion about what exactly a bank is. A bank can be defined in terms of (1) the economic functions it serves, (2) the service it offers its customers, or (3) the legal basis for its existence. Certainly banks can be defined by the function they perform in the economy. They are involved in transferring funds from savers to borrowers and act as a financial intermediary (Peter, 2005).

Customers- A customer is defined as a recipient of a product, good or service. They have internal customers (for example, peers, coworkers, bosses, subordinates, people from other areas of their organization) and/or external customers (for example vendors, suppliers, various cellphone callers, walk-in customers and other organizations, others not from within the organization) (Lucas, 2005).

Satisfaction - Satisfaction is a feeling that surfaces from an evaluation process, i.e. when the consumer of a good or service compares what is received against what is expected from the utilization of that good or service (Khan, 2014).

Bank selection criteria – Bank selection criteria represents the rationale which customers choose specific banks (Ariffin, 2009).

Literature Review

Theoretical and empirical evidence

There have been a number of studies done surrounding determinants or factors that influence a customer's choice of a bank. An empirical investigation was done by (Mariam, 2011) from Addis Ababa University who divided the influence of customers' choice into three; internal influences, situational influences and external influences. With regard to internal influences he/she has explained that the ideal treatment of a customer differs from customer to customer, emphasizing that "some of these differences are due to the way in which customers internalize information about the outside world such as perception, exposure, attention and interpretation." (Mariam, 2011). The report describes situational factors such as advertising as things that can strongly influence people's moods, behaviors and the choices they make. Time is also categorized under social factors that influence customers' banking choice. Time is one of the consumers' most limited resources. We talk about making time or spending time, and are frequently reminded that time is money. They should provide fast service for their customers (Mariam, 2011). He also said that social forces can influence a customers' decision especially since individuals are surrounded by one another. Social factors affect banks directly-through changing population patterns and industrial distribution, and indirectly through changing customer expectations, behavior and attitude (Braddick, 1987). On the other hand, a similar study by (Haque, 2009) shows that bank selection criteria can be based on four broad categories; convenience factors, economic factors, promotional factors and influence factors. The study also reveals that various factors related to customers convenience in carrying out their banking functions were the most important considerations in selecting a bank, followed by factors related to receiving services at low cost.

Similarly another research was done by (Thomas, 1976) to analyze and assess the principal decision factors used in selecting a bank. Bank selection decision is based primarily on five determinant selection criteria: friends' recommendations, reputation, and availability of credit, friendliness, and service charges on checking accounts (Thomas, 1976). Service charges on checking accounts can be related to what Rohlwink (1991) says in his book concerning price competitiveness. He says that price competitiveness applies to the

interest rates a financial institution charges on loans, the rate it pays for deposits and the fees it demands for various transaction services relative to competitors. He gives an example by saying that a price differential of only 1 % may be necessary to convince multinational customers to change their bank.

From the *Journal of Commerce & Social Sciences 2014*, Khan explains that customer satisfaction and loyalty is highly dependent on a few factors; Service quality particularly in the banking industry, premium service quality plays a pivotal role for customers in evaluating the performance of a service provider and is the key to gain customer satisfaction and customer loyalty. Banks can gain competitive advantage and build long term relationship with its customers by providing premium quality services (Mubbsher Munawar Khan, 2014). Excellent service pays off because it creates true customers-customers who are glad they selected a firm after the service experience, customers who will use the firm's praises to others (Valariea, 1990). High quality is the foundation for delivering enhanced service value. Value will in turn, lead to increased levels of customer satisfaction and retention (Waite, 2007). Service delivery also includes distribution channels through which products and services are sold and delivered to customers. For banking products, a physical branch network has traditionally been the major distribution channel. Image and reputation is also considered as a determinant of a customer's choice. A financial institution's overall image and reputation consists of several elements which can provide a competitive advantage in selling products and services (Rohlwink, 1991). Image is seen as the organization's representation of itself to its various stakeholders and the means by which it distinguishes itself from all other organizations (Daskou, 2004).

Reliability is also a contribution to the choice of customers as they make a selection of the bank they wish to use. Reliability relates to the firm having the required expertise to perform its business effectively and reliably. It is emphasized through dependability, quality and consistency and may be associated with high levels of predictability on the part of consumers as to the product or service they may expect (Egan, 2001). The literature reveals an increased degree of positive relationship between service quality, customer satisfaction and performance (both financial and non-financial) where face-to-face dealing between customer and employee is the only focus. Technology expansion has had a great impact on the choice of service delivery standard and services marketing strategies (Khan, 2014). From the *IUP journal of bank management*, a study was done by (Nelson Lajuni, 2010) to examine the bank selection criteria preferred by Labuanese. The study reveals that in choosing their bank, factors like ATMs, efficient financial service provider, strong brand name, financial stability and banks that honor clients' confidentiality appear to attract potential clients in Labuan. Conversely, promotional offers, bank location and the influence of friends and family play a minimal role in influencing potential clients in the choice of banks.

Methodology

This section of the paper outlines the research methodology used in the study such as sampling scheme, period of study and procedure used in collecting data.

Sampling scheme

Sampling is the process of selecting items from the population so that the sample characteristics could be generalized to the population. Sampling involves both design choices and sample size decisions (Bougie, 2013). Since the target population in this study was large, it was not be able to cover the entire population and therefore it was necessary for the scholars to select a sample that would represent the

target population. The target population included everyone (both male and female) who is or who wishes and is eligible to be an account holder in any of the 10 banks in Botswana. Please refer to Apendix-1 for the list of banks in Botswana. The study was not only targeted at those who want or who have bank accounts, but also at those who wish to be provided with any financial service. In other words, the assumption was that the sample targets often use bank services to perform certain activities like saving, receiving and transferring money. Since convenience sampling was the cheapest and the easiest, it was used to randomly select people in Gaborone to answer questionnaires. A hundred questionnaires were given out randomly and therefore formed the sample.

Procedure of data collection

The aim of the study is to understand effects of the determinants of customers' choice of a bank. In order to achieve the aim of the study, the qualitative and quantitative research approach was adopted through distributing questionnaires including close ended and open ended questions to obtain primary data. The questionnaires were self-administered and contained questions that will give out necessary information which is related to the research questions. The questionnaire was structured to collect some biological data on the respondents and the importance of different factors while choosing a bank. The likert type scaling is used where 5=very important and 1=not important. A cross sectional study was used to compare gender differences in terms of the importance of choice criteria when selecting a bank. Secondary data were obtained from researches that had been done in the past concerning this research study.

Processing data

Processing refers to converting unorganized facts into useful and meaningful information. Like mentioned previously, information was collected through the use of questionnaires. This was recorded on paper and the final results were later displayed in the form of a Table, graph or chart and stored electronically. The study was organized and summarized using Microsoft Excel to produce frequencies and descriptive analysis and those results were finally presented in figures, tables and percentages.

Source of information

Most of the information was obtained from the primary data, obtained from questionnaires that were distributed. It also included the secondary data collected from views of studies previously done by other researchers concerning the determinants of customers' choice of a bank. Books and articles from the internet were also used and cited during the study.

Analysis of Data, Discussions and Findings

Introduction

This section focuses on discussing and analyzing the questions that were distributed to individuals in the form of a questionnaire. The questionnaire was also concerned with personal information of the respondents which included gender, age, education level as well as the income level as illustrated in Table 1 below. The analysis of these factors is useful since it may influence customers' choice of a bank. Focus was also on the individual's criteria for selection to ascertain the dominant selection criteria and less dominant ones. It is also worth noting that the reason for using monthly income, as shown in Table 1 is that in Botswana salaried employees are contracted on the basis of monthly payment.

Responses

Table 1 shows the demographic information of respondents.

Table-1: Demographic Factors

Characteristics		Number	Percentage
Sex of the respondents	Male:	47	47%
	Female:	53	53%
	Total	100	100%
Age Group	18-24	19	19%
	25-34	47	47%
	35-44	15	15%
	45-54	12	12%
	55-64	6	6%
	65 & above	1	1%
	Total	100	100%
Education Level	Below High school	1	1%
	High school	15	15%
	College/University	84	84%
	Total	100	100%
Income Level per month	Less than P5000	40	40%
	P5 000-9 999	29	29%
	P10 000-14 999	12	12%
	P15 000- 19 999	6	6%
	P20 000 & More	13	13%
	Total	100	100%

One hundred Questionnaires were distributed randomly to people and all the hundred questionnaires were returned properly answered. The high response rate was attributed to the self-administered approach undertaken in distributing questionnaires. Table 1 above shows that gender was almost evenly split with 47 percent males and 53 percent females. Out of the total number of respondents, 19% were between 18 and 24 years, 45% 25-34 years, 15% 35-44 years, 12% 45-54 years, 6% 55-64 years and 1% above 65 years. From Table 1 it seems like banking habits and educational level are highly correlated as 84% percent of the respondents has education up to tertiary level. The Highest proportion of the respondents (40%) earned less than P5000. Average monthly income of between P5 000-P9 999 is earned by 29% of the respondents. About 12% of the respondents indicated that they earned between P10 000-P14 999 whereas 6% earned P15 000- P19 999 and the rest of the respondents constituting 13% earned P20 000 or more.

Banking behavior of customers

Table 2 below highlights the customers' who are now using more than one bank.

Table-2: Relationship with more than One Bank

Code	Value	Frequency	Percent (%)
1	Yes	43	43%
2	No	57	57%

Participants were asked whether or not they have a relationship or an affiliation with more than one bank. Table 2 above is a frequency table showing how many customers use only one bank and how many respondents use more than one bank. From table 2 the code 1 represents the number of people who said yes to use more than one bank. Code 2 represents those who responded No to using more than one bank. The table shows that 43% of the respondents are affiliated with more than one bank to take advantage of competitive rates for products offered and to enjoy different financial services that differ from bank to bank. The remaining 57% which forms the majority only use one bank for the simple reason that they are content with everything their bank has to offer them.

Respondents' bank affiliation period

The scholar aimed to establish how long individuals have been using a particular bank/s in attempt to find out the reason behind that period. This factor is highlighted in figure 1 below.

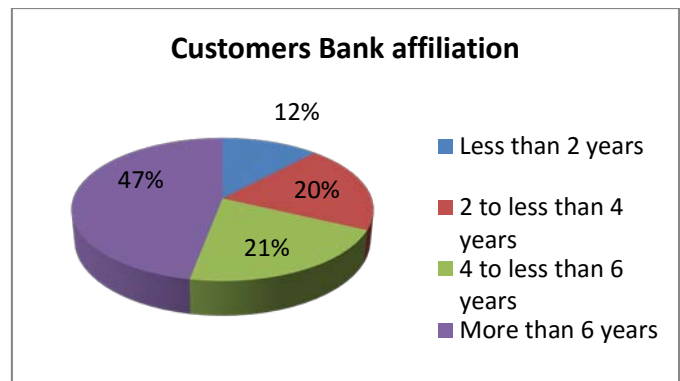


Figure 1: Bank Affiliation Period

The customers' practice of banking relationship can be interpreted in the following ways. As shown on figure 1, 47% of the respondents have more than six years of banking relationship with their main bank. Such a long relationship could simply mean that customers are generally content with the bank they use as well as the services provided by those banks. It also indicates the capability of customer retention by banks. This is followed by 21% of the customers have been in a relationship with their main bank for a period of 2-4 years, while 20% has about 4 to 6 years using their main bank and lastly a smaller number of the customers constituting 12% have a short period relationship of less than two years with their respective banks.

Factors Affecting Perspective Customers in Choosing a Bank

The respondents reply is shown on the figure 2 below.

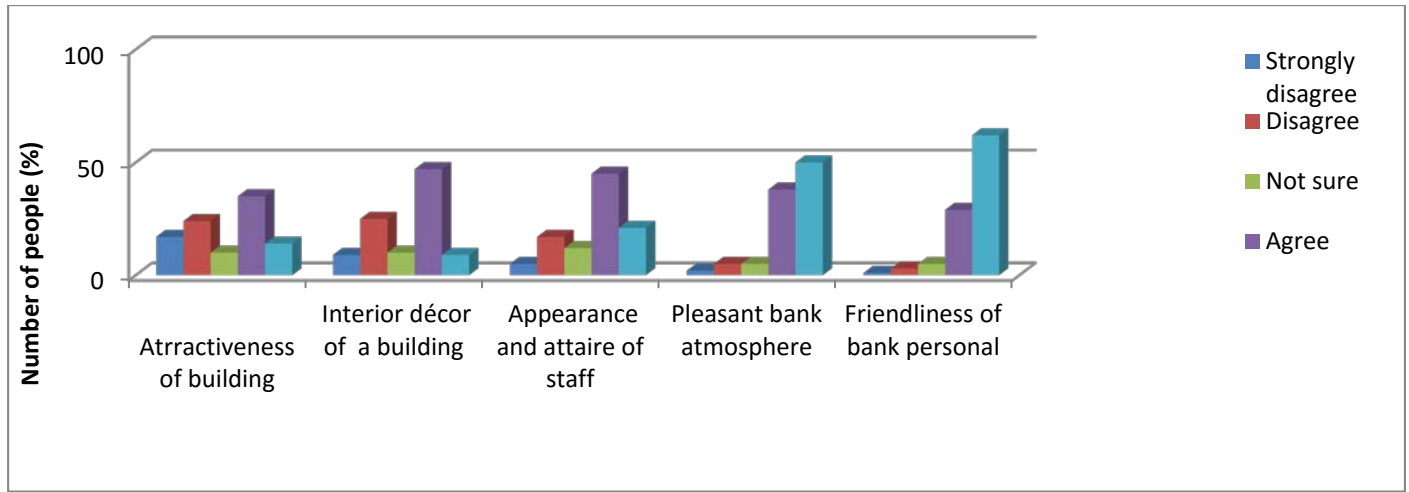


Figure-2: Bank Attractiveness

Participants were asked on the questionnaire if factors such as appearance and attractiveness of a building matters when it comes to selecting a bank to use. Looking at fig. 2, a majority of the respondents constituting 35% agree and 14% strongly agree that the attractiveness of a building does matter when selecting a bank to use. On the other hand there is also a relatively high number of people who feel the opposite, 17% of them do not think their choice of a bank is influenced by how attractive a building is. From fig. 4, it seems that the most

important factors under attractiveness is how pleasant the bank atmosphere is and how friendly the bank personal is with 50% and 62% (respectively) of respondents strongly agreeing.

People Influences

Figure 3 below displays peoples responses to being influenced by a third party when choosing a bank.

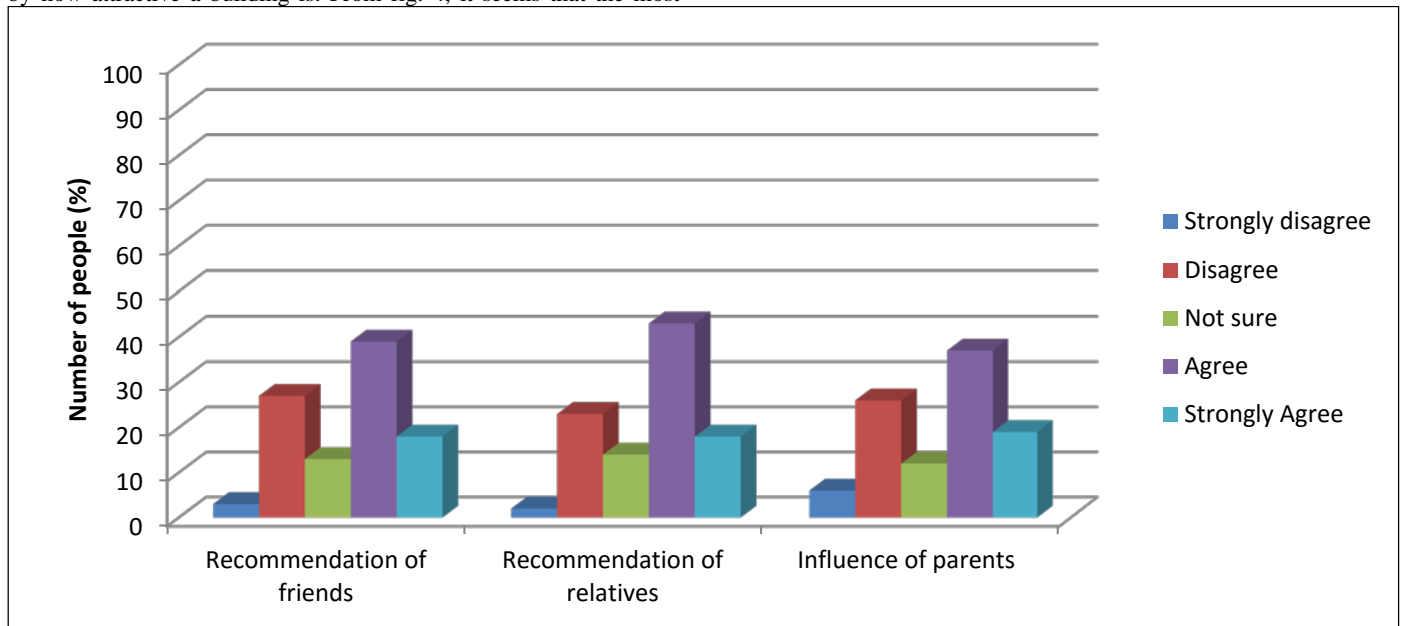


Figure 3: People Influences

With regards to whether or not respondents' bank selection would be influenced by a third party, fig. 3 clearly shows that some of the respondents say they do consider what their friends and family members say about a particular bank but some don't consider it. Fig. 3 illustrates that 39% of the people agree that they are influenced by their friends, 43% agree that they are influenced by their relatives and 37% of the people agree that they consider what their parents say about a particular bank. On the other hand 27% don't consider what their

friends say, 23% don't consider what their relatives say and 26% are not influenced by their parents.

Service Provision

Service provision is one of the many selection criteria considered when selecting a bank. The graph below (fig. 4) highlights the respondents reply to this factor.

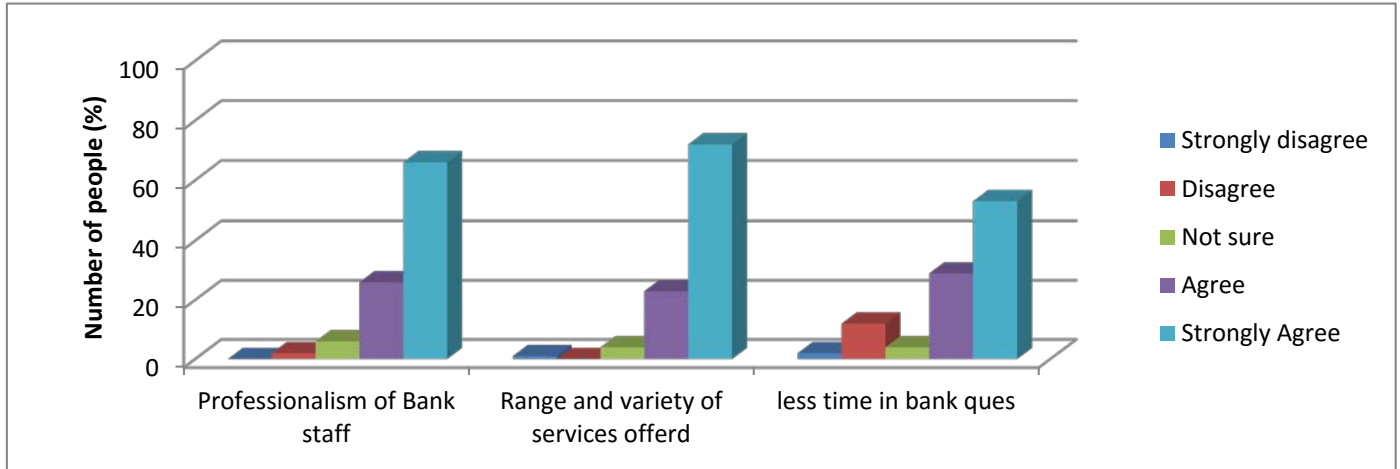


Figure 4: Service Provision

From fig. 4 it is clear that professionalism of bank staff, range and variety of services as well as less time spent in queues are important factors and respondents strongly believe and feel that these factors are to be taken into consideration when selecting a bank. 66% of the respondents are influenced by the professionalism of bank staff while 72% are influenced by the variety of services offered, the wider the variety the more likely it is that people will show interest and eventually choose that bank. The graph also shows that 53% of the respondents are influenced by the queues in banks. This graph also

shows that there is a very small number of respondents who are not influenced by either the professionalism of bank staff, the variety of services offered or the queues in banks.

Branch Location

The graph below (Fig. 5) displays customers' responses to how important branch location of a bank

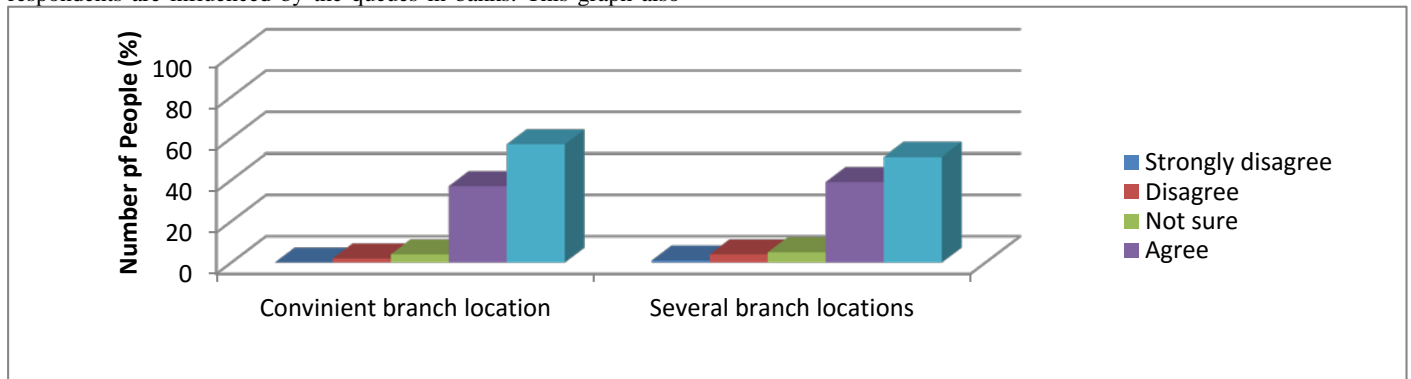


Figure 5: Branch location

Figure 5 is a graph which shows that 57% of the respondents consider branch location as in important factor when deciding on a bank to choose and a low number of people; about 2% don't take it into consideration. Several branch locations has 51% respondents who consider how many branches there are and 4% are not bothered by that when selecting a bank.

Financial stability and information confidentiality in a bank.

The graph below (fig. 6) represents how feeling secure in a bank matters when selecting a bank to become a member of.

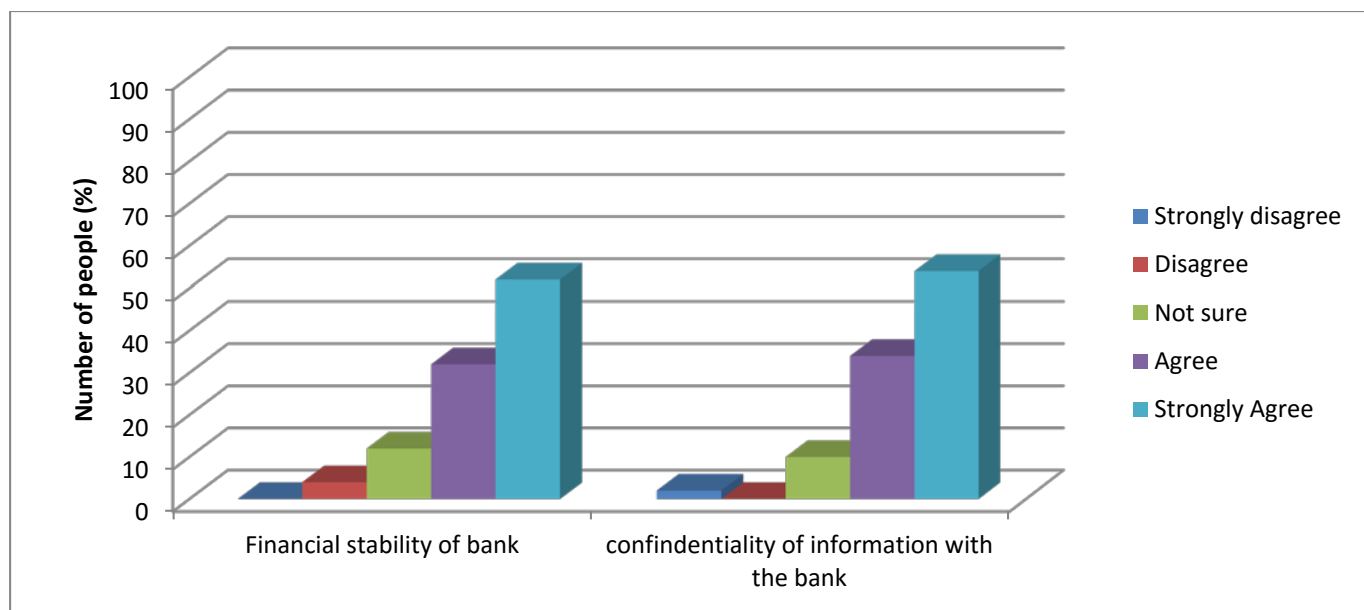


Figure-6: Secure feeling

Above is figure 9 which illustrates that over half of the respondents constituting 52% strongly agree to consider the financial stability of the bank before they decide to form a relationship with it, 32% also agree that its important for them to take financial stability into consideration and no one has strongly disagreed but rather only 4% feel the opposite and 12% seem not to be sure. A high number of respondents, 54% of them strongly believe that taking into consideration how safe and confidential you information is with the

bank is important whereas only 2% of people strongly disagree and 10% are not sure if it matters to them.

ATM Services

Below is a graph (fig. 7) that shows customers' responses to the importance of ATM services when choosing a bank.

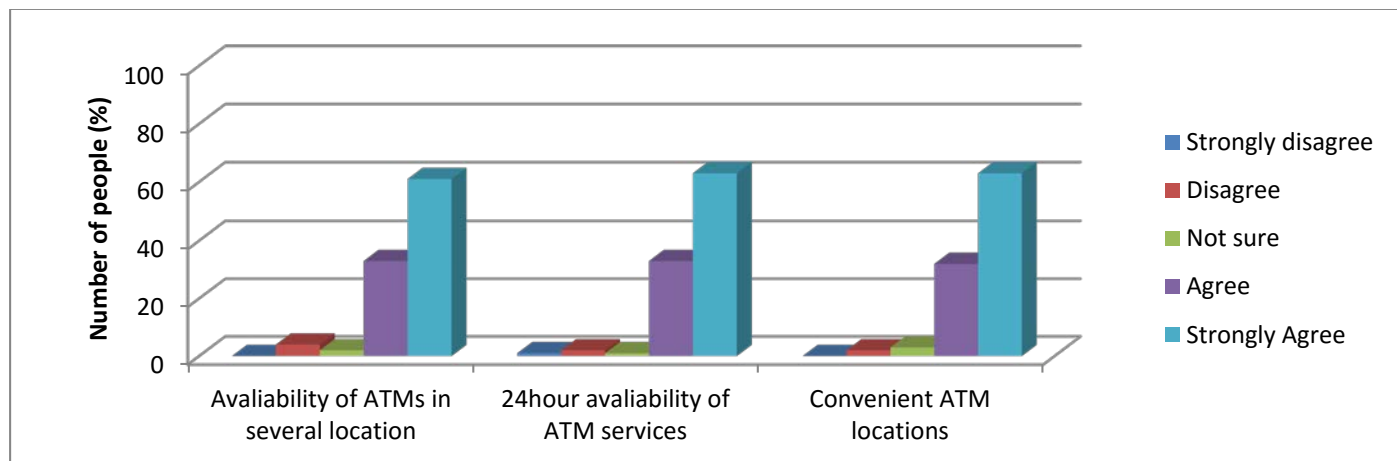


Figure 7: ATM services

With regards to ATM services, fig 7 clearly demonstrates that majority of people strongly agree that the availability of ATMs in several locations, 24hour availability of ATM services and convenient ATM locations are a great determinant of a bank selection. 61% of respondents will consider the availability of ATMs, 63% of them will consider 24hour availability of ATM services and 63% will be influenced by how convenient ATM location are.

Financial Benefits

The graph displayed below shows the response of customers to how important financial benefits of a bank are to them when considering a bank to use.

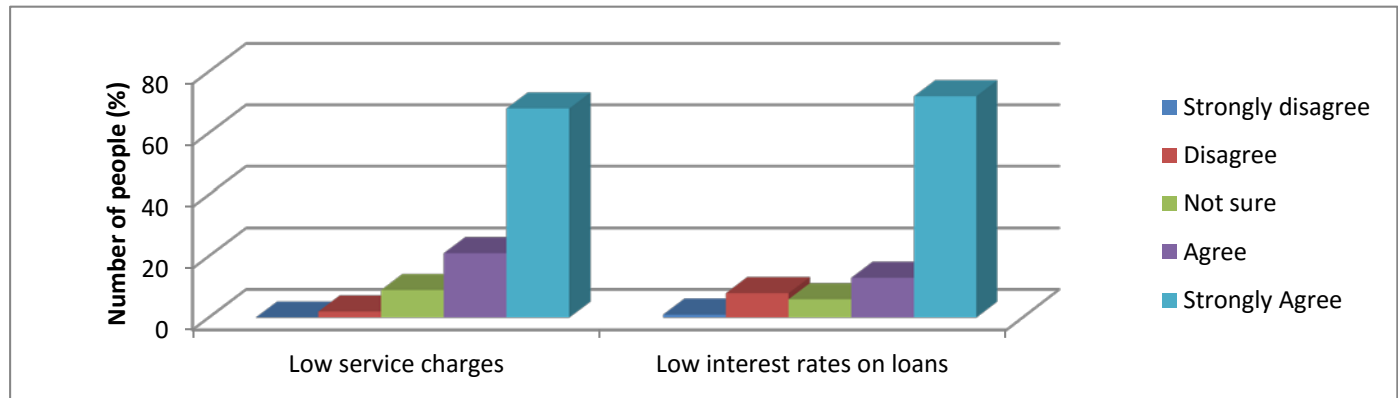


Figure-7: Financial Benefits

The graph above (fig. 7) depicts that low service charges as well as low interest rates on loans are very important determinants of customers' choice of a bank. Low service charges have 68% respondents and low interest rates on loans have 72% respondents who strongly believe and that these factors influence their choice of a bank. None of the respondents strongly disagree that low service charges influence their choice, but it is seen that only a small percentage of 6% disagrees. It's also a similar case with regards to low interest rates on loans, only a very small number of respondents of about 8 percent disagree.

Table 4 below shows the four most and least important factors influencing bank selection among potential clients in Gaborone.

Table 4: The Four Most/Least Important Factors Influencing Bank Selection among Potential Customers in Gaborone

All Sample	Male	Female
A. The Four Most Important Factors in Selecting a Bank		
Financial benefits	Financial benefits	ATM services
ATM services	ATM services	Service provision
Service Provision	Service provision	Financial benefits
Secure Feeling	People influences	Secure feeling
B. The four Least Important Factors in Selecting a Bank		
Branch location	Attractiveness	Marketing promotions
People influences	Marketing promotions	People influences
Attractiveness	Branch location	attractiveness
Marketing promotion	Secure feeling	Branch location

Table 4 above shows that both male and female respondents preferred banks that provide ATM services, efficient services and low and reasonable service charges. The major difference between the male and female respondents was that the male respondents' choice of banks was influenced by people like friends and family whereas, female respondents were not concerned about what people said but rather preferred to choose a bank that they would feel secure with. Most of the least important factors influencing the clients in Gaborone were the same. They were not easily influenced by marketing promotions, location of the bank and by the appearance of the bank.

Discussion

The objective of undertaking the topic of "determinants of customers' choice of a bank" was mainly to find out which factors are

important to customers as they make a decision to be a customer of a particular bank and also to find ways in which banks can improve their services which could ultimately help in retaining more customers. A questionnaire was compiled and distributed to random people of different ages in the hope that the research objectives highlighted in background information would be achieved.

As previously mentioned, customers choice of a bank is an important element of banking strategy in today's increasingly competitive environment. Therefore it is important for bank management to identify and improve factors that can increase customer retention. There are factors that influence customers' choice of banks as customers still move from one bank to another and because there is quite a range of these factors, there is need to investigate the factors influencing consumers' choice of a bank.

Results show that the attractiveness of bank's physical structure, this includes items associated to bank image like pleasant bank atmosphere and external appearance of the bank is not necessarily an important factor. The appearance of a bank has very little effect among the criteria. However, within that category customers seem to rather be more influenced by the pleasant bank atmosphere as well as the friendliness of bank personal (figure 2). In our findings customers choose banks depending on suggestions of other people even though it is considered by respondents to be one of the least important factors (figure 3). From our investigations bank services seem to be one of the most important factors customer consider when choosing a bank of which the availability of technology based services is one of the major reasons for customers choice of a bank. (Figure 4) shows that bank services not only encompass a range and variety of services but also include professionalism of bank staff and the most considered factor in this instance is the availability of a wide range of financial products. Our findings have revealed that branch location is also important and is linked to convenience. Customers prefer using banks that are easily accessed and within reach, even though location is not ranked amongst the highest ranked factors. Table 4 shows that there is not much of a difference between males and females in Gaborone in terms of the factors that affect them when selecting a bank. Males and females do not rank the factors that affect their choice of a bank the same. What seems to be the most important factor for males is not the same for females. For example if you look at Table 4, males think that financial benefits are more important than ATM services. However, both Genders tend to take the same factors into consideration when making a decision to choose a bank.

Conclusions & Recommendations

Conclusion

The findings of the study reveal that the service provision, secure feeling, financial benefits and ATM services are the major reasons for customers' choice of a bank. To be specific, efficient and prompt services, innovative products and services, low and reasonable service charges, pleasant banking atmosphere and friendly and pleasing manners of staff are identified as major factors in a bank selection by the sampled respondents. The number of branches, physical appearance of the bank, and marketing promotions also considered to be important choice determinants. Even though all of these received less rating it does not imply that they are not important at all. In terms of gender differences Males and Females do not differ significantly when it comes to factors they look at when choosing a bank. In conclusion this study has achieved its aim of identifying factors that customers in Botswana consider important when selecting a bank.

Recommendations

Based on the findings of the study the following is recommended;

- Since customers put a lot of emphasis on factors like convenience and service provision, banks should seriously consider these factors in designing their marketing strategies and widening their branches and providing good customer service to customers.
- Bank management or the marketing department in the bank should do frequent surveys in order to find out what their customers' experiences and expectations are and to also hear what customers recommend to improve service quality.
- Management should also focus on continuously training and developing their employees so that they are able to be efficient which will ultimately improve their service provision.
- Customers have suggested some additional improvements in the banking industry other than services currently offered. Focus should be on well integrated application of technology and staff through operations that respond to customer needs and encourage customers to use a whole range of banking services as opposed to just a few. It will also be a way of building loyalty through customer relationships.
- Bank management should be aware that some of the bank selection determinants differ from one segment to another. This would enable managers to identify different attributes that affect bank selection decisions made by each segment in the business market.

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Appendix-1: List of banks in Botswana

1. First National Bank
2. Barclays Bank
3. Standard Chartered Bank
4. BankABC
5. Capital Bank
6. Bank Of Baroda
7. Bank Gaborone
8. Stanbic Bank
9. ABN AMRO
10. ABN AMRO outside banking unit



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