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Centre for Ethics and Values,
Ramanujan College, University of Delhi
New Delhi 110019
INDIA
Tel.: 26430192
Fax: 26421826
E-mail: ramanujancollege2010@gmail.com
Website: www.ramanujancollege.ac.in

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EDITORIAL NOTE

Be it with human or corporate, every effort is at its luminous peak when ethical. Pathways and processes are becoming difficult only when efforts made are unethical. The widespread deterioration in ethical conduct in corporate world has been a cause of dismay to the conscientious people. “I believe that every large institution, whether it is company, a government or a university, needs to have a conscience. The conscience won't have the answer to every question, but the conscience is a voice that needs to be heard” said Brad Smith of Microsoft. Conscience needs to be the discerning factor in decision making, and yet, it is seemingly lacking in many institutions and people. Just watch the news or read a newspaper. From JP Morgan, Bank of America, from Wall Street to professional sports, i.e., NFL, where is conscience? Where is it done the right thing for the right reason? Could it be that the word “right” can so easily be construed? What is right? what is legal? what is ethical? Who or what decides? Why is it that the concept of conscience is rarely referenced or emphasized? Thomas Aquinas defined conscience as an act of determining that which one ought to do or not to do or that one was right or wrong in performing that action. Aristotle stated: “We are what we do.”

Though the field of ethics has traditionally been the domain of philosophers, spiritual seekers and social critics, much of today's ethics is geared towards the practical needs of leaders and managers in the governance. The frequent forms of ethics literature today include: Philosophical works, which requires extensive orientation and analysis; Anthologies, which require much time, review and integration; Case Studies, which require numerous cases and much time and analyses to synthesize; and focus on social responsibility, which includes many examples of good and bad actions taken by companies. McDonald and Zepp, in their article, 'What should be done? A practical approach to Business Ethics', note that when someone brings up the topic of business ethics “...it tends to bring the cynicism, righteousness, paranoia, and laughter.” Many leaders and managers believe business ethics is a religion because it seems to assert the obvious: “Do good!” If we cannot pinpoint as to where and when conscience develops, then, whether we like it or not, it falls on business organization to do it's best to facilitate the recognition of

and necessity for a conscience development, based on the organization's values and mission. Therefore, conscience development needs to be a fundamental principle and activity of any ethics training initiative or of any leadership development training. This is crucial in building an ethical culture.

Many philosophers consider ethics to be the 'science of conduct.' Twin Cities Consultants, Doug Wallace and John Peke explain that ethics include the fundamental ground rules by which we live our lives. Philosophers have been discussing ethics for at least 2500 years, since the time of Socrates and Plato. Many ethicists consider emerging ethical beliefs to be “state of the art” legal matters, i.e., what will become regulation or rule tomorrow. Wallace and Peke explain that attention to ethics is critical during times of fundamental change – times much like those faced now by businesses, both non-profits or for-profit. In times of fundamental change, values that have previously been taken for granted are now strongly questioned. Many of the values in the corporate culture such as respect, honesty, fairness, responsibility, transparency, accountability etc, are no longer pronounced. With the declining values of so many corporate icons, the role of ethical underpinning in corporate governance has become impossible to ignore. The real issue is who, what and when will organizations step up and embrace this ethical stance and challenge?

Mahatma Gandhi has declared that there are seven social sins that will destroy the individual and the society. These are politics without principles, wealth without work, pleasure without conscience, knowledge without character, commerce without morality, science without humanity, and worship without sacrifice. All of them involve a lack of integrity. He has also said that corruption will be eradicated only when the large numbers of people realize that society does not exist for them, but that they exist for the society.

Creating a legitimate, sustainable corporate culture is always a process that sets the direction and pace of transformation in the corporate world. The international conference on 'Management Education and Corporate Transformation: The Ethical Underpinning' organized in 2013 by the Centre for Ethics and values, Ramanujan College in association with Rawl

Institute of Management, and YMCA, New Delhi, strived to delve into some of the significant aspects like creating a just corporate society that has plunged into murky governance, creating institutions to accomplish good corporate culture, resolving ethical dilemmas, answering questions about the relationship between management education and the corporations in the broader society. The question that any institution or person who wants to be trusted must ask is 'What is my responsibility towards society, especially those stakeholders whose trust I want?' The Hypocritical Oath that all doctors, lawyers, accountants, administrators and members of association take, is required to ensure that they deliver the services the society expects of them.

Corporations, in many cases, continue to insist that they are sheltered from culpability on social issues as long as they meet their obligations to shareholders. But the shareholders themselves are less than convinced, and they have begun to influence the capitalization of global giants by selling stock and creating discomfort with corporate policies. It is clear that the argument for shareholder accountability does not hold water and that corporate leaders, in a rush to short-term profitability, have lost track of the very values that made a company seem like a good investment. Shareholder's demands for corporate accountability led, among other things, to stricter government regulation – an indication that corporations do not exist in a vacuum. They have to perceive themselves as actors in a broader social landscape. Corporate leaders, who used to urge governments to stay out of their business, are now urging them to vigorously rescue their business. On the one hand, they want the government to intervene in the market with sops and supports; but at the same time, they want to keep the market free. However, freedom from what is unclear. Is it from the barriers to trade and restrictive regulations? Or is it freedom from compliances and social responsibility?

One of the issues that have emerged in the conference as a sea change is the consensus on ethical issues. The ethical values proposition has suddenly begun to have very direct relevance to corporations. It has been emphasized that we have a unique responsibility to reinvigorate the culture of transparency and ethical values replacing insular corporate culture in the society. We especially have a fiduciary duty to the truth, and we are the last

stop where individuals will wrestle with these issues. We can provide opportunities for our new generation to make up their own minds about how profitability should be assessed and about how their individual careers will mesh with the broader social good. Carrying out business in an effective and responsible way is all about maximizing stakeholder value in ways that are ethically, morally, and legally defensible. Educational institutions with ethical value inputs are in a unique position to grapple with and influence the conception of these issues.

Freedom and power earned through ethical chase bring a sense of responsibility, accountability, fairness, transparency and justice. This is a necessary condition to attain long-term sustainability. Long-term sustainability in a complex world needs a governing system that recognises transformation through ethical intervention. What is urgently needed for the common good is a mechanism to ensure that companies recognise the fundamentals of balancing the impact of a range of ethical institutions with smart governing capacity. The ethical argument suggests new and positive foundations for a more legitimate corporate transformation and sustainable and impartial development, ideas that have the potential for implementation and change. This ethical challenge confronts us when confidence in the success of corporate democracies has been crumbled. The sustained march toward ethical sensitivity compels us to put into effect now a broader view of the problems we face and the strategies we can evolve by stepping beyond the narrow confines of economic assumptions, realising that the ethical element is indispensable to any meaningful progress.

The International Organization of Securities Commission (IOSCO) pointed out in its report, 'Securities Markets Risks Outlook 2014 – 15' that corporate governance failures contributed a lot to the financial crises and scandals in the recent past. According to the report, “Risks related to corporate governance may build up in the financial system, signalling the need for regulators to better understand how corporate initiatives and internal securities contribute to generating those risks.” A string of financial crises, including the Asian crisis 1998, the dotcom bubble and the Enron scandal of the early 2000s and the global financial crisis of 2007-2008 have brought the issue of corporate governance to the fore. More recently, noted the report, governance failures have been signalled as key risks in a growing

number of scandals that have shocked financial markets. Consequently, between 2007 and 2013, investor confidence suffered a steady decline. Thus, trust in the financial markets has been affected. However, the report indicated that at a micro, individual-firm level, there is more evidence to suggest that good corporate governance contributes to strong corporate performance, lower cost of capital, lower borrowing costs and outperform relative one's corporate peers. Quoting another survey among business leaders, the report noted that unethical practices were the biggest source of reputational risk to a corporation. At the aggregate level, "sound corporate governance of financial firms is seen as a critical element in preventing a build-up of potential systemic risks".

The way the Indian government steered Satyam Company out of its crisis has brought laurels to the nation. The question is: 'Is the Satyam saga over'? This was befittingly answered by someone retorting 'Is the Cold War over'? The Soviet Union has collapsed. But, the West remains worried about threats from ideological opponents – North Korea, China, Russia and Iran. Satyam fulfilled all the requirements of good governance. It had eminent independent directors, required board committees, auditors of international repute, and even an international award for exemplary corporate governance.

Only conscientious person can appreciate the need of developing 'corporate conscience'. Those who keep killing their conscience in daily life do not realize that when conscience goes out of them everything goes out. It is conscience that enables personal or corporate transformation. Besides enabling to the corporate perpetual succession, it makes every such idea or thought a historic or everlasting one that is conscientious. Conscience plays a catalytic role in achieving luminous glory, lasting peace and eternal joy in life. Self-realization and self-discipline, in the case of individual; and self-governance and self-control, in the case of corporate or academic institution, is the outcome of nurturing conscience and maintaining adherence to ethical decision-making.

The articles in the journal present a credible and practical set of ideas and approaches to nurture conscience, and to raise the standard of individual integrity, ethical behaviour and governance in the institutions of our country.

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ROLE OF ETHICS IN GOVERNANCE

Dr. S.P. Aggarwal*

Over many years, as a teacher and then as a college principal at the University of Delhi, one of my favorite nuances of teaching and administering has featured leaders who have never compromised on ethical practices. Indeed, after years of teaching and administering, I am convinced that no subject creates more dilemma than the practice of paying small bribes in the name of incremental or speed money as a natural part of socio-economic development. These practices were prevalent in the West in the early 20th century, as they have been in many of today's emerging economies, including India.

Illustratively, like among many government departments, urban development officials taking bribes were considered a commonplace. Many employees use such money to supplement their low pay. I, however, staunchly believed this practice was wrong, therefore, I declined to take part in it, while seeking clearances from various urban development officials for bringing-up a building plan for the new college. As a result, I was repeatedly disappointed, and for months together, I had to multiply my running around efforts to get the clearances. But, by adhering to ethics and not taking part in bribes, finally I became the winner, keeping high professional dignity, institutional prosperity and employee morale. This way, through my practical experiences, I realized the importance of ethics in governance. In all humility, I found it appropriate to share some of my views on governance in the following way:

The concept of governance:

The concept of 'governance' is not new. It is as old as human civilization. Simply put 'governance' means: the process of decision-making and the process by which decisions are implemented (or not implemented). The term 'Governance' can be used in several contexts such as corporate

* Principal, Ramanujan College, University of Delhi

governance, international governance, national governance and local governance. People mistakenly mean efficiency in governance when they use the term 'Good governance'. It is something like using the term efficiency of a person to talk about a good person. The term 'governance' occurred for the first time in the writings of Geoffrey Chaucer in the context of political institutions. Later, it began to denote the structure and functioning of government policy or the system of direction and control of government in power. Governance structure, in fact, is robust, resilient and responsive because of its inherent strengths. The strengths of good governance lie not in the rhetoric or loud emotional appeal of the authority but in its ability to organize resources, design growth trajectory, handle risks, and produce/distribute for the people efficiently and judiciously. Governance itself is good, if in place. Literally speaking, antonym of the term 'governance' is inherent 'weaknesses' of administration. As an efficient person may not necessarily be a good person, efficient administration may not indicate good governance too. A good person is one who characterizes in him the elements of morality and self-discipline or self-regulation. And good governance is one which characterizes ethics and self-governance, i.e. 'Rule of the Self' (*Swaraj*, as enunciated by Mahatma Gandhi). Good governance does not mean a particular group of people who work together with a particular leader towards a particular goal. It typifies a particular group of people who trust each other, share common goal and practice collective wisdom.

No-governance or floundering governance depicts discerning gap between thinking and doing or between what the authority proposes and what the executors disposes. 'Unity of purpose', 'unity of command' and 'unity of direction' are basic tenets of governance. It also characterizes participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

Ethical leadership:

The previous regime of the congress government was allegedly typified as having no-governance, for which they had to pay the price. Contrarily, officials in public administrations often pay the price of adhering to ethics in terms of frequent transfers and humiliations. But such implications are transitory in nature. When unethical practices are tolerated, goodness of governance has nowhere to take root. To me, even minor unethical act can have a corollary effect creating a climate wherein large corruption is not only tolerated, but becomes pervasive. In the absence of an ethical climate, just as prevalent in today's climate in India, both beneficiaries and the benefactor experience state of hopelessness with the leadership and the system of governance.

The purpose of ethical leaders in business should be to serve society (People), grow its resources (Profits) and protect its environment (Planet). As human beings or doings neither can we live for a moment nor can do any business without using resources from the environment in the form of air, water, sunlight, minerals, spaces etc. worth millions of rupees. The analogy is - if you treat people as commodity, making profit is the only objective, and forget to protect the planet, you will be taken as cheat. But, if you care to serve people, tend to make profit sustainable by reducing risks, and augur well to preserve the planet, you will be taken as an ethical leader. As an individual in the society, you have been brought-up by someone, educated by someone, employed by someone, and you exist because your idea/product is being bought to you by someone. So, in a way, you are indebted to each one of them. And when you, as a corporate, are in the process of repaying them, what you are doing is CSR.

An ethical business leader is one who uses minimum of resources of society (Costs) and generates maximum of services (Benefits) for the society. His philosophy is 'Lesser you consume the more you create'. If you are ethical, wisdom will follow, and you will win - just like, Perennial River follows the sea, and the seas win. A leader, especially an ethical one, has a powerful vision while a manager has a given goal. Mission allows leaders to achieve

vision. Unlike a leader, a manager has goals and objectives that are given by the company. If a manager simply works in the same way, he is not a leader. Leadership is all about coping with the change within and outside; management is all about coping with the complexity associated with sustainability and effectiveness. It is said, a manager does a thing rightly while a leader is right always. That this is a problem to be solved, is a leader's domain; whereas a manager will go to solve the problem given.

An ethical leader teaches the world cooperation and not competition. You lose a good engineer by asking him to compete as a good manager. You lose a good teacher by asking him to compete as a good administrator. Also when you do something of your own and on the tenets of cooperation, you enjoy the most and deliver the best. When the problem is small, we solve it, and then, the rest of the time will be spent in doing destructive things or competing with each other. There are some who are a mismatch to the jobs – they always remain under stress and become unethical and destructive. Corporate people need to ascertain as to why they do not focus on mutual cooperation that leads to good governance. Indic scriptures correlate this phenomenon with Lord Shiva poised with hood of a serpent not allowing any disturbance to come. It is still- motionless like a rock, if all the senses are focused. This is how Japanese concentrate and win. No adequate resources, no coal, no minerals, and yet it is the 2nd biggest economy in the world.

It was in the year 2011 that Indian political leadership began facing a challenge from a movement called India Against Corruption headed by Anna Hazare. Taking a cue from it, the BJP leader Narendra Modi wedged a political war against the then Congress Government only on the issue of corruption. Subsequently he has won the election by a thumping majority. As the general public was fed up with the menace of corruption, the only slogan 'ethical government with good governance' has worked and that has made Mr. Narendra Modi triumphant. He has also emphasized the role of technology and internet to fix some of the major problems of India. He is of the opinion that good governance with technology break-through is perhaps

the most powerful lever to solve India's big problems. The potential areas to work on could be:

1. Cheap and affordable health care to all
2. Providing fund for every one
3. Clean water/Swach Bharat
4. Generating energy at low cost
5. Giving quality education
6. Smart cities/making cities liveable
7. Infrastructure, including bullet trains

To conclude, I must say that ethics is not only a powerful tool but a sound measure of good governance. Government today can run efficiently only on the plank of ethics in governance. People of this country are keeping a close watch onto whether or not the current leadership is able to fulfill the promise of ethical and clean Government. Recently, in Delhi we have observed that political parties have fielded persons with clean image to fight election. Whether it is Mr. Kejriwal, Ms. Kiran Bedi or Mr. Ajay Maken, they all portray clean image. The interesting thing is that Ms. Kiran Bedi has been chosen only because of her clean image and her crusade against corruption. She was neither a party worker nor an RSS ideologue before, but she has been chosen precisely because ethics in governance has been taken into consideration and is still at the centre stage.

BUILDING YOUTH FOR A BRIGHT FUTURE A CASE STUDY OF RAMANUJAN COLLEGE - PART II

Naghma Siddiqi*

'The youth is the hope of our future.'

*The above quote of José Rizal (1861-1896) makes us aware of the fact that youth of each generation of human civilization is its future. As responsible members of the academia we must invest in them today so that they ensure a bright future for the world tomorrow. Center for Ethics and Values, Ramanujan College, University of Delhi makes continuous efforts to invest in the future of their youth by intermittently educating them in ethics and values. One such effort on the part of the college was the introduction of **Towards a Culture of Peace and Reconciliation** personality development program—acronym TCPR—to nearly 700 first-year students of the college. The present article is the concluding part of a Case Study of Ramanujan College where the above program was administered from December 2013 to August, 2014.*

*UNESCO (1992) defined the culture of peace as 'a growing body of shared values, attitudes, behaviours and ways of life based on non-violence and respect for fundamental rights and freedoms, on understanding, tolerance and solidarity' (UNESCO: Learning to Be, p. 173). Professor Felipe McGregor (1914-2004) links the culture of peace (McGregor: Culture of Peace) with education for peace stating: 'The concept of education for a culture of peace links it closely with educational themes, fields and concerns with a view to generating a holistic vision of quality education.' The study developed culture of peace further to **culture of peace and reconciliation** as a culture which when adopted by individuals leads to their personal*

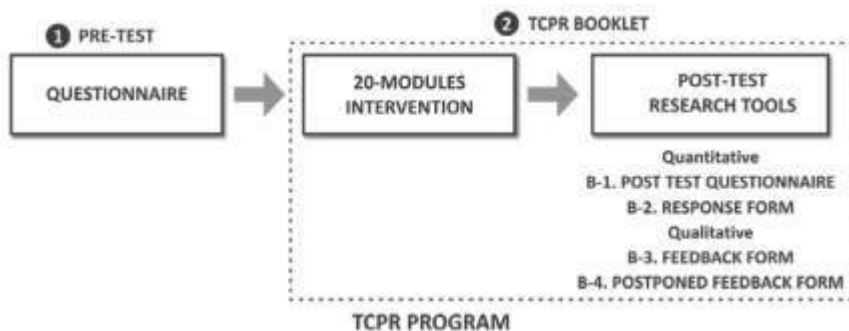
* This is the concluding part of a Case Study carried out at Ramanujan College of the impact of **TCPR Program** on the students of the college. The program was developed by the author of the article (investigator) based on the findings of her doctoral research 'The Role of Islam in Establishing Peace in the Contemporary World' being conducted under Dr. Abroo Aman Andrabi at the Department of Islamic Studies in Hamdard University, New Delhi. naghma@cpsglobal.org, www.cpsglobal.org.

development and pragmatic peace and development in society at large.

Key Words: Culture of Peace and Reconciliation, Freedom of Choice for Test, Pragmatism in Life, Duty-First, WE-WE Ethics, Unilateral Peace-First, Positive Striving, Non-Confrontational Path, Be the Change, Peace Quotient, Peace Quotient Transformation Scale and Educating for Peace.

TCPR PROGRAM

The Case Study is part of the survey being conducted by the investigator to test the findings of her research on *how to establish peace in the contemporary world and Islam's role*. The findings of the study were packaged as a 20-Module Intervention, ***Towards Culture of Peace and Reconciliation*** personality development program. This comprised of principles by which one can inculcate ethics and values to transform oneself at the level of the mind towards a culture of peace and reconciliation. The impact of the intervention was tested through research tools—pre-test and post-test questionnaire and response form (quantitative tools) and feedback form and postponed feedback form (qualitative). Together this formed the TCPR Program which is outlined below.



In the **Culture of Peace and Reconciliation** the term, 'peace' is being used as the English equivalent of the Arabic *Salam*, an 'umbrella term' to collectively refer to all the positive values such as *belief and submission to God Almighty* (our Creator and Sustainer) as well as *love and well-wishing*

for our fellowmen which is expressed through ethics and values like *non-violence, compassion, truth, justice, equality, tolerance, patience, good conduct, harmony, humility, togetherness, self-control*, etc. 'Reconciliation' is being used as the English equivalent of the Arabic *Sulh*, referring to how, in a world of differences and problems (Quran 90: 4) positive relations can be maintained between individuals in society only on unilateral lines. As such duty-consciousness is the mainstay of the program which is considered as the root of all good in society with rights-consciousness as the root of all evil in society. When one becomes duty-conscious one is ready to unilaterally maintain ethics realizing, 'it is in giving that one receives.'

TCPR PROGRAM—AIMS AND OBJECTIVES

The TCPR program aims to foster responsible behavior in respondents with a three-fold aim:

- 1. Transforming Individuals to a Culture of Peace & Reconciliation:** The central premise of the intervention is that if establishing peace in society is the aim the only way to do so is by motivating and educating individuals—the building blocks of society—to become more duty-conscious and transform themselves towards the Culture of Peace and Reconciliation of their own choice.
- 2. Developing Attitude of Culture of Peace & Reconciliation:** A Culture of Peace and Reconciliation is defined as a state of mind, a positive attitude; a Culture of Violence and Confrontation is a negative attitude. As such attitudes or mindsets can be either on a *Culture of Violence and Confrontation* or on a *Culture of Peace and Reconciliation*. What is required is a constant training and reengineering of one's mental attitude from the former to the latter.
- 3. Towards a Pragmatically Peaceful and Developed Society:** A basic principle of the program is that as more individuals become duty-conscious instead of rights-conscious; they form positive, peaceful attitudes on a culture of peace and reconciliation. As more individuals transform on positive lines they, develop intellectually and materially

themselves and become an instrument of positive change as it percolates in world society making it more peaceful and developed.

TCPR PROGRAM –BASIC PRINCIPLES

Towards A Culture of Peace (Salam) and Reconciliation (Sulh), TCPR gives principles applying which individuals can *one*, transform themselves on positive lines to develop intellectually and succeed materially and *two*, motivate and educate others to transform themselves. Broad principles are:

FREEDOM OF CHOICE FOR TEST: The central tenet is the 'freedom of choice' of man for a test, not as a right. ***Problems are, therefore, not an evil; they occur due to the misuse of freedom.***

PRAGMATISM IN LIFE: The misuse of one person's freedom leads to the ideal being disrupted for others'. Future-oriented people opt for **pragmatism in life** realizing that the *ideal is unachievable*.

DUTY-FIRST; NOT RIGHTS-FIRST: The ***basis of a peaceful society is duty-consciousness*** (We-We ethics); while rights-consciousness (We-They ethics) only leads to violence and confrontation.

WE-WE ETHICS: The concept of WE-WE ethics means to give others' their rights as a duty, being content with what one gets from others, not demanding 'more and more.'

UNILATERAL PEACE-FIRST: Peace needs to be established unilaterally for development, not for social justice. **Peace-first approach** ensures one always finds opportunities to strive towards.

POSITIVE STRIVING is possible striving (Tom Peters, 1988) towards opportunities in spite of problems. Negative striving keeps one entangled in problems, leaving opportunities un-availed.

PATH OF NON-CONFRONTATION: A future-oriented person takes the non-confrontational path understanding that the confrontational path will only lead to stagnation and failure.

CONTINUOUS INTELLECTUAL DEVELOPMENT: Striving positively one continuously develops intellectually and materially by carving out a path for oneself without confronting with others.

RECONCILIATORY APPROACH: If development is the goal it can be done only in an atmosphere of peace, not violence and by people working together, not against each other (Khan, *Moral Vision*, 48). Using the reconciliatory approach people direct their pooled efforts towards continuous development; the confrontational path keeps efforts scattered and development staggered.

CHANGE YOURSELF, CHANGE THE WORLD: The beginning of change begins with oneself, not others: “Be the change that you wish to see in the world” (Gandhi, p. 241). We have to stop blaming others for one's vows. We cannot control others; we can only control ourselves.

Teaching moral development (Sternberg, Robert and Williams, M. Wendy, 102) the TCPR Program gives the formula that if we adjust with others by being duty-conscious we tread the path of peace that leads towards success. On the other hand the rights-conscious path in which we force others to give us our rights only leads to confrontation and violence, thus, frustration and failure. As such the path of a peaceful person, of reconciliation leads to success and the path of a violent person, of confrontation leads to failure. This understanding makes a future-oriented person desirous of transforming oneself towards the culture of peace and reconciliation of one's own choice without any outside compulsion. *The basis of change is oneself of one's own free will and it leads to success.*

TCPR PROGRAM AT RAMANUJAN COLLEGE

When the purpose of the survey of testing the findings of the research through the TCPR Program was explained to the administration of Ramanujan College they agreed to allow the investigator to administer the program in their institution as a case study. The TCPR was launched at the college in December 2013 through the Pre-Test Questionnaire which was

administered to the first-year students of the college. The students took the program in two groups, Group A (n=323) and Group B (n=375). Overall 698 respondents took the pre-test of which 461 were males and 237 females from various streams and religious affiliations. Their demographic profile is given in the table below.

TCPR PRE-TEST SAMPLE							
CATEGORY		Group-A		Group-B		Total	
		n	%	n	%	n	%
GENDER	MALE	220	68.1	241	64.3	461	66.0
	FEMALE	103	31.9	134	35.7	237	34.0
	Total	323	100.0	375	100.0	698	100.0
RELIGION	HINDU	277	85.8	329	87.7	606	86.8
	MUSLIM	14	4.3	19	5.1	33	4.7
	SIKH	21	6.5	21	5.6	42	6.0
	CHRISTIAN	4	1.2	3	.8	7	1.0
	JAIN	7	2.2	3	.8	10	1.4
	Total	323	100.0	375	100.0	698	100.0
STREAM	SC. SCIENCE	136	42.1	156	41.6	292	41.8
	COMMERCE	65	20.1	114	30.4	179	25.6
	OTHERS	122	37.8	105	30.0	227	32.6
	Grand Total	323	100.0	375	100.0	698	100.0

The students were given the option to take part in the TCPR Program by ticking on the box as token consent. It is interesting to note that when the pre-test was given elsewhere a 25-30% affirmative response was obtained. From the respondents of Ramanujan College nearly 90% affirmative response was obtained as can be seen from the table below.

TCPR PRE-TEST CONSENTED SAMPLE										
CATEGORY		Group-A			Group-B			Total		
		n	n consented	% consented	n	n consented	% consented	n	n consented	% consented
GENDER	MALE	220	189	86.0	241	223	93.0	461	412	89.0
	FEMALE	103	96	93.0	134	112	84.0	237	208	88.0
	Total	323	285	88.0	375	335	89.3	698	620	89.0

The findings shown in the table indicate that prior to the administration of the TCPR program at the college the students already had a high level of enthusiasm and interest in inculcating positive change in themselves. This

went to the credit of the institution and indicated that that the TCPR would have a positive impact at the college. This was corroborated through later findings.

TCPR PROGRAM GROUP ADMINISTRATION

Administering the TCPR on such a large scale presented a challenge for the investigator. The challenges were primarily of administrative nature: organizing a heterogeneous group from various courses at one place or at a number of places based on their availability; handing over the TCPR Booklets; collecting them once completed, etc. It was suggested that the program be first given to a primary group which would then take it to the larger, secondary group—thus forming two groups: *TCPR Primary Group* and *TCPR Secondary Group*, together termed as the *TCPR Program Group*.

Under the aegis of Delhi University's INNOVATION PROJECT Ramanujan College was conducting the *RC 201 Project—Learning Values through Community Service*. The aim of the project was to help the students learn values through community service. This matched the objectives of the TCPR that aimed at helping students to develop positive personalities by imbibing values and ethics and, in turn, becoming an instrument of positive change in society. It was decided to give the TCPR to the students of the project, *TCPR Primary Group* with the understanding that after completing the program they would take it to a *TCPR Secondary Group* at the college. The purpose of the exercise was that students of the primary group: *one*, develop personalities towards a culture of peace and reconciliation; *two*, develop leadership skills essential for life management; to *three*, become an instrument of positive change in society at large towards pragmatic peace and development.

TCPR PRIMARY GROUP—MODUS OPERANDI

In January 2014 the TCPR was given to the students of college to the TCPR Primary Group who took the program to the TCPR Secondary Group through a snowball effect. The initial Questionnaire served as the pre-test

for the first year students and the investigator herself gave the pre-test Questionnaire to the second year students. Subsequently she introduced the 2-Module Intervention through the **TCPR Presentation** and distributed the TCPR Booklets (with their unique IDs) to them.

The TCPR Primary Group, n=21 all completed the program in around five weeks and filled the various post-test forms: post-test questionnaire and response forms (quantitative) and feedback form (qualitative) compulsorily. Consequently an interactive session was arranged between the investigator and the students in which they submitted the duly-filled TCPR Booklets and took part in a *Group Discussion* which was to be recorded and transcribed for qualitative analysis.

TCPR SECONDARY GROUP—MODUS OPERANDII

The next step was for the TCPR Primary Group to take the program to the TCPR Secondary Group. For this the *TCPR Presentation* served as a training tool. The primary group trained themselves to present the program to others through the presentation under the supervision of the investigator. The modalities of the program administration at the secondary level are below:

- 1. Selecting Classes:** The primary group decided to take the program to their class and if required to one more class.
- 2. Seeking Consent:** The respondents of the primary group went to the selected classes to seek consent and made class-wise lists (name, class and contact details) of the secondary respondents. The signature of the secondary respondents was taken as token consent.
- 3. Organizing Material:** The class-wise material comprising of *Pre-Test Questionnaire* and *TCPR Booklet* were organized by the investigator/coordinator class-wise (as per the list) and were handed over to the primary respondents the day before they had to administer the program further.

- 4. Administering TCPR:** The primary group gathered the respondents of the secondary group class-wise to get the pre-test questionnaires filled. Having collected the duly-filled questionnaires they introduced the respondents to the TCPR program either through the TCPR Presentation or via an interaction. Then they handed over the TCPR Booklets (with Unique IDs) to the TCPR Secondary Group asking them to seek clarifications if any. It was mutually decided that the secondary respondents would complete the program in three weeks. Over a month the duly-filled TCPR Booklets were collected and handed over to the investigator.

It was suggested by one of the students of the project to give an additional incentive of *TCPR Certificate of Participation*. This proved beneficial for both the investigator as more respondents took part in the program as well as for the respondents as they received a certificate in ethics and values to add to their resume. The *TCPR Secondary Group*, $n=189$, all took part in the compulsory part of the program (pre-test, intervention and post-test), 187 filled the response form and 56 filled the feedback form and 56 filled the postponed feedback form during the TCPR Certificate Distribution Ceremony. *As this was after three months of their completing the TCPR it served as an indicator of retention of the principles of the TCPR.*

TCPR PROGRAM SAMPLE—DEMOGRAPHIC PROFILE

The sample size of the program at the college in the primary and secondary group was $n=210$ ($21+189$). All of the respondents filled both the Pre-Test and Post-Test Questionnaires. Of these 208 (99%) filled the Response Form; 56 (26.6%) each filled the Feedback Form and the Postponed

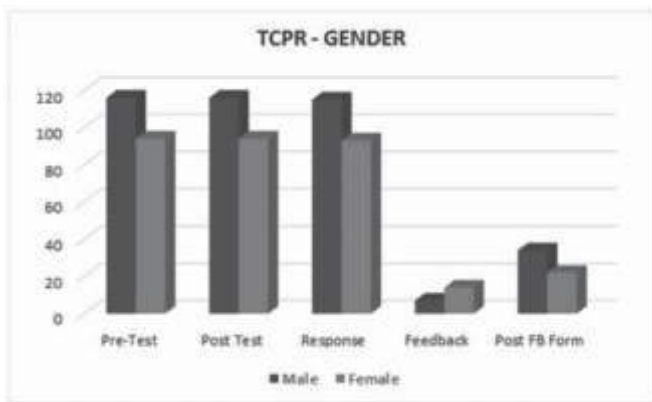
Feedback Form. The demographic profile of the respondents is given in the table below.

TCPR PROGRAM-SAMPLE RESEARCH TOOL-WISE																	
CATEGORY	PRE-TEST Q.			POST-TEST Q.			RESPONSE FORM			FEEDBACK			POSTPONED FEEDBACK			TOTAL n	TOTAL %
	PRIM. n=21	SEC. n=189	TOTAL n=210	PRIM. n=21	SEC. n=189	TOTAL n=210	PRIM. n=21	SEC. n=189	TOTAL n=210	PRIM. n=21	SEC. n=189	TOTAL n=210	PRIM. n=21	SEC. n=189	TOTAL n=210		
Gender	M	7	109	116	7	109	116	7	108	115	7	-	7	-	34	34	54
	F	14	80	94	14	80	94	14	79	93	14	-	14	-	22	22	46
	Total	21	189	210	21	189	210	21	187	208	21	-	21	-	56	56	100
Religion	Hindu	20	173	193	20	173	193	20	171	191	20	-	20	-	49	49	90
	Muslim	0	8	8	0	8	8	0	8	8	0	-	0	-	2	2	8
	Sikh	0	8	8	0	8	8	0	8	8	0	-	0	-	5	5	6
	Christian	1	0	0	1	0	1	1	0	0	1	-	1	-	0	0	1
	Others	0	0	0	0	0	0	0	0	0	0	-	0	-	0	0	0
	Total	21	189	210	21	189	210	21	187	208	21	-	21	-	56	56	100
Stream	Science	11	80	91	11	80	91	11	79	90	11	-	11	-	20	20	40
	Social Sc.	2	40	42	2	40	42	2	40	42	2	-	2	-	20	20	29
	Commerce	8	69	77	8	69	77	8	68	76	8	-	8	-	16	16	31
	Education	0	0	0	0	0	0	0	0	0	0	-	0	-	0	0	0
	Others	0	0	0	0	0	0	0	0	0	0	-	0	-	0	0	0
Total	21	189	210	21	189	210	21	187	208	21	-	21	-	56	56	100	

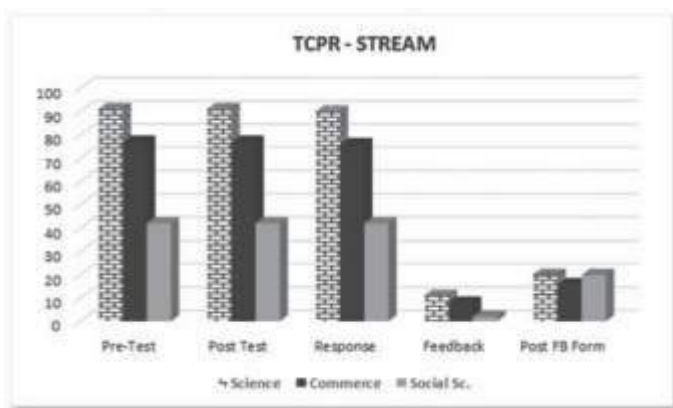
NOTE: Details of respondents-Age Group: 18-20; Occupation: Students; Institution : Delhi University

The overall demographic profile showed that respondents were from various religious affiliations and streams. The gender and stream frequency charts are given on the next page.

Gender-wise Respondent Profile revealed a slight variation between the quantitative and qualitative aspects of the study. While more males filled the pre-test, post-test questionnaires, response forms and post-feedback forms; more females filled the feedback form. This may indicate that females may be more willing to fill detailed qualitative responses in comparison to the males.



Stream-wise Respondent Profile revealed that the maximum number of respondents from the science stream filled all the forms followed by commerce and then social science. An exception was seen in the postponed feedback forms in which there was hardly any variation between the three streams. The stream-wise respondent's profile can be seen from the chart below.



The demographic profile shows that the sample was well rounded and covered the broad denominations. The variations within the forms was in keeping with the trends seen when the program was administered at other institutions.

IMPACT OF THE TCPR PROGRAM

To find the effectiveness of the program (and in turn the findings of the research) empirical evidences were collected and analyzed for the various research tools. *Due to paucity of space findings of the Questionnaire are being displayed to indicate the impact of the program.* To analyze the Questionnaire responses quantitatively two concepts—**peace quotient** and **peace quotient transformation scale**—were developed by the investigator.

PEACE QUOTIENT: To test the impact of the intervention quantitatively it was decided to give a numerical value to the marks of the Questionnaire

which comprised of 25 questions. 4 marks were given for each right answer (proposition relating to the culture of peace and reconciliation) and 0 for each wrong answer (propositions relating to the culture of violence and confrontation). This enabled the investigator to give the respondents marks out of 100 which was termed as the **Peace Quotient (PD)** by the study. As such peace quotient—PD—for the TCPR Program was defined as:

Peace Quotient is the value depicting 'the state of peace in the minds of respondents' as quantified by their response to propositions relating to the Culture of Peace and Reconciliation in the Questionnaire Items of the TCPR Program.

PRE, POST PEACE QUOTIENTS: The two questionnaires worked in conjunction with the intervention (TCPR personality development program) to arrive at the following:

1. PRE-TEST PEACE QUOTIENT—PRE-PQ—refers to the marks out of 100—defined as the level of peace in the mind of a respondent prior to going through the intervention.

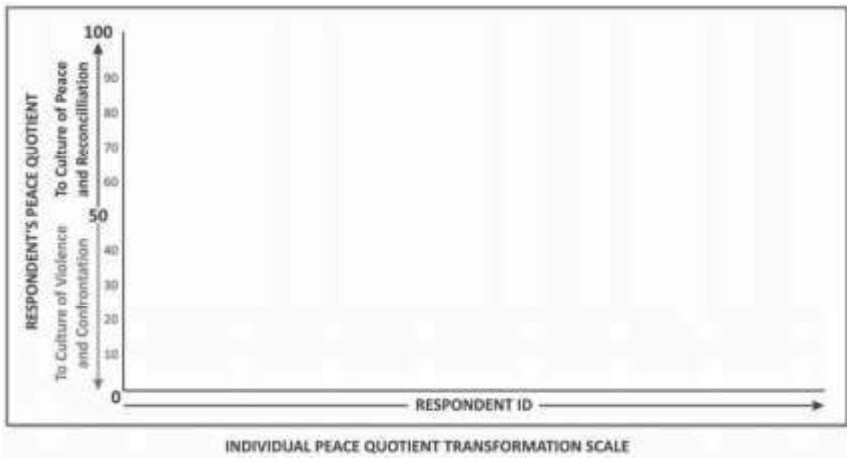
2. POST-TEST PEACE QUOTIENT—POST-PQ—refers to the marks out of 100—defined as the level of peace in the mind of a person after going through the intervention.

3. PEACE QUOTIENT TRANSFORMATION INDEX—PQ TI—arrived at by deducting the PRE-PQs from the POST-PQs was an indicator to see the impact of the intervention quantitatively. A negative PQ TI indicated a negative impact while a positive PQ TI indicated a positive impact of the TCPR.

Peace Quotient Transformation Index, PQTI is defined as the *quantitative change in the peace quotients (POST PQ minus PRE-PQ) of a respondent after the administration of the intervention.*

PEACE QUOTIENT TRANSFORMATION SCALE: To analyze the trends towards to either *Culture of Peace and Reconciliation* or *Culture of*

Violence and Confrontation a Peace Quotient Transformation Scale, PQT Scale was developed. The x-axis of the scaled depicted the respondent's unique ID while the y-axis corresponded to the respondent's PRE-PQs and POST-PQs (numerical marks out of 100 in the questionnaires). If the PQ was between 0-50 it indicated that the respondent was on a *Culture of Violence and Confrontation*. If the PQ was between 51-100 it indicated that the respondent was on the *Culture of Peace and Reconciliation*. The scale is shown below.



To Culture of Violence and Confrontation: A PQ between 0-50 indicated that respondents were *Towards a Culture of Violence and Confrontation*.

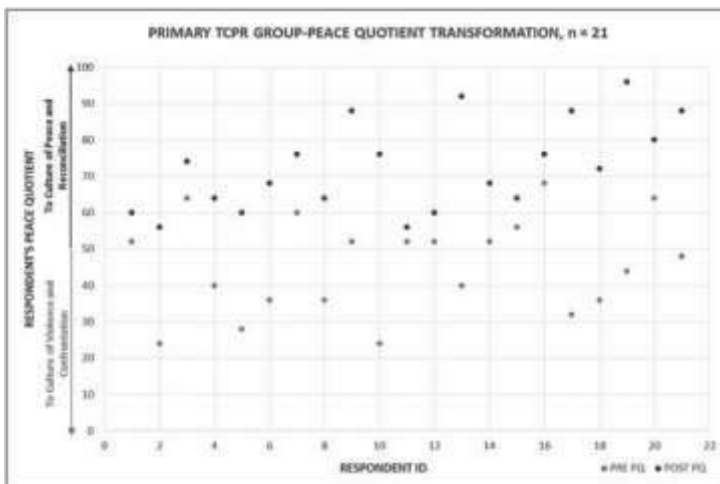
To Culture of Peace and Reconciliation: A PQ of 51-100 indicated that respondents were *Towards a Culture of Peace and Reconciliation*.

The **peace quotient, PQ** and **peace quotient transformation scale, PQT Scale** served as essential parameters to measure the effect of the TCPR Program in transforming individuals towards a culture of peace and reconciliation through the Questionnaire. For this the Unique IDs of the respondents in the two groups—TCPR Primary Group, n=21; and TCPR Secondary Group, n=189 were represented in the x-axis with their actual PQs graphically represented in y-axis (PRE-PQs depicted in gray and

POST-PQs depicted in **black**). The graphs of the primary and secondary groups clearly revealed the extent of the transformation and, as such, the impact of the intervention.

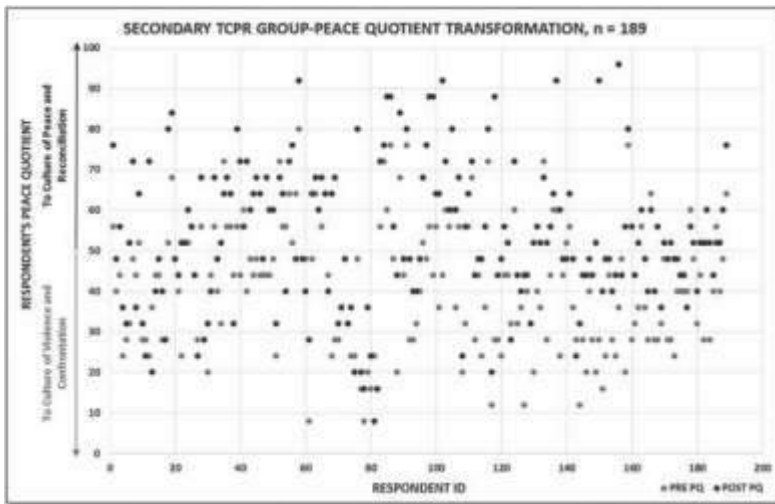
TCPR PRIMARY GROUP—TRANSFORMATION IN PEACE QUOTIENT

The graph of the primary group below shows PRE-PQs from 24-68 and POST-PQs from 56-96 showing a shift of the respondents from the culture of violence towards the culture of peace.



TCPR SECONDARY GROUP—TRANSFORMATION IN PEACE QUOTIENT

In the scattered graph below of the secondary group we find that the majority of the PRE-PQs ranged from 20-50s and the POST-PQs ranged broadly from 40s to 80s. While both the PQs were slightly lower than the primary group; the POST-PQs of the secondary group were substantial considering that respondents had no interaction with the investigator.



The graphs showed a positive transformation in both the primary and secondary groups indicating a positive impact of the program on the TCPR Program Group, n=210 at Ramanujan College.

PEACE QUOTIENT TRANSFORMATION INDEX

What was the extent of the impact? The PQ TI was developed to test the transformation quantitatively. As an indication of the impact of the program the PQ TI of the primary group was analyzed in detail which is given in the table below. The PQ TI of the primary group, n=21 ranged from 4 to 56. This indicated a substantially high positive transformation of the respondents towards a culture of peace and reconciliation with some being higher than others.

TCPR PRIMARY GROUP PQ TI			
UNIQUE ID	PRE-PQ	POST-PQ	PQ-TI
1	52	60	12
2	24	56	32
3	64	74	10
4	40	64	20
5	28	60	32
6	36	68	32
7	60	76	16
8	36	64	28
9	52	88	36
10	24	76	52
11	52	56	4
12	52	60	8
13	40	92	52
14	52	68	16
15	56	64	8
16	68	76	8
17	32	88	56
18	36	72	34
19	44	96	52
20	64	80	16
21	48	88	40

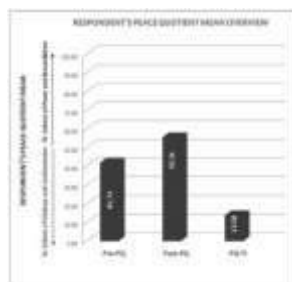
Some of the salient features of the impact of the program on the primary group are:

- **PRE-PQs:** The PQs of respondents who entered the program in the primary group, PRE-PQs were 24 to 68 which were normal at the entry point but considerably high at the upper end.
- **POST-PQs:** After being trained in the principles of the TCPR the respondents had POST-PQs of 56-98. This was normal at the lower end and higher on average at the upper end.
- **PQ TIs:** The actual transformation of the respondents of the primary group while being less at the lower end (4) was considerable at the higher end (56).

The PQ TI Means of the TCPR Program was 13.58 (next section). In comparison the PQ TI of the primary group was 4 to 56 (as seen in the table above), is substantially higher than the PQ TI Mean (13.58). The Peace Quotient Transformation Index of the primary group revealed that they did substantially well in transforming themselves towards a culture of peace and reconciliation. This showed a positive impact of the TCPR in the respondents of the primary group in the Case Study of Ramanujan College.

TRANSFORMATION IN PEACE QUOTIENT MEANS

The PRE-PQ, POST-PQ and PQ TI Means of the total TCPR Program Group (n=210) were calculated to see the impact of the intervention across the entire group of respondents at Ramanujan College. The change in PQ Means shown graphically in the chart below reveals the effect of the intervention.



The PRE-PQ Mean of the respondents, n=210 was 41.73 (less than 50) indicating that on an average the respondents were *Towards a Culture of Violence and Confrontation* prior to the intervention. After going through the intervention the POST-PQ Mean was 55.31 (more than 50) indicating that on an average the respondents had been transformed *Towards a Culture of Peace and Reconciliation* to the extent of 13.58 units (PQ TI Mean).

QUALITATIVE TRANSFORMATION

The transformation was described qualitatively using the Group Discussion transcription, Feedback Forms and Postponed Feedback Forms. Many of the respondents called the TCPR 'innovative', 'motivational' and 'useful in personal life'. Some said that (TCPR) 'had definitely changed my attitude', 'helped ... to realize what peace means' and 'shown the path of success.' Others said it helped in introspection, stress, anger management and behavioural modifications. In the words of one of the respondents of the primary group: “our own improvement led to social improvement.”

All these indicated the positive impact of the TCPR program in transforming the students of Ramanujan College towards a culture of peace and reconciliation.

BROADER APPLICATION OF TCPR PROGRAM

If building our youth for the future is the aim; the Case Study at Ramanujan College has proved that the TCPR is effective in transforming individuals on positive lines. The TCPR can be applied by other individuals and institutions to transform people towards a culture of peace and reconciliation. The program is *one*, simple—comprising of a Pre-Test Questionnaire and a TCPR Booklet so *two*, it can be easily used by individuals to usher in positive change in oneself (as was done by the primary group); and *three*, it can be easily used to motivate and educate others to usher in a positive change in themselves (as was done by the investigator on the primary group and the primary group on the secondary group). The program can, therefore, be used to build our youth (and people

of all groups) for the future. And as our youth become more peaceful at the level of their minds they will develop positive personalities that succeed materially. As they train themselves in the principle of the Culture of Peace and Reconciliation they will become an instrument of broader change—towards a pragmatically peace and developed society.

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CORPORATE GOVERNANCE, ETHICS AND CSR

Jai Prakash Sharma*

CORPORATE GOVERNANCE

The term 'Governance' is derived from the Latin word 'Gubernare' which means 'to steer' usually applying to the steering of a vehicle, the function of which is direction or control, one of the prominent functions of management. Based on this meaning, the father of corporate Governance Sir Adrian Cadbury (1992) defined the concept as the way in which company is directed and controlled. The term 'governance' and 'good governance' are used interchangeably, but both are different. There is a difference in corporate governance and governing the corporate in a good way.

There are two ways of looking at this issue. One is Corporate Governance based on satisfying the stakeholders, Ethics and CSR. Another is that Good Corporate Governance is based on three things: commitment to values, ethical business conduct and exercise of powers in a responsible way. These are the three pillars. Among these three pillars the last one is the most important one. These principles apply everywhere. Every institution whether it is a family or a corporate has a value system. One should be committed to those values. It should be based on Ethical Conduct. Exercise of powers in a responsible way is the most important thing.

It is difficult to achieve corporate excellence without good governance in long term. Ethical business conduct is very important. The role of the board is to ensure the interest of its stakeholders. There is a difference between CG and good CG and corporate excellence. Corporate Excellence is not possible unless it is a case of good corporate governance.

There is always a doubt on whose behalf the Corporate is governed. That the company is governed on behalf of its shareholders is a narrow view. A

* Dean, Faculty of Commerce & Business, Head, Dept. of Commerce, Delhi School of Economics, University of Delhi.

broader view focuses on relationships, not only between a company and its shareholders but also between a company and broad range of other 'stakeholders'. There are other people who say that the board manages/governs the Corporate. Stewardship theory assumes that managers are stewards (custodians/trustees) who are viewed as loyal to the company and interested in achieving high performance. In Solomon V Solomon case it is argued that it is no one's company and therefore is not governed on behalf of any one, and that out of the whole lot of stakeholders. Shareholders have a tendency to be least loyal, selling their shares at the first sign of trouble in the company.

The Corporate belongs to no one. Nobody can say that the shareholders are the owners or the board is the owner. Nobody can say that it is my company. The Company is also a person. It has a gene. The company is also a person whom you cannot see or touch. The idea that a company is governed on behalf of all stakeholders—shareholders, employees, customers, suppliers, government and public at large—holds some appeal. In the case of a company there are three major key players. One is the board, the second is the shareholder and the third is the employees. In the case of a corporate, it is the board that is supreme because most of the corporates are either family managed or friendly managed. Shareholders are not supreme because they are scattered and employees have little say in the management because as compared to management they are so poor that they are not in a position to act or react.

ETHICS

There are many Corporate Scams in the world, starting with Life Insurance Scam in USA in 1991, and Textile, Bank and Publishing Scams in UK in 1991. In India there was a Stock Broker scam in 1992. There were a number of corporate scams in 2001, including Biochemical scam and Insurance scam in China, Energy Company scam and Bank Scam in USA, Air Lines Scam in Switzerland and Insurance Scam in Australia. In 2002 there were Telecom scams, Investment Company scam, Internet & Communication scam, Account Firm scam and Health Care Scam in USA, Industrial

Engineering scam in Sweden, Media Group scam in Germany, Media & Telecom scam in France and Speech Products scam in Belgium. In 2003 there were Food & Beverages scam in Italy and Supermarket scam in Netherland. In 2004 there were Investment House scam in Japan and Oil scam in Singapore. There was an Internet Provider scam in Japan in 2006. And in 2009 there was an IT scam in India.

I have studied more than 36 scams and in every scam I have found that there is a case of an unethical conduct on the part of management, which is a major pillar of corporate governance. There are corporate governance failures because of poor business practices, illegal transactions, over-expansions, unusual auditing and poor regulations etc. We do not have many corporate failures in India. Satyam is an exception. Satyam failed for reason based on corporate failures. Nearly 1/3rd of the Indian listed companies are promoted, controlled, and managed by families even when their holding is as low as 3% as was the case of Satyam Computers Service Ltd. (while promoters holding in Wipro 80%, TCS 74% HCL 68%). One reason for not having many corporate failures in India may be that we are emotionally attached to the company, which we do not generally find in developed countries. Promoters are emotionally attached towards their companies. Promoters consider companies as their private fiefdom/properties. Second reason is that there are companies which are systematically and professionally managed like TATAs. There are a few companies like Birla's where the promoters were associated with freedom struggle and were guided by the principles of freedom fighters like Mahatma Gandhi. And in some other companies like Infosys, promoters consider themselves as trustees of public wealth.

Let us look at Satyam scam in some detail. Satyam Computers was established as a Private limited company in 1987 with 20 employees. It became a public company in 1991. In 1997 it was selected by World Link magazine as India's most rapidly growing company. Ramalinga Raju, its Chairman, was awarded with IT Man of the Year 2000 Award. It became the fourth largest IT Company. Company was awarded the highest corporate award, Golden Peacock Award, awarded by World Council for Corporate

Governance based at London. Within three months of receiving "golden peacock award on good corporate governance" it failed in Dec 2008. One of the largest clients of the company 'World Bank' black listed the company for eight years, charging the company with data theft. Four of the six independent directors resigned from the board, the most powerful watchdog in the case of a company. After Satyam crashed, Mahindra bought Satyam renamed it Satyam Mahindra and merged it with Tech Mahindra. The company became Tech Mahindra indicating that company never dies, unless it is wound-up.

The Enforcement Director submitted a report in which it said that Satyam had over 200 drivers and over 150-200 gardeners. These gardeners and truck drivers were made directors of several fictitious companies floated by Raju. Several gardeners and drivers working for the Raju family for meagre Rs. 4000/- have been found to possess more than 50 acres of land worth crores of rupees. There were unethical business conduct and behaviour, unchallenged powers of decision making, lax board, lack of transparency, fake audit, failure of external audit, lack of proper internal audit, questionable and dubious role of watchdog including independent directors, rating agencies and regulators, false and inadequate disclosures, false books and bogus accounting, unwarranted acquisition, and governance flaws. In the Balance Sheet, assets were overvalued, liabilities were undervalued. Thus, ethical standards in the company were extremely poor and that only caused the crash of the company.

CSR

The concept of CSR was first introduced in USA in the late 1960s. There were two lobbies: one, pro-CSR and another, against-CSR. Finally, pro-CSR won the argument. In India the concept of CSR is provided in the statutes. Nowhere, except in France, Indonesia and India, CSR is provided in the statutes. In other countries CSR is either in the form of guidelines or in the form of regulations or recommendations etc. In the statutes the course and provisions of CSR are very harsh. As per the statutes the company of a certain size, having a net worth of 500 crore or more, turnover of 1000 crore

or more, net profit of 5 crore or more, has to constitute a committee to look into the CSR activities of the company. The committee should draw a policy on CSR, and a minimum of 2% of the net profit has to be spent on CSR.

The CSR is nothing but spending of the company on public welfare. CSR projects are aimed at promoting education, gender equality, healthcare, safe drinking water, homes and hostels for women and orphans, old age homes, day care centres for senior citizens, protection of national heritage, art and culture etc. The CSR activities include eradicating hunger, poverty, promoting environmental sustainability, training to promote rural sports, nationally recognized sports, measures for the benefit of armed forces veterans, contribution to the PM's National Relief Fund, rural development projects etc. Spending on CSR will determine a company's brand, reputation and overall competitiveness. Those companies that are able to engage with innovative and meaningful CSR initiatives are likely to better withstand the economic depression than those ignoring social responsibilities. The government has taken a lead in India in encouraging companies to adopt CSR practices and to ensure improved governance standards. There is a difference between general philanthropy and CSR. Philanthropy is the giving of grants and donations usually unrelated to an operation's social and environmental responsibilities or its business projects. Philanthropy is charity but CSR is, in addition to charity, duty and obligation to environment.

CSR and CR: there are two extreme views on this. CR is a broader concept and is wider than CSR because the CR deals with issues of ethics, governance and the environment in addition to the social issues that are the primary concern of CSR. CRS and Corporate Sustainability are two sides of the same coin. CSR defines the social responsibilities of a corporation which, if implemented, will lead to the corporation being sustained. CSR and CG are complimentary and have a positive relation. Good corporate governance practices lead to long term partnership between the company and its stakeholders for sustainable growth. The company must satisfy both the financial needs of the shareholders as well as the social, environmental and economic needs of the stakeholders. There is a link between CSR and performance. It has a direct link with the branding of the company.

A MODEL BASED STUDY OF EMPLOYEE ENGAGEMENT

Vibhash Kumar*

INTRODUCTION

The huge interest which Employee engagement (EE) as a terminology, draws from the academicians and consultancy practitioners seems to be enormous. EE as of now has been very successful in attracting the industry because of the organizations level outcomes it promises. Almost every organization at this point of time is conducting an EE survey in order to know the engagement levels of their employees.

The growing problem of attrition is almost similar in every organization. So the quest is how to engage the employees, so that they stay and raise the performance for the betterment of the organizations. EE has in recent times materialized as a subject of discussion in the HRD (human resource development) community, and the conversation seems to be escalating. The initial manuscript publications began emerging in academy-sponsored conference proceedings (Shuck & Albornoz, 2008) in the year 2008 and then in the year 2009, the first publication having the usage of the expression employee engagement appeared in a HRD-sponsored journal (Chalofsky & Krishna, 2009). Shuck & Wollard, (2010) regard EE as a novice construct and they equate EE with those constructs which are in the initial phases of development, they further mentioned that new constructs as EE usually requires steadiness in definition and stable application across different fields. For some academicians and authors, EE is basically a re-conceptualization of established and well-investigated constructs depicting an old phenomenon like an old wine in a new bottle or same lady-different dress as elucidated by Ferguson (2007). However, there are others authors who advocate the uniqueness of EE as a construct (Saks, 2006). Still further, a few peer-reviewed measures or approaches for evaluating EE currently exists (for a listing of known measures, Christian, Garza, & Slaughter,

* Assistant Professor, Ramanujan College, University of Delhi
E-mail: vibhash_bh8@yahoo.co.in

2011). This makes it even more glaring that rigorous investigation is still the need of the hour as far as measurement of EE as a construct is concerned with. The community is concerned with the academic researches which underpin the construct of EE and not just the industry or consultancy based researches which favour EE because it shows clear causal relationship with organization based variables such as profitability. Evidently therefore, there appears great scope for erudite study, intensification, and discussion around the topic of EE, its antecedents in an organization and the consequences which follow once the construct of EE is underpinned theoretically. On the contrary, in spite of being comparatively novice to scholastic scope, EE has considerably drawn attention and thus has gained esteem in the practitioner literature since the early 1990s (Clifton & Nelson, 1992). The first revolutionary work on EE dates back to 1990 in which Kahn (1990) introduced the concept of Personal Engagement. Since then numerous authors have contributed to the existing literature on EE. The consulting groups like Gallup, Hewitt Associates, DDI, CIPD have shown considerable interest in bringing forth the concept of EE in the organizations and propagating the earnest role which EE can play in maintaining the employee quotient over the long run. However, the interests shown by different and varied groups have actually created a problem around the construct which is not immaculate as yet. The reason behind the problem is the unique set of heterogeneous researches being carried out without focussing on the innate characteristics of what EE can be. The consultant groups for example are more inclined towards producing a concept which leads to the development of unique HRD in consonance with organizational development which looms largely as fashionable in the industry echelons. In addition to this some researchers and consultants regard EE to be the foundation to talent management and consequently business prosperity. On this pretext the concept of EE has churned out well in the industry as well as academic circles, consequently developing a considerable practitioner following.

REVIEW OF LITERATURE

Employee Engagement- A Study of the Construct

Recently, there has been a great enthusiasm relating to EE. Many of the authors and researchers have propagated the theory which advocates that EE has a causal effect on the organization level outcomes such as financial performance e.g., shareholders return on investment, employee outcomes, organizational success to name a few (Bates, 2004; Baumruk, 2004; Harter et al., 2002; Richman, 2006). There is also a fear among the industry experts and consultants that the level of EE is on a decline and there are increasing cases of disengagement exhibited by the employees today (Bates, 2004; Richman, 2006). The researcher again wants to press on the point that though unfortunate, most of the work done on EE or written about EE comes from the practitioner literature and consulting firms. For any construct to be established in entirety, and its effect justified; the consequent research needs to be conducted by the academicians and its theories validated and examined thereof. Robinson et al. (2004) reports that surprisingly enough in the academic literature, there is lack of adequate research on EE.

Engagement Defined

The compilation of definition for EE is indeed a difficult task, and the main impediment which could be recognised in compiling information on EE, has been the dearth of a general definition and measurement of EE (Melcrum Publishing, 2005). The assessment of such dearth was reinforced when Ferguson (2007) further elaborated that there still exists the lack of a universal definition of EE. The topic of EE has become very popular in a limited time span; however, the interest in EE does not match with a very little academic and empirical research investigation (Robinson et al., 2004). Further, the construct of EE these days is increasingly been used as an umbrella term which may include many concepts and constructs, even to repackaging of other constructs to some extent (Macey and Schneider 2008; Saks 2008). Consequently, EE has now been construed by many researchers

as a fad construct. The critics of the consultancy definitions given by the industry consultants also make a point that EE has been defined in numerous ways, and for that matter it resembles some of the constructs already established like Organization Citizenship Behaviour (OCB), Job Involvement (JI), and Organizational Commitment (Robinson et al., 2004). Most commonly EE has been equated in the same sense as being committed to the organization emotionally and cognitively (Baumruk, 2004; Richman, 2006; Shaw, 2005). Frank et al., (2004) also equated EE with the quantum of unrestricted (discretionary) endeavour exercised by employees while doing their works depicting OCB at work. Kahn (1990:694) in the pioneering work of engagement defines engagement as the harnessing of the organization's member selves to the work roles. This harnessing or utilisation of selves takes place while performing a work role. It has also been reported by numerous authors that articles related to engagement have started emerging in journals and proceedings related to HRD (Berry & Morris, 2008; Chalofsky & Krishna, 2009; Nimon, Zigarmi, Houson, Witt, & Diehl, 2011; Shuck, 2011), which clearly depicts the construct's progress and continued research related to it. Shuck and Wollard (2010:103) define EE as "an individual employee's cognitive, emotional, and behavioural state directed toward desired organizational outcomes". O'Reilly (2007) mentions the different types of engagement identified varied across three main spectrums:

1. Engagement as a momentary or pervasive experience.
2. The various sub-constructs that make up engagement.
3. The engagement relationship as either: a relationship between employees and their organization, employees and their work role, or employees and their work colleagues.

Employee Engagement was defined by Kahn (1990:694) as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances".

To be engaged in the workplace the employee needs to exert one's self to the work role entrusted. In order to fulfil those work roles, physical energies

also need to be applied in order to cater or accomplish the task assigned. Thus, according to Kahn (1990), engagement signifies psychological (cognitive and emotional) as well as physical presence whilst occupying and performing an organizational role.

Employee Engagement

The building blocks of any organization are the employees. The importance of employees nowadays is largely being felt by the organizations all across the globe. For instance, the belief of 'Customer First' is now being replaced by Employee First (Nayar, 2010). The prime reason being the thought process which says that - without employees or to be precise engaged employees; the organization functions like a body without a soul. The farce is quite obvious then!

Catlette and Hadden, (2001) have put it this way that an organization's self-interest and awareness can bring about wealth and foster development, on the contrary discontented employees can cause the maximum damage and destruction. So the idea is to bring about an awareness in the employees so that they are committed to the work entrusted, motivated towards self and others, full of vigour and energy levels, and an enthusiastic problem solver.

Engaged employees display cognition and emotion towards the job and the accomplishment thereof, as they engrossed in their work, put their heart up their sleeves, display excitement about the work role, exercise energy in their work, and are, therefore, the basis of competitive advantage for the organization (Katzenbach, 2000). The unrestricted endeavour which an employee displays towards the organization or towards her/his colleagues is her/his sole prerogative (Catlette & Hadden, 2001). The engaged employees are more likely to exhibit unrestricted endeavours (discretionary behaviour) and augment individual performance (Corporate Leadership Council, 2004). They are less likely to experience cynicism and exhaustion. Further, an employee who is engaged at work will consistently perform in an outstanding fashion, always achieving new heights of excellence (Harter, Schmidt, & Hayes, 2002).

The practical or consultancy research of EE moves around the varied researches carried out by the Gallup Research Group. Employee Engagement (EE), a term coined in modern usage, by the Gallup Research group, seems to attract the practitioners and academicians alike. EE has been publicized to have a causal relationship with productivity, profitability, employee retention, safety, and customer satisfaction (Buckingham & Coffman, 1999; Coffman & Gonzalez-Molina, 2002). Such causal relationship with organizational outcomes has not been shown for most of the traditional constructs viz., job satisfaction (Fisher & Locke, 1992).

The term EE has been employed in numerous ways. On a general note, business and industry consultancies have centred their interest on the bottom line, and thereby drawing base comparisons by employing the concept of EE. In this scenario, engagement is the measure of “energy and vigour” that employees demonstrate for their organization. Consequently, this energy, vigour, and passion displayed by the employees transforms into action which ultimately augments the business results (bottom line) of their organization (Buckingham & Coffman, 1999; Hewitt Associates, 2003). The organizations however need to generate and manage engagement and for that the specific set of drivers needs to be identified. The drivers of engagement in any organization may include supervisory relations, co-workers relation, job resources, workplace spirituality, etc. This form of engagement is similar to that proposed in the current study, as it is most similar to the type of engagement operating in the Indian organizations.

Antecedents of Employee Engagement

Antecedents of EE can be described as those constructs, conditions, or strategies etc., which have paved the way for the development of EE and are utilities that assist and permit requisite states or requirements for EE to develop. In this research study, antecedents have been recognised as those constructs which form into EE, i.e., cause EE to occur in any organization. They are not dependent on process and definitely appear before the organization starts reaping benefits of EE in terms of consequences (e.g., higher job satisfaction, lower levels of turnover).

According to Wollard and Shuck (2011), EE culture can be generated in the organization by employing different ways, strategies, and methods that are idiosyncratic to the organizations. Some of the causal inferences which could be made regarding the antecedents keeping on record majority studies on EE which are mostly cross-sectional and can be summarised below. Bases on the need hierarchy theory propounded by Maslow (1970), Gallup (2003) projected a model of engagement based on the hierarchy of needs. It propagated the need hierarchy assessment that before moving towards the higher order need requirements, basic needs at work need to be fulfilled first, which could be further augmented to understand the antecedents of EE. In this study therefore, the author has not considered base level antecedents of employee compensation and extrinsic motivation.

-Workplace Spirituality:

Workplace Spirituality (WS) has been associated with key dimensions of organization behaviour viz., meaningfulness at work; purpose of work; feeling of transcendence; connection with peers, supervisors, and customers; feeling of completeness and joy; alignment with organizational values; expression of complete self at work and so on and so forth. On analysing deeper into the meaning of WS, it becomes clearer that WS and EE talk about the spirit at work. Ashforth and Pratt (2010) propounded three major dimensions of WS viz., transcendence of self, holism, harmony, and growth. Giacalone and Jurkiewicz (2010) describe WS to be such aspects of the organizational workplace that promote and secure the employee's individual feeling of satisfaction through transcendence. Krishnakumar and Neck (2002) define WS as search for meaningfulness and fulfilment at work and propagate that WS is associated with the feeling of being connected to one and all.

According to Saks (2011) EE and WS have similar implications of employee's experiencing completeness and wholeness. According to Duchon and Plowman (2005), the whole self comprises of the spiritual self and the workplace, and those places where spirit is ignored, employees may be less productive. Krishnakumar & Neck (2002:158) emphasise that

promoting WS in an organization may lead to the experience of completeness among the employees. Parallels can be drawn when there is an analysis of the constructs of EE and WS, as EE also involves the feeling of wholeness, completeness, and harnessing of self at work.

Further as advocated by Saks (2011) EE and WS both are involved with the employment of complete self at work. Krishnakumar & Neck (2002:159) further pitch their point by emphasising that spirituality is an essential dimension of human personality and that those organizations which encourage spirituality at workplace are actually encouraging employees to bring their whole self to the work they are catering to. Jurkiewicz & Giacalone (2004:134) assert that organizations exhibiting spirituality build a workplace environment in which integration of self and profession becomes possible which further leads of engagement among employees. Researchers have also emphasised the importance of connection as a key dimension in the constructs of WS and EE. Connection with one's work as well as with co-workers and other people related with work has been emphasized in the WS literature (Krishnakumar & Neck 2002; Milliman et al. 2003), similarly engaged employees demonstrate emotional connection with their work and others (Kahn, 1990). Additionally, the consequences of having WS and EE are also similar. According to Millman et al. (2003), high intrinsic job satisfaction, lower intention to quit, and high job involvement are the possible consequences of having WS in any organization. According to engagement researches done over the years, it becomes clear that EE leads to higher performance, lower intention to quit (Halbesleben, 2010), EE causes job satisfaction, organizational citizenship behaviour (Saks, 2006), and EE shows causal relationship with task performance Rich et al. (2010). This shows that WS and EE though have developed independently as different constructs; however, the similarities show that they might exist side by side in any organization (Saks, 2011). Empirical testing of whether WS acts as an antecedent to EE has been carried out in this research study.

Consequences of Employee Engagement

Academic literature has found engagement to be associated and at the same

time discrete from related constructs in organizational behaviour (Saks, 2006:601). Robinson et al. (2004: 8) confirm this by stating that, engagement takes into consideration elements of OCB and Organizational Commitment, but does not entirely matches with either of these. In addition to commitment and OCB, engagement has been compared mostly with constructs of job involvement and job satisfaction (Leiter & Maslach, 2004; Mills, 2005). A comparison of these constructs with engagement has been done in ensuing section.

-Employee's Job Involvement

Lodahl and Kejner (1965) define job involvement (JI) as “the degree to which a person is identified psychologically with his work or the importance of work to his self image” (1965:24). The relationship which an employee shares with her/his job is the main focus of JI. The other constituents of JI include the feeling which an employee has about the work role he has been entrusted with; and also the importance which they give to their performance in terms of their own self-worth (Robbins, Waters - Marsh, Cacioppe, & Millett, 1994). The same aspect which JI and EE both cover is the enthusiasm of the employee which they depict while performing their work role and the resultant self-efficacy experienced (Maslach & Leiter, 1997). The varied relationship of JI was studied and construed in various ways; this was done by identifying the relationship of JI with numerous variables viz., the characteristics of job, job performance, employee turnover, and absence (Kanungo, 1982). JI was defined by Lawler & Hall (1970) as the level of importance of one's job to one's personality. Kanungo (1982) recommended JI as a cognitive state of psychological identification. Job involvement at a casual level can be said to belong to a conceptual space labelled as 'state engagement'. Engagement on the other hand, elaborates active use of emotions, cognitions, and behaviours and has been equated by Harter et al. (2002) with both satisfaction and involvement.

Engagement is different from JI as it is related to the application of the self by the employee to the performance of the job. Moreover, the energetic use

of emotions is envisaged in engagement. Finally, involvement may be thought of as a factor of EE in that individuals who experience deep involvement in their roles like being given a position to provide inputs in decision making, should come to identify with their jobs and become deeply engaged, moreover it is a matter of fact that engagement is a much wider term than involvement. We can say that involvement acts as one of the drivers of engagement.

-Job Satisfaction

The feeling of the employees towards their work is reflected by how satisfied an employee is with his/her work (Spector, 2003). Job Satisfaction (JS) thereby refers to “the positive and negative feelings and attitudes we hold about our job” (Schultz & Schultz, 2002:235). It has been established that JS as a construct has been related with the broader wellbeing construct of life satisfaction, both the constructs depicting positive causal relationships both ways (Argyle, 2001). The most commonly used JS questionnaires for example the job descriptive index (Smith, Kendall, & Hulin, 1969) and the Minnesota satisfaction questionnaire (Weiss, Dazis, England, & Lofquist, 1967), depict a construct which is akin to the engagement construct being reviewed here. So the distinguishing aspect needs to be clarified here, Blizzard, (2004) clarifies that job satisfaction is compared to a passive state and engagement an active state. Other notable distinctions between engagement and satisfaction has been brought about by the Melcrum Report as it portrays satisfaction as “what gets employees to show up for work. It's the base level of employee contentment – whether or not they can do the job, how happy they are with their pay, [and] how well they like their work environment”, but in terms of discretionary effort they have no desire to “go the extra mile” (Melcrum Publishing, 2005:6). So the difference which draws a line between satisfaction and engagement is the unrestricted endeavour or discretionary endeavour displayed by the employees at work.

-Job performance

To gauge the job performance (JP) of employees, Salanova et al. (2005) investigated the case of personnel working in Spanish restaurants and

hotels. The use of Structural equation modelling (SEM) analyses depicted a full mediation model in which the service climate was predicted by the resources of the organization and the work engagement. The service climate so predicted further explained the performance of the employees and also the loyalty of the customers. Therefore, JP was formulated as the consequence of having a good engagement in the organization in this present study. Xanthopoulou et al. (2007) in their study of Greek employees working in a restaurant established a convincing case of the work engagement being the predictor of performance on a daily basis. This provides another constructive proof that engagement acts as a predictor of job performance. The availability of job resources acts as a predictor for engagement was also supported in this study. Xanthopoulou et al. (2007) further report that engagement leads to better employee performance which could be gauged at a daily level.

-Organizational Citizenship Behaviour

Organizational citizenship behaviour (OCB) is the flexible and open behaviour free from any formal obligations. OCB as has been portrayed by several researchers is instrumental in keeping the communal mechanism of the organizations frictionless and efficient (Podsakoff, MacKenzie, & Bommer, 1996).

Initial literature on OCB focussed on the discretionary nature of certain behaviours which were deemed essential to organizational success without them being formally defined as part of employee engagement. The focus of literature in recent times has been on exploring the limiting discretion to extra-role behaviours. EE is limited to the concept of above and beyond of a specific task performance or it is something more than this. The question has to be considered in the background of the fact that boundaries between in role and extra-role performance are not very definitive. For example, Vey and Campbell (2004) make a similarity pitch by depicting that some forms of OCB viz., conscientiousness or courtesy could be in-role and not extra-role performances. The core conceptual issue here is if behaviour of interest must be *discretionary* in order to be considered as engaged behaviour, i.e., a

person has a choice not to do it and has chosen to do the same. This entails all behaviours to be assessed for how much they included making a choice to do more or to do something different and so on. This puts a conditional value on such behaviours as they may be deemed normal or typical in certain circumstances and situations (in some groups and companies) and maybe classified as unusual in other circumstances. To elaborate "a typical" implies a frame of reference which may originate in a variety of ways. For example, Meyer et al. (2004) elucidated that when under certain circumstances, failure to perform a task as usual might be excused due to extraordinary conditions, other in-role behaviours might also be considered extra-role. This means that freedom of choice as to engage in certain task behaviours or not is allowed under certain conditions. Engagement or "doing something extra" then becomes doing what is normal when normal conditions do not apply. However, there are limitations to defining employee engagement behaviour as such and frequency and extent of opportunities which demonstrate such behaviours would also need to be explored and explained.

-Intention to Stay

The organizations are today plagued by the problem of attrition. The HR managers are busy devising plans to retain the employees. For any organization to move forth the talented employees need to be retained. Organizations have acknowledged the importance of human beings in an organization and intend to retain and develop talented people (Singh, 2002), but it's not just the engaged employees who would like to stay in the organization, and the organizations also make efforts to retain their employees (Singh, 1996). Singh and Kumar, (2013) also assert the role of spiritual leadership to bring about an integration and alignment of the employees which could ward off the problems of attrition.

OBJECTIVES & HYPOTHESIS OF THE STUDY

Objectives

1. To study the construct of Employee Engagement (EE) in the select

organizations of India.

2. To test whether Spirituality and Alignment (SAAL) will predict EE.
3. To develop a model of Employee Engagement (EE).

Hypothesis

H₀: Spirituality and Alignment (SAAL) will not predict Employee Engagement (EE)

H_A: Spirituality and Alignment (SAAL) will predict Employee Engagement (EE)

QUESTIONNAIRE BASED RESPONSE ADMINISTRATION

The quest was to assimilate the valid outcomes of having EE in the organizations. For this purpose those constructs which were assessed to be closely related to EE were earmarked as consequences of having EE from the very inception. The researcher employed five outcome constructs namely:

1. In-Role Performance (IRP)
2. Organization citizenship Behaviour (OCB)
3. Job Involvement (JI)
4. Job Satisfaction (JS)
5. Intention to Stay (ITST)

After having identified the questionnaire set through valid pilot testing, the next step was to finally ascertain the different sectors to be brought in the ambit of this study and also the varied organizations. When the idea of measuring EE was construed in the initial stages of this study, it was deemed fit to have two sectors viz., IT and Banking Sectors. However, it was being increasingly felt that Education sector needs to be well within the scope of this study. The reason that was identified was the level of EE among the educationists can be on a higher side, accounting to the less stringent work hours and also greater job security.

The Information Technology (IT) Sector

The IT sector of India has contributed significantly to the Indian GDP since 1998-99. This sector has helped India generate enormous employment in the country. Therefore, it was deemed fit to study into the level of engagement displayed by the employees of the IT sector. This study also took into perspective that based on the origin of control i.e., whether the organization is an Indian MNC or a Foreign MNC, and to test whether or not there is a significant difference among them in terms of the level of engagement. So the researcher considered the following two Indian IT companies from among the top five IT companies. The selection was done on the basis of growth rate seen in the year 2010-11. The growth rate of TCS was 29.4% and the growth rate of HCL was 26.2% according to Gartner (2012):

For Foreign MNC's the author considered

1. Accenture
2. iGATE Corporation

A total of 120 questionnaires had to be fetched from the IT sector. The design had been so construed that each of the four companies chosen in the IT sector would have 30 employees each.

The Banking Sector

The Indian banking industry provides a significant and dynamic strength to the Indian economy, and is the foremost leading division of the financial sector. The banking sector is the backbone of any economy. The employees of the banking sector and their corresponding engagement needed to be assessed in conformity. In banking sector also the researcher considered two public sector banks and two MNC banks. The criterion for selection of the public sector banks was the total branch strength all over the country. On this basis the two leading public sector banks viz., the State Bank of India (SBI) and the Punjab National Bank (PNB) were chosen upon (Rediff.com, 2013). The same criteria was also followed in context of the MNC banks, it

was found that based on the number of branches in India, The Standard Chartered Bank (SCB) and the HongKong and Shanghai Bank Corporation (HSBC) were the top two and hence considered for the survey design (SiliconIndia, 2013).

The Education Sector

The rationale for including the Education Sector in the ambit of this research has already been described before. For Education Sector the researcher employed the various Departments and Colleges of the University of Delhi. Over the years the university has transformed into one of the largest universities in India. There are 16 faculties, 86 academic departments, 77 colleges and 5 other recognised institutes spread all over the city of Delhi, including 1,32,435 regular college students (Undergraduates: 1,14,494, Postgraduates: 17,941) and 2,61,169 students (UG:258831,PG:2338) in open learning education programme (Delhi University, 2013). It is very evident that the University of Delhi is a pioneer university in all its mighty senses. It has been voted to be the best University of India time and again (Delhi University, 2013).

DATA COLLECTION METHODS

- Data based on the questionnaire was collected via survey administration. The questionnaire was administered through Survey methodology and the technique used for survey was Probability based Stratified Random Sampling. Random sampling is very common and most widely adopted sampling technique. According to Teddlie and Yu (2009) a simple random sampling technique is utilized in order to provide each and every unit of the population equal chance to be selected in the sample.
- Randomness in any data set signifies that there has not been any bias in any stage of questionnaire administration viz. sample formulation, strata identification, and subsequently respondent identification. To have a random sampling denotes that each and every sample in the population

has equal chance of getting selected, and that the administrator is not biased towards a particular group or respondent. In this study for all the sectors chosen, the researcher was very careful not to dilute the meaning of randomness.

INVESTIGATION SEQUENCE

Test Sequence for Predictors

The drivers of EE identified were Work Role Fit and Workplace Spirituality.

- 1. Work Role Fit (WRF):** Kristof (1996) envisages the popular belief that the researchers have all along been interested in deciphering the relationship of the employee to the specific role which has been entrusted to her/him in organizational context. May et al. (2004) furthers the discussion by envisioning the work roles which are aligned with individual's self concept and could garner into more meaningful state of work experience. Brief & Nord, (1990); Shamir, (1991) point towards a perceived fit between an individual employee's self visualization and the subsequent role played by her/him in the organization, which could subsequently lead to heightened state of meaningfulness and engagement. The measurement of WRF was catered through the four items questionnaire of May (2003).
- 2. Workplace Spirituality (WS):** Workplace Spirituality has not been mentioned much in the academic literature of EE. However, the researcher conceptualized in the initial stages of this research work that WS can be utilized as one of the drivers of EE. WS can be further deciphered into sense of calling (Fry, 2003), spiritual values and behaviours (Reave, 2005), and calling and membership (Pfeffer, 2003). Giacalone and Jurkiewicz (2010:13) define WS as “aspects of the workplace, either in the individual, the group, or the organization, that promote individual feelings of satisfaction through transcendence”. Five items questionnaire scale developed by Kumar and Singh (2012) was utilised to measure WS.

After carrying out the tests of Exploratory factor Analysis, the two

predictor variable merged into one and the researcher named it Spirituality and Alignment (SAAL)

Test Sequence for Consequences

- 1. In-Role Performance (IRP):** The literature on EE explains that an engaged employee performs better in the job. Bakker et al. (2004) depicted in the study that engaged employee's received higher ratings from their colleagues in terms of in-role and extra role performance. Schaufeli et al. (2006) also found in their study that work engagement has positive relationship with the in-role performance. Seven questions measuring In-Role Performance (IRP) developed by Williams and Andersen (1991) was utilised in this study.
- 2. Organization Citizenship Behaviour (OCB):** The earlier findings on EE suggest that engaged employees are the one who show discretionary behaviours at workplace. Discretionary behaviours at workplace signify those behaviours that are not earmarked in the job description of an employee. Those behaviours do not fetch an employee any monetary rewards, nor they are compulsory works. However, such behaviours at work definitely help the organization and the employees of the organization. Therefore, such behaviours are also called Organizational Citizenship Behaviour (OCB) which is over and above the specified or formal work and obligations of the employee. Fourteen questions of individual and organization OCB were utilised from the study of Williams and Andersen (1991).
- 3. Job Involvement (JI):** Some of the research studies relate the constructs of JI and EE. Brown (1996) asserts engagement to be a construct very closely related to that of JI. Kanungo (1982) advocates JI to be the cognitive state of psychological identification, in that sense EE can be hailed as a broader construct which considers other dimensions of psychological identification like emotional, physical, and cognitive. Macey and Schneider (2008) conceptualized JI to be an important facet of EE. Saks (2006) distinguish JI to be an outcome of EE, as May et al. (2004) put EE as an antecedent to JI, as individuals

who experience deep engagement in their work roles may come to identify with their jobs and hence become more involved. Kanungo (1981) ten item Job Involvement Questionnaire (JIQ) was considered to gauge the job involvement levels of employees in the organization.

4. **Job Satisfaction (JS):** JS describes how content an individual is with her/his job. JS is defined as some pleasurable or positive state of emotion emanating from one's job appraisal or experience (Locke & Henne, 1986). The review of literature suggests that there is a definite positive relationship between EE and JS. Gubman (1998, 2003, 2004) describes engagement to be a delicate emotional connection with a work job and organization and that which goes over and above JS. In this study the researcher has conceptualized JS to be the outcome of EE. JS has been measured through the five item questionnaire scale of Brayfield and Rothe (1951).
5. **Intention to Stay (ITST):** ITS construct measures the employee's intention to stay put in the organization. One of the objectives of this research investigation was to know whether EE makes any impact on the ITS of the employees. Wright (2010) summarises that engaged employees are more likely to stick with their organizations. ITST has been measured by five items of continuance commitment scale modified from the study of Meyer & Allen, (2004); Meyer, Allen, & Smith, (1993).

Reliability of the Antecedents & Consequences

To assess the scale reliability, internal consistency of each driver (antecedents) was analysed. To assess the internal reliability, Cronbach's alpha was employed. The strong item co-variance is indicated when the Cronbach's alpha score exceeds the minimum recommended value of 0.70 (Whitely, 2002). The Cronbach's alpha score for each antecedent identified is mentioned, those factors which had Cronbach's alpha score of less than 0.7 were candidates for elimination.

Table 1: Reliability of the Antecedents Identified

Antecedents	Items scale summated	Cronbach's Alpha
Spirituality and Alignment (SAA)	7	0.912

Table 2: Reliability of the Consequences Identified

Consequences	Items scale summated	Cronbach's Alpha
In-Role Performance (IRP)	7	0.773
Organization Citizenship Behaviour (OCB)	14	0.710
Job Involvement (JI)	10	0.880
Job Satisfaction (JS)	4	0.757
Intention to Stay (ITS)	5	0.826
Rewarding Co-worker Relations (RCWR)	10	0.917

Structural Equation Modelling (SEM)

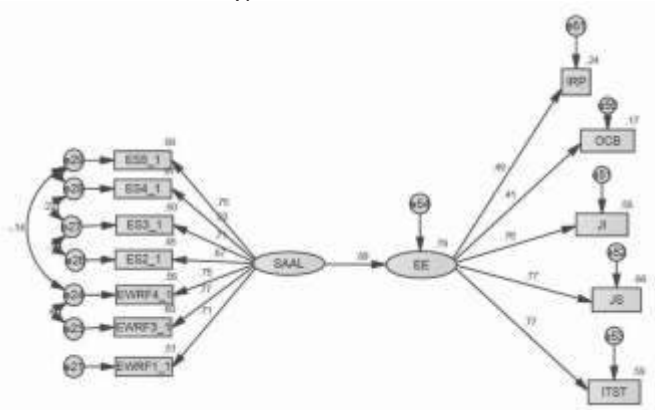
SEM as a tool can be used to assess both the measurement model and structural model simultaneously. The researcher is testing a formative model in this analysis. Academicians point out that a formative measure requires at least two reflective or other endogenous constructs to act as consequences to be assessed and measured (Heise, 1972; MacCallum & Browne, 1993). In this model the formative construct is EE, therefore, the consequences identified are IRP, OCB, JI, JS, and ITST. Diamantopoulos & Siguaw, (2006) advocate that the outcome variables are as important as the construct indicators in the formative model measurement.

The researcher, therefore, formulated the multiple indicator multiple cause (MIMIC) model (Landis, Beal, & Tesluk, 2000). Further, SEM using

AMOS 20 was used; SEM was deemed an appropriate method for this analysis, as it could determine causal links between variables allowing for the confirmation of engagement drivers (antecedents) and outcomes (consequences) (Joreskog & Sorbom, 1989).

Maximum likelihood estimation was used, as it is robust and is reasonably tolerant of normality violations (Chou & Bentler, 1995). Formative constructs are nowadays more accepted in the academic literature, and has been receiving extensive attention (Diamantopoulos, Riefler, & Roth, 2008).

Figure 1: EE Model



SAAL – Spirituality and Alignment, EE – Employee Engagement, IRP – In-Role Performance, OCB – Organization Citizenship Behaviour, JI – Job Involvement, JS – Job Satisfaction, ITST – Intention to Stay

Table 3: Model Fit Summary

	CMIN/DF	GFI	CFI	IFI	RMSEA
Estimate	2.287	0.923	0.951	0.952	.083
Recommended	Less than 3	<0.90	<0.90	<0.90	Less than 0.10

CMIN/DF - C Minimum/Degrees of Freedom, GFI – Goodness of Fit Index, CFI – Comparative Fit Index, IFI – Incremental Fit Index, RMSEA – Root Mean Square Error of Approximation

Table 4

RELATIONSHIP	Standardized Regression Weights	Significance (p)
SAA --- > EE	0.889	***
EE --- > IRP	0.490	***
EE --- > OCB	0.414	***
EE --- > JI	0.758	***
EE --- > JS	0.774	***
EE --- > ITST	0.769	***

Note: *** $p < 0.001$

Addressing the Hypotheses

H_A: Spirituality and Alignment (SAAL) predict EE in a significant manner. As we see in the table no. 4.23 that the standardised regression weight of 0.889 with a p value indicating significance at 0.001 levels ($p < 0.001$), establish that a positive, strong, and, significant relationship is depicted between its predictors and EE. Further, EE has been explained to the tune of 79% as shown by the R-square estimate.

CONCLUSIONS

1. Workplace Spirituality (WS) and Work-Role Fit (WRF) load as one factor, a very valid proposition in any organization. The researcher coined the term for this factor as Spirituality and Alignment (SAA).
2. The drivers or antecedents so identified after robust testing of reliability explain EE to the tune of 79% with a level of significance poised at 0.000 levels. This gives credence to the fact that considerable variance in the latent construct is being explained by the antecedents SAA, SSR, and PM. This further establishes the fact that EE is driven mostly by those aspects which are intrinsic. The serenity, calmness, integrity, and alignment which an employee feels in her/his organization are basically intrinsic, and hence more fulfilling and rewarding.
3. It was reported in the study that those employees who are engaged also demonstrate a good score of In Role Performance (IRP). IRP is

basically related to the completion of assigned and specified duties, fulfilling responsibilities and tasks as desired by the management.

4. EE had a positive significant causal effect on Organization Citizenship Behaviour (OCB), this gives credibility to the premise which advocates that EE leads to discretionary efforts demonstrated by the employees. OCB is related to doing things which are not specified in the job description of the employees.
5. Job Involvement (JI) which was construed in this study to be a valid outcome of having EE was explained strongly by EE to the tune of 58%. This draws the attention to the need of having engaged employees in the organization.
6. After the assessment of empirical findings it was observed that Job Satisfaction (JS) emerges out to be a legitimate outcome of EE. In the EE literature, JS has also been considered as a construct very similar to EE. However, it has been established in the study that EE is a vast construct which explains JS.
7. The last outcome which was conceptualized from the beginning of this research study was Intention to Stay (ITST). The EE model underpinned give an insight of why engaged employees can go a long way in curbing the imminent problem of attrition.

RECOMMENDATIONS

This research investigation has clear implications for the managers and educationists. The EE model signifies the importance of EE in the organizations. The EE model also envisages the importance of spirituality and alignment in shaping up the engagement level of an employee in the organization. Spirituality in an organization is experienced by the employee when her/his work adds to the general purpose of their life, further it can also be experienced when the employee's are able to unleash their full potentials. The feeling of spirituality becomes more prominent when the employees start feeling a sense of connectedness with the organization, with the work s/he is catering to, and with the peer and supervisor group.

The concept of workplace spirituality is consistent with finding wholeness

or completeness in the organization and in that process becoming engaged.

- I. Interesting Work:** in order build the spiritual connection there is an utmost requirement for an interesting work. Work cannot be interesting in itself, either it has to be enriched or those employees who consider it to be interesting need to be rope in. Such interests permit an individual employee to learn develop, and to possess the sense of proficiency and expertise. This would transform into meaningful work which provides some sort of purpose to an employee
- II. Training to empathize:** membership is said to be the core aspect of spirituality. Membership is a sense of connection and positive social relations with co-workers. Empathy is a capacity to recognize and feel the emotions of some other sentient being. To bring interconnectedness with the work or job the employees need to empathize with their colleagues to see the larger picture. Thus, training to empathize with colleagues, co-workers, and supervisors is necessary to foster spirituality in the organization.
- III. Continuous improvement:** employees must continuously strive to improve. Transcendence or to be part of something greater can be reinforced through questioning the 'what' and 'why' of a particular action. This questioning may lead to a greater connection of the employees with themselves, their work, and perhaps the organization for which they work.
- IV. Interconnectedness and Integration:** are the pillars of spirituality and alignment. There are varied energies viz. physical, mental and emotional energies at work at the same time. In order to derive the maximum benefit, the employee must experience serenity and calmness. This could further lead to interconnecting and integration of different energies at work. Apart from energies there are two facets of an employee – personal and professional, integration or merging of personal life with professional life may provide the requisite interconnectedness or wholeness in the work process. Therefore, the employees must pursue rigorously to make an interconnection.

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ORGANIZATIONAL COMMITMENT AND ETHICAL CLIMATE – A STUDY OF SELECTED IT-BPO COMPANIES

Shweta Pandey*

The purpose of this research was to study the relationship between organizational commitment and ethical climate in a sample of IT-BPO employees. To study the relationship, employee perceptions of organizational commitment and ethical climate have been used. This study utilized a survey research method and relied on previously developed standardized tested instruments related to the variables of interest. For the purpose of study, responses were obtained from 170 executives working in reputed IT-BPO companies in Delhi NCR region. Out of 170 responses considered finally 128 responses were via online link and 42 were via hard copy format. This study also shows comparison on the basis of gender, length of service, and level of management. Analysis on the basis of gender reveals that OCMT and EC score was higher for female employees as compared to male employees. Mean scores of OCMT and EC were also analyzed on the basis of level of management and length of service. The accuracy of the results reported in the study is dependent on the accuracy of the data reported by respondents from different IT-BPO Companies.

Key Words: Organizational Commitment, Corporate Ethical Values and IT-BPO

INTRODUCTION

Given the global competitive environment of today, if employees of any organization are confining themselves only with contractual task which they are expected to perform in the organization and do not show any interest in other activities of the organization, then this will have impact not only on the growth and success of organization but also on the growth and development of employee. It is the general view that employees with high

* Assistant Professor, Department of Commerce, Maitreyi College, University of Delhi
Email ID: shwetapandey227@yahoo.com

level of organizational commitment would do their job efficiently and effectively.

Employee commitment to their organization is one of the most researched themes in organizational study. Today all organizations require employees who are committed to their vision, mission and goals in order to continue to exist. Put differently, organizations need employees who accept their goals and values; willingly exert effort on their behalf; and strongly desire to remain with them (Mowday, Steers, & Porter, 1979). The evidence indicates that those organizations that have committed employees outperform those that don't. That's why organizations are always looking for the best human resource in all respects. Employees who feel emotionally attached to the organization will have a greater motivation or desire to make a meaningful contribution to the organization (Meyer and Allen, 1997).

It's a proven fact that employees' commitment is necessary for organizational outcomes such as increased sales and profitability (Brett, Cron, & Slocum, 1995), job satisfaction (Lum, Kervin, Klark, Reid, & Sirola, 1998), lower turnover intention (Sims & Kroeck, 1994). Still employees feel less committed to their employing organization (Nussbaum, 1986; Mowday, 1998), this calls for a need analyze why organizational commitment is diminishing, and how it can be fostered within an organization. Workers who are less committed to their employing organization, will route their commitment in other directions (Meyer and Allen, 1997). These employees may look for marketability of their skills and experience outside the organization, rather than by its implications for their current or future jobs in the organization. Thus, it is important to know how to develop the right type and level of OC to ensure that the better employees are retained.

The proposed study will also provide benchmark opportunity to managers of IT-BPO companies to have an understanding of organizational commitment and how it is affected by ethical climate of the organization. Further, analysis of these variables on the basis of gender, level of management, and length of service will also provide significant

information to the IT- BPO organizations.

ORGANIZATIONAL COMMITMENT- THEORETICAL CONSTRUCT

There was a plethora of empirical research that examined organizational commitment as a workplace behavioral outcome. Based on the literature various definitions of organizational commitment are found.

Becker (1960) proposed that commitment is mainly a function of individual behavior; individuals become committed to the organization through their actions and choices over time.

Kanter (1968) defined commitment as "the willingness of social actors to give their energy and loyalty to social systems, the attachment of personality systems to social relationship, which are seen as self-expressive".

Etzioni (1961) suggested that organizational commitment focuses on compliance with organizational objectives by the employee. Thus, the more commitment employees have towards organizational objective, the more authority or power organization will have over employees.

Hall, Scheider, and Nygren (1970) define organizational commitment as the "process by which the goals of the organizations and those of the individual become increasingly integrated and congruent".

Sheldon (1971) defines "organizational commitment as an attitude or an orientation towards the organizations, which links or attracts the identity of the person to the organizations".

Porter, Steers, Mowday, and Boulian (1974), define organizational commitment as "the strength of an individual's identification with and involvement in a particular organization". Porter et al. (1974) discuss three major components of organizational commitment as being "a strong belief in and acceptance of the organization's goals, a willingness to exert considerable effort on behalf of the organization, and a definite desire to

maintain organizational membership”.

According to Buchanan (1974) most of the scholars define commitment as a bond between an individual (the employee) and the organization (the employer).

Salancik (1977) defined organizational commitment as “a state of being in which an individual becomes bound by actions to beliefs that sustains activities and involvement”.

Bateman and Strasser (1984) state that organizational commitment has been operationally defined as “multidimensional in nature, involving an employee's loyalty to the organization, willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership”.

Meyer and Allen (1991) and Dunham et al. (1994) identified three types of commitment; affective commitment, continuance commitment, and normative commitment.

Affective Commitment: It is defined as the emotional attachment, identification, and involvement that an employee has with its organization and goals (Mowday et al., 1979, Meyer et al., 1993; O'Reily and Chatman, 1986). Porter et al., (1974) define affective commitment by three factors (1) “belief in and acceptance of the organization's goals and values, (2) a willingness to focus effort on helping the organization achieve its goals, and (3) a desire to maintain organizational membership”. Meyer and Allen (1997) suggest that employees retain their membership out of personal choice and this is their commitment to the organization.

There are employees who exhibit a strong belief in and acceptance of the new organization's goals and values. Such employees also exhibit considerable effort and exhibit a strong desire to maintain their membership with the new organization. Meyer and Allen (1997) call this form of commitment to the organization as affective commitment.

Continuance commitment: It is the willingness of an employee to remain

in an organization because of the investment that the employee has with “nontransferable” investments (Muhammad, 2012). Nontransferable investments in an organization include things such as retirement benefits, relationships with other employees, or things that are special to the organization (Reichers, 1985). Continuance commitment also includes factors that are organization specific such as years of employment or benefits that the employee may receive (Reichers, 1985). Meyer and Allen (1997) explain that it becomes very difficult for an employee to leave the organization who shares continuance commitment with their employer. Thus this group of employees remains with the new organization not out of loyalty or innate beliefs but for the reason that they have no job alternatives or have too much invested in the organization to leave.

Normative commitment: It is the outcome of feeling of obligation to remain with an organization (Prabhakar and Ram, 2011). Such a feeling of obligation are induced from what Wiener (1982) characterized as "generalized value of loyalty and duty". As a result of cultural socialization that places high value on loyalty and devotion to institutions, it's a natural willingness of an individual to remain loyal and committed to institutions such as family, marriage, country, religion, and employment organization. According to normative commitment, an individual demonstrates commitment behavior to the organization solely because she or he believes it is the moral, ethical, and right thing to do. For example, if a company spends resources in training of an employee, then employee may feel duty-bound to repay the debt. Wiener (1982) suggests that this group of employees does not develop as strong an emotional attachment to the organization. However, employees who possess high levels of normative commitment continue to work productively as a result of cultural, familial, and work place ethics that direct their behavior.

By understanding the significance of all three components employers had the opportunity to gain focused understanding of factors that influenced an employee's relationship with an organization.

ETHICAL CLIMATE - THEORETICAL CONSTRUCT

Ethical climate is a type of an organization's work climate (Kelly and Cullen, 2006). Victor and Cullen (1988) defined the ethical climate of an organization as “the prevailing perceptions of typical organizational practices and procedures that have ethical content constitute the ethical work climate”. According to Despande (1996), an organization's ethical climate is “shared perception of personnel about how ethical issues should be addressed and what ethically correct behavior is”. Ethical climate refers to “the prevailing attitudes about the firm's standards concerning appropriate conduct” in the organization (Kelley and Dorsch, 1991). An organization's ethical climate contributes employees at all level to makes ethical decisions. This is not only related with the content of decision-“what should I do?” but also process of decision “how should I do?” (Cullen et al., 1989).

Ethical orientations of the organization have been argued to have an effect on employees' attitude. Ethical climate arise when employees believe that certain form of ethical behavior are expected standards for decision making within the organization. Ethical climate developed by top management is an important factor driving not only ethical behavior but also job related outcomes. If an organization is committed to being ethical, this can have a direct impact on employees' behaviors (Vitell and Hidalgo, 2006). So organization can design an ethical structure and create an ethical climate that supports and encourages people to act ethically in the organization by both implementing and enforcing rules and policies on ethical behaviors, rewarding ethical behaviors and punishing unethical behaviors (Schwepker, 2001; Schwepker et al., 1997; Gareth, 2007).

ORGANIZATIONAL COMMITMENT AND ETHICAL CLIMATE

As far as relationship between organizational commitment and ethical climate is concerned researches indicate that there is a positive relationship between organization's ethical climate and organizational commitment. Organizations that depict strong ethical values may benefit from having

more committed employees to the organization (Vitell and Hidalgo, 2006). Schwepker (2001) found that strong enforcements of ethical rules and codes were positively related to organizational commitment. Schwepker (2001) found a positive relationship between salespeople's Perception of organization's ethical climate and their OC. Further, Sim and Kroeck (1994) and Schwepker (1999) found that if people feel that there is conflict between organizations' values and their own ethical values, then they are less committed to the organization.

OBJECTIVES OF THE STUDY

- To analyze the level of ethical climate and organizational commitment among IT- BPO employees.
- To explore the gender differences i.e., male and female with regard to ethical climate and organizational commitment among employees in IT- BPO companies.
- To assess the difference that exists between the three levels of management with regard to ethical climate and organizational commitment among employees in IT- BPO companies.
- To assess the difference between the length of service with regard to ethical climate and organizational commitment among employees in IT- BPO companies.
- To study the relationship between ethical climate and organizational commitment among employees in IT-BPO Companies.

HYPOTHESIS OF THE STUDY

On the basis of above objectives, the following null hypothesis (H₀) and alternate hypotheses (H_a) have been formulated:

- H₀₁ – There is no significant difference between male and female employees in relation to their ethical climate and organizational commitment scores in IT-BPO companies.
- H₀₂ – There is no significant difference between levels of management

with regard to ethical climate and organizational commitment scores among employees in IT-BPO companies.

- H03 – There is no significant difference between length of service with regard to ethical climate and organizational commitment scores among employees in IT-BPO companies.
- H04 – There is no significant relationship between ethical climate and organizational commitment among employees in IT-BPO companies.

RESEARCH METHODOLOGY

In the present study to measure organizational commitment questionnaire designed by Meyer, Allen, and Smith (1993) consisting of six items in each commitment component (affective, continuance, and normative) was adopted to assess three-component OC. Data were generated in six point-Likert scale (6 = 'strongly agree'; 1 = 'strongly disagree').

To measure ethical climate, corporate ethical value scale (CEV) developed by Hunt et al's (1989) has been used. Respondents were asked to indicate their degree of agreement with behaviors associated with ethical climate on a seven-point scale (1 = strongly disagree and 7 = strongly agree). This is a single-dimensional scale, which measures possible impact of corporate ethical values on the level of respondents' commitment to their organizations.

DATA COLLECTION

The purpose of this study was to assess the level of organizational commitment in a sample of IT-BPO employees. In the present study a sample of employees from IT-BPO sector has been selected because in recent years this sector has become one of the most significant growth catalyst of Indian economy and this is one of the under researched area as far as Job behaviors of IT-BPO employees are concerned. An online link was created for questionnaire used in the study using Google Docs which is now known as Google drive and 128 responses were obtained through this link. Further out of 80 questionnaires distributed to the respondents only 42 were

filled and returned. Thus out of 170 responses considered finally 128 responses were via online link and 42 were via hard copy format.

Table 1: Summary of Responses Obtained from IT-BPO Companies

IT Companies	Responses Obtained	BPO Companies	Responses Obtained
NIIT Technologies	19	Wipro	22
TCS	14	Genpect	27
Aricent	10	E-Funds	12
IBM	15	HCL Tech BPO	34
		IBM Daksh	17
Total Responses Obtained	58		112

As shown in table 1, 58 respondents were from 4 reputed IT companies in Delhi NCR region and 112 respondents from 5 reputed BPO companies in Delhi NCR region. Out of 58 respondents from four IT companies 19 were from NIIT technologies, 14 were from TCS, 10 were from Aricent, and 15 were from IBM. Also out of 112 respondents from five reputed BPO companies 22 were from Wipro, 27 were from Genpect, 12 were from E-Funds, 34 were from HCL Tech BPO, and 17 were from IBM Daksh. The method of sampling used for this study was based on non – probability convenience sampling.

LIMITATIONS AND FUTURE AREA OF THE STUDY

The results of this study should be interpreted keeping in mind the limitations. One limitation involves the fact that we did not measure organizational commitment from both the supervisor and employee perspective. Instead, we got our data from the employee responses to the survey. If the data on organizational commitment were collected from supervisors or peers of the respondents, the findings may well have turned out to be different than the ones reported in this research. Thus future research may focus on obtaining responses from both the supervisor and

employee perspective and comparing them.

Since primary data have been collected through questionnaire method, the present study is subject to the common limitations of the most behavioral studies as there may be chance of measurement error or bias.

Another limitation of this study was its cross-sectional, rather than longitudinal design. However, the cross-sectional design did allow comparison of scores over a period of time.

This study was conducted in IT-BPO companies of Delhi NCR region. Future researches can focus on cross-cultural studies, and explore the cultural influence on organizational commitment.

STATISTICAL ANALYSIS

The data for present study has been collected through 170 respondents from various IT- BPO companies. The following table shows the different variables and the frequency distribution of the respondents:

Table 2: Profile of Test Categories

Variables	Frequency	Percentage
Level of Management		
Lower Level	70	41.20%
Middle Level	65	38.20%
Senior Level	35	20.60%
Length of Service		
Below 5 years	71	41.80%
5-10 years	66	38.80%
10 years and above	33	19.40%
Gender		
Male	112	65.90%
Female	58	34.10%

RELIABILITY TEST

As a first step, scale reliability coefficient for the instrument used in the study was computed. Cronbach's alpha is used as an index of Reliability. Reliability test is a respondent centric test which finds that the instrument we are using will always elicit consistent and reliable response even if questions were replaced with other similar questions.

Alpha coefficient ranges in value from 0 to 1 and may be used to describe the reliability of factors extracted from dichotomous (that is, questions with two possible answers) and/or multi-point formatted questionnaires or scales (i.e., rating scale: 1 = poor, 5 = excellent). The higher the score, the more reliable the generated scale is. Nunnally (1978) maintains that reliabilities which are less than 0.6 are considered poor; those in the 0.7 range are acceptable, while those above 0.8 are good. From table 3 we can see that reliability test of variables OCMT and EC is 0.801 and 0.602 respectively.

Table 3: Reliability Statistics

Variables	Cronbach's Alpha	No. of Items
AC	0.605	6
CC	0.631	6
NC	0.752	6
OCMT	0.801	18
EC	0.602	5

ORGANIZATIONAL COMMITMENT AND ETHICAL CLIMATE SCALE

The table 4 shows the mean score, standard deviation, maximum and minimum value for all the components of organizational commitment scale and in-role job behavior scale. Mean score for ethical climate and organizational commitment is 5.956 and 3.879 respectively.

Out of all the 3 components of OCMT mean score is higher for CC followed

by AC and then for NC. The overall mean score for OCMT was 3.8791 on a 5 point scale and for JI scale was 4.8494 on a six point scale.

Table 4: Descriptive Statistics for OCMT and EC Scale

Variables	N	Minimum	Maximum	Mean	Std. Deviation	Rank
AC	170	2.67	5.00	3.913	.5071	2
CC	170	2.67	5.00	3.936	.4306	1
NC	170	2.17	4.83	3.788	.5727	3
OCMT	170	2.83	4.89	3.879	.3927	
EC	170	4.2	6.80	5.956	.5381	

CC has got 1st rank among organizational commitment components. Continuance commitment refers to the cost associated with leaving the organization in terms of years of employment, relationships with other employee, and things that are special or unique to the organization. Scarcity of job alternatives is another reason behind continuance commitment.

AC has got 2nd rank among organizational commitment components. Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organization. Employees high on AC scores implies that such employee feels organization problem as their own, would be happy to spend rest of their career in the organization and feel like part of family in the current organization.

NC has got 3rd rank among organizational commitment components. Normative commitment reflects a feeling of obligation to continue employment. Employees with high on NC scores feel that it is their moral obligation to continue with their current organization and this organization deserves loyalty.

COMPARISON OF OCMT AND JI ON THE BASIS OF GENDER

Table 5: Comparison of OCB, IRB, OCMT and JI on the basis of Gender

Variables	Male	Female
	Mean	Mean
AC	3.844	4.046
CC	3.897	4.012
NC	3.726	3.908
OCMT	3.822	3.989
EC	5.915	6.034

Table 5 shows that OCMT score was higher for female employees (3.99) as compared to male employees (3.82). Comparison on the basis of organizational commitment reveals that AC, NC, and CC scores were higher for female employees (4.05, 3.91, and 4.02) as compared to their male counterparts (3.84, 3.73, and 3.90). Also EC score is higher for female employees (6.03) as compared to their male counterparts (5.92).

- H01 – There is no significant difference between male and female employees in relation to their ethical climate and organizational commitment scores in IT-BPO companies.

To test this hypothesis we have used independent sample t-test. First we have looked at Levene's test for equality of variances to see if two groups have approximately equal variances on the dependent variable. If the Levene's Test is significant i.e. the value under "Sig." is less than .05, then the two variances are significantly different. If it is not significant i.e. Sig. is greater than .05, the two variances are not significantly different; that is, the two variances are approximately equal. From table 6 we can see that significance value is greater than 0.05 in case of all variables except for organizational commitment and continuance commitment.

Table 6: Levene's Test for Equality of Variances

Variables	F	Sig.
AC	0.011	0.917
CC	5.505	0.020
NC	0.832	0.363
OCMT	7.157	0.008
EC	0.062	0.804

Thus for all variables except for OCMT and CC we accept the null hypothesis that there is no differences in the variances between groups.

Table 7: Summary of T-test on the basis of Gender

Variables	Equal Variances Assumed			Equal Variances not assumed			Result
	T	Df	Sig. (2-tailed)	t	df	Sig. (2-tailed)	
AC	-2.503	168	0.013	-2.442	107.840	0.016	Reject
CC	-1.647	168	0.101	-1.539	96.269	0.127	Accept
NC	-1.980	168	0.049	-1.894	102.355	0.061	Reject
OCMT	-2.661	168	0.009	-2.415	89.467	0.018	Reject
EC	-1.374	168	0.171	-1.385	117.953	0.169	Reject

The effect of not being able to assume equal variances is evident in the above table 7 where we see a reduction in the value of the t -statistic and a large reduction in the degrees of freedom (df) for variables CC and OCMT. Since in case of variable CC value of significance for t -statistic from is greater than 0.05, therefore, we accept the null hypothesis that no significant difference between male and female employees exist in relation to their CC score. However for variables AC, NC, OCMT, and EC value of significance is less than 0.05, therefore, we accept the alternative hypothesis that their exists significant difference between male and female employees in relation to their AC, NC, OCMT, and EC scores.

COMPARISON OF VARIABLES ON THE BASIS OF LEVEL OF MANAGEMENT

The table 8 reflects comparison of OCMT and EC scores on the basis of level of management. Overall OCMT score is higher for ULM followed by MLM, and LLM. Comparison of organizational commitment components scores reveals that scores for AC, CC, and NC are highest for upper level management. Further AC and NC score is higher for MLM as compared to LLM and CC score is higher for LLM as compared to MLM. Job involvement score is highest for ULM, followed by MLM and then for LLM. Ethical Climate score is highest for ULM, followed by LLM and then for MLM.

Table 8: Comparison of OCB, IRB, OCMT and JI on the basis of Level of Management

Variables	Lower Level Management	Middle Level Management	Upper Level Management
	Mean	Mean	Mean
AC	3.7646	3.8364	4.3714
CC	3.8583	3.8515	4.2476
NC	3.6833	3.7121	4.1476
OCMT	3.7688	3.8000	4.2556
EC	5.7110	6.1240	6.2510

- H02 – There is no significant difference between levels of management with regard to ethical climate and organizational commitment scores among employees in IT-BPO companies.

Table 9: ANOVA Table for Level of Management

		Sum of Squares	df	Mean Square	F	Sig.	Result
AC	Between Groups	9.441	2	4.720	23.175	0.000	Reject
	Within Groups	34.015	167	0.204			
	Total	43.456	169				

CC	Between Groups	4.274	2	2.137	13.186	0.000	Reject
	Within Groups	27.064	167	0.162			
	Total	31.337	169				
NC	Between Groups	5.719	2	2.860	9.607	0.000	Reject
	Within Groups	49.713	167	0.298			
	Total	55.432	169				
OCMT	Between Groups	6.278	2	3.139	26.505	0.000	Reject
	Within Groups	19.779	167	0.118			
	Total	26.058	169				
EC	Between Groups	9.393	2	4.696	19.832	0.000	Reject
	Within Groups	39.547	167	0.237			
	Total	48.939	169				

Since the significance value of F-statistics in all cases is less than alpha (0.05) in the table 9, therefore we reject the null hypothesis and accept the alternate hypothesis that significant difference exist across three levels of management.

COMPARISON OF VARIABLES ON THE BASIS OF LENGTH OF SERVICE

The table 10 reflects comparison of OCMT and EC scores on the basis of length of service. Overall all OCB score is higher for employees with length of service above 10 years, followed by employees with length of service 5-10 years and then for employees with length of service below 5 years.

Table 10: Comparison of OCB, IRB, OCMT and JI on the basis of Length of Service

Variables	Below 5 Years	5-10 Years	Above 10 Years	F-Values	Sig.	Result
	Mean	Mean	Mean			
AC	3.7895	3.9836	4.0657	0.560	0.456	Accept
CC	3.8640	3.9399	4.0960	2.419	0.123	Accept
NC	3.6820	3.8224	3.9697	1.747	0.189	Accept
OCMT	3.7785	3.9153	4.0438	1.983	0.162	Accept
EC	5.734	6.134	6.136	0.000	0.985	Accept

Overall all OCMT score is highest for employees with length of service above 10 years, followed by employees with length of service 5-10 years and then for employees with length of service below 5 years. Comparison of organizational commitment components scores reveals that scores for AC, CC, and NC are higher for employees with length of service above 10 years, followed by employees with length of service 5-10 years and then for employees with length of service below 5 years. EC score is highest for employees with length of service above 10 years, followed by employees with length of service 5-10 years and then for employees with length of service below 5 years.

- **H03 – There is no significant difference between length of service with regard to ethical climate and organizational commitment scores among employees in IT-BPO companies.**

Since the significance value of F-statistics in all cases is greater than alpha (0.05) in the table 10, therefore we accept the null that there exist no significant difference for variables AC, CC, NC, OCMT, and EC on the basis of length of service

INTERCORRELATIONS

- H04 – There is no significant relationship between ethical climate and organizational commitment among employees in IT-BPO companies.

Table 11: Intercorrelation of Organizational Commitment and Ethical Climate

Variables	AC	CC	NC	OCMT	EC
AC	1				
CC	0.389"	1			
NC	0.433"	0.397"	1		
OCMT	0.783"	0.726"	0.818"	1	
EC	0.220"	0.094"	0.142	0.198"	1

Table 11 shows correlation coefficient for different pair of organizational commitment variables and ethical climate. Strong and positive

intercorrelation exist among all the organizational commitment variable and ethical climate.

RESULTS AND SUMMARY FINDINGS

The finding of the analysis has been summarized below:

1. Overall reliability coefficients for the instruments used in the study were 0.801 and 0.602 for OCMT scale and EC scale respectively.
2. Out of all the three components for organizational commitment, mean score is higher for CC (3.94) followed by AC (3.91) and then for NC (3.79). CC reflects willingness of employee to remain in the organization because of the non-transferable investment such as years of employment, relationships with other employees, and the benefits that the employee may receive which are unique to the organization. Overall EC score is 5.956 for employees in IT-BPO companies.
3. Further OCMT score was higher for female employees (3.99) as compared to male employees (3.82). Comparison on the basis of organizational commitment reveals that AC, NC, and CC scores were higher for female employees (4.05, 3.91, and 4.02) as compared to their male counterparts (3.84, 3.73, and 3.90). Also EC score is higher for female employees (6.03) as compared to their male counterparts (5.92).
4. For variables AC, NC, OCMT, and EC there exists significant difference between male and female employees. Also for variable CC there exists no significant difference between mean scores of male and female employees.
5. Overall OCMT score is higher for ULM (4.26) followed by MLM (3.80), and then for (3.77) LLM. EC score is higher for ULM (6.25), followed by MLM (6.12), and then for (5.71).
6. Analysis on the basis of ANOVA test reveals that there exists significant difference in the mean scores of AC, CC, NC, OCMT and EC with regard to level of management.
7. Overall EC and OCMT is highest for employees with length of service

- above 10 years, followed by employees with length of service 5-10 years, and then for employees with length of service below 5 years.
8. Analysis on the basis of ANOVA test for variables AC, NC, CC, OCMT, and EC reveals that there exists no significant difference in the mean scores with regard to length of service.
 9. Analysis of correlation matrix reveals that OCMT is significantly and positively correlated with self report measures of EC.

CONCLUSION AND RECOMMENDATIONS

The main objective of the study was to investigate the relationship between organization's ethical climates and organizational commitment in IT-BPO companies. This study concluded that the ethical climates were positively related with organizational commitment. Given the trend of high attrition rate among employees at lower level management in IT-BPO companies, these organizations can promote a better work culture and improved performance among employees if management provides appropriate ethical climate to its employees which in turn will also enhance employees' commitment to the organizational. It is the responsibility of top management to enhance organizational commitment in workplace by developing and encouraging ethical climate among the employees. Organizations should make an effort to develop and maintain commitment among employees so as to foster positive job behaviors on the part of employee which is necessary to increase the competitive position of the organization.

Organization must work towards enhancing employees emotional attachment to the organization by providing better job designs, assigning diverse task, showing faith in employee capability, effective training and development program, empowerment, revision in pay scales keeping in view the inflation rate prevailing these days, supportive work environment, and adequate growth planning for the employee in the organization. Thus fostering high levels of commitment through improving the ethical climate can be an effective strategy to foster positive behaviors on the part of employee.

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FINANCIAL INCLUSION AND SOCIAL UPLIFT: WHEN ETHICS MEETS ECONOMICS

Dr. Minakshi Lahkar*

“Overcoming poverty is not a matter of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom.”

Nelson Mandela¹

Financial inclusion has become a global buzzword. It is seen as the key to solving the problem of poverty. The World Bank's Global Financial Inclusion Database – (Findex) released in 2012, reveals that only 35% of adult Indians have bank accounts—in other words, access to the mainstream financial sector. The obvious implications make a nation-wide drive for financial inclusion imperative.

This paper looks at the country's struggle against poverty in the light of a realisation-focused comparative approach to justice. Only a fraction of the huge amounts being spent actually finds its way to the intended beneficiaries. This has forced a regular revision of strategies and methods. Though the provision of subsidised credit to the deprived continues as a policy prerogative, another approach based on financial inclusion and financial literacy has also been taken up. While the state is obviously very important, we too have a role to play in the envisaged reforms. The logic on both sides of the Krishna- Arjuna debate on the Kurukshetra battlefield mandates our engagement with the issue of poverty and social uplift.

Keywords: financial inclusion, comparative approach to justice.

B.R. Ambedkar, in his prescience, pointed out to the basic incongruity in post-Independence India. The principle of universal adult franchise meant that in the realm of politics, each person had one vote which had one value. Yet “in our social and economic life, we shall, by reason of our social and

* Assistant Professor, Department of English, Ramanujan College, University of Delhi

¹ <http://www.makepovertyhistory.org/extras/mandela.shtml>

economic structure continue to deny the principle of one man, one value” (qtd. in Khilnani, 2004, p. 15). The prophetic nature of his observation is borne out by Fareed Zakaria who notes in The Post-American Future that while there may be several Silicon Valleys in India, the country also has the equivalent of three Nigerias with millions living below the poverty line.

Thus inclusive growth, despite being the much-touted mantra of our planners, continues to elude us even after sixty-six years of freedom from the burden of colonialism. The very term “inclusive growth” yokes economics to the idea of justice. The imperative of growth is self-evident. The concept of inclusion brings in the ethical dimension. At one time, many economists simply advocated growth, believing that it would percolate downwards. The growing disparities however tell a different story.

Why is 'inclusion' so important? In 1759, Adam Smith wrote in The Theory of Moral Sentiments that “self-love” is not the only motivation for human behaviour –but also sympathy, generosity and public spirit. Amartya Sen notes that “the question of one's duty to one's neighbours has a huge place in the history of ethical ideas in the world.” He refers to the Anglican Prayer Book which asks 'What dost thou learn by these Commandments?’ The answer given is “I learn two things, my duty towards God, and my duty to my Neighbour,” (Sen, 2009, p. 171).

In 1790, pioneering British feminist Mary Wollstonecraft stood up for the universalist inclusive perspective when she criticised Edmund Burke for his support of the American Revolution. Her contention was that he was silent on the rights of black slaves in America while speaking up for the white slave-owners' right to emancipation from British rule. Two years later, she published her path-breaking work A Vindication of the Rights of Women where she insisted that all the laws of reason required women to have the same rights as men. Sen notes that “contemporary moral and political philosophy has, by and large, gone in Mary Wollstonecraft's direction ... demanding that everyone be seen as morally and politically relevant” (Sen, 2009, p. 117). This is the logic which seeks to promote universal inclusion as a principle of justice.

The enforcement of justice on a large scale must be through institutions. Kautilya in the Arthashastra stressed the role of institutions in successful politics, in efficient economic performance, in promoting good conduct and restricting behavioural licence.

Transcendental Institutionalism – a category under which we may club Hobbes, Rousseau, Kant and Rawls – is concerned with identifying a perfectly just society. It conceptualises justice as organisational arrangements of institutions, regulations and rules and assumes that the presence of such a structure ensures justice. It implicitly takes for granted that everybody will behave in an ideal manner.

On the other hand, the realisation-focused comparative approach to justice concentrates on actual behaviour and the removal of injustice that is obvious. Rather than insisting on a perfect ideal state, it seeks a relative improvement over the existing condition. Thinkers like Adam Smith, Mary Wollstonecraft and Karl Marx embody the comparative perspective.

In classical Sanskrit, there are two words for justice – *nyaya* and *niti*. While *niti* refers to the formal rules, *nyaya* “stands for a comprehensive concept of realised justice” (Sen, 2009, p. 20). The perspective of *Nyaya*, keeps human lives as the central point of reference. Such a world view, in which all humanity is given pre-eminence, implies that the removal of manifest injustice – such as the economic disparities around us – must be prioritised. *Nyaya* therefore lends support to the comparativist perspective.

Economic and social analysis traditionally identifies the “realisation of justice with what is taken as the right institutional structure” (Sen, 2009, p. 83). It is difficult however to understand what exactly is the appropriate institutional framework. This, as discussed above, is the limitation of the transcendentalist institutional approach. On the other hand, the comparativist approach which seeks to improve the obvious irregularities in society – rather than trying to put a perfectly just state in place – seems to be a more practical idea.

A brief study of the Indian government's efforts to fight poverty may throw light on this concept.

Poverty alleviation has been a primary focus of government planning and expenditure right from the time of the first five year plan. In fact, one ostensible reason given for bank nationalisation in 1969 (and 1980) was that the commercial banking network needed to be co-opted into the national development strategy.

The role envisaged for the banking sector was as the purveyor of credit. The Lead Bank Scheme, priority sector lending guidelines, the setting up of Regional Rural banks, the Service Area approach and the SHG-bank linkages were all regulatory efforts to direct credit to the poor and marginal sectors. The underlying assumption was that a one-time provision of subsidised credit would enable a household to lift itself out of the vicious cycle of poverty.

One unforeseen effect of the misgovernance and misappropriation in credit supply schemes meant for the poor was that it encouraged a culture of default. This was further exacerbated by the politically-motivated loan waiver schemes. This eroded the creditworthiness of the entire segment. This was tragically ironic as, historically, the poor in India have been exceptionally creditworthy. Repayment of a loan was traditionally regarded as a sacred duty which could devolve from a father to a son.

The high proportion of NPAs in the sector naturally dried up the lines of formal credit. There was a 13.6% decline in the number of rural branches between 1991 and 2007. The obvious corollary was that the poor now had to increasingly turn to informal sources of credit. Interest could be as much as Rs 25 – Rs 50 on a loan of Rs 100/- to be paid in 4-6 months. Rural indebtedness continued to spiral upwards.

The misadventure with microfinance has also added to the poor's basket of woes. Once touted as the “silver bullet” in the fight against poverty, the concept went from boom to bust as for-profit organisations entered the field, and drove the rural poor into greater indebtedness with their high-interest short term instruments (Ghosh, 2013, p. 1). Many poor customers ended up borrowing from one company to repay another. The situation

came to a head with a spate of farmer suicides in Andhra Pradesh which took the lid off the can of worms into which the microfinance initiative had degenerated.

On paper, the government has already spent enough to ensure that each poor household is sufficiently provided with all the basic amenities – food, drinking water, sanitation, healthcare, schooling, energy and housing. Unfortunately, systemic siphoning of funds means that beneficiaries get a fraction of the targeted amount. In the mid-eighties, on a visit to Kalahandi, Rajiv Gandhi had commented that out of every rupee released by the government, only fifteen paise actually reached the poor. Twenty five years later, commenting on a Plan panel study on the Public Distribution System, Planning Commission Deputy Chairman Montek Singh Ahluwalia said that targeted beneficiaries still received only sixteen paise out of each rupee spent on them.²

Many efforts have been made to iron out the manifest injustices of the system. One of the latest efforts has been the Direct Transfer of Benefits (DBT) Scheme whereby cash transfers are made directly into the beneficiary's account. This has been facilitated by the Aadhar programme which seeks to give each Indian a unique digital identity based on biometric data. Political compulsions have ensured that Aadhar is no longer compulsory, but that is a different story.

The comparativist approach to justice mandates the trying out of different methodologies to improve the situation on the ground. When studies showed that the poor were using bank accounts only for receipts from the government and to be eligible for credit, it was realised that financial inclusion of the poor through greater integration with the mainstream banking system could well improve matters.

The new strategy therefore speaks of bringing financial stability through a multi-pronged strategy of financial inclusion, financial literacy and

² <http://timesofindia.indiatimes.com/india/Rajiv-was-right-Montek-says-only-16p-of-Re-reaches-poor/articleshow/5121893.cms?referral=PM>

consumer protection. The banking regulator is therefore promoting a policy of bringing the entire poor population within the ambit of the formal banking infrastructure. It is hoped that this will occur through an innovative combination of branchless banking and digitisation to synergise with the existing network. Given the wide reach of telecom service providers in India and the growth of the mobile handset market, (As on October 31st, 2013, a Wikipedia list put the number of mobile handsets per 100 persons at almost 75 in India), mobile banking in India would surely, to quote Gates, enable digital financial inclusion.³ This would enable farmers even in remote areas, to save the proceeds of their harvest sales in interest-bearing accounts. It would also enable migrant workers to instantly transfer money to their families back home. RBI plans to expand mobile banking through encrypted SMS-based funds transfer which can be used in any kind of handset.

At a macro level, digital financial services naturally help save on costs through better governance and elimination of pilferage. The Indian government would annually save \$22 billion by connecting every Indian household to a digital payment system and by digitizing government payments. This was the rationale behind the planned 100% rollout of the Aadhar scheme which has since been put on hold.

One important and novel feature of the new strategy is the effort to promote inclusion as a viable business proposition rather than as pre-ordained loss-making subsidisation. For the first time, in Indian banking history, there is a semblance of a real effort to make the poor a partner in their development.

This need not be a mere platitude. Ethics can meet economics. Way back in 2005, management guru C.K.Prahalad had written in his landmark work The Fortune at the Bottom of the Pyramid : - “if we stop thinking of the poor as victims or as a burden and start recognising them as resilient and creative entrepreneurs and value-conscious consumers, a whole new world of

³ <http://www.livemint.com/Opinion/Ha083BSaofSxxpyi452SIN/Bill-Gates--Inclusion-through-technology.html>

opportunity will open up”(Prahalad, 2006, p. 1). His whole book is about how and why it makes sound economic sense to engage with the bottom of the pyramid (those who live on less than 2 dollars a day).

An initial cross-subsidisation is perhaps inevitable. Banks must innovate to lower transaction costs, provide products relevant to the needs of the segment and enable the creation of productive assets.

Bill Gates is equally upbeat about the potential of the Indian poor to contribute as stakeholders in whatever affects them. In a thought-provoking article entitled “What I learned in the War (on polio),” he refers to India's Pulse Polio campaign as “a textbook script for winning some of the world's most difficult battles, not only in public health, but in most every area of human welfare, from business to agriculture to education.” He attributes the resounding success of this programme to the commitment of “the full sweep of Indian society” – ranging from health workers, ordinary citizens and some of the poorest of the poor. More than two million vaccinators went across the length and breadth of the entire country trying to find every child below five years of age. Local residents co-operated to ensure full coverage (Gates, 2013).

For Gates, the real legacy of the programme is that it has created a basis for a more functional countrywide health programme and has suggested a systemic approach to other challenges faced by the country – other health solutions, education, clean water, extension services for agriculture and “all the things that people need to live healthy and productive lives.” Thus, he points to the country's “hidden strength – the rich, the powerful and the poor working towards a common goal”(Gates, 2013).

Perhaps Gates is being overly optimistic. Yet he puts his finger on the direction in which social uplift can be striven for – through the inclusive participation of all levels of society. Admittedly, financial inclusion is a far more abstract concept than polio eradication. Nevertheless the success on the latter front may serve as a model for further co-operation.

There is no single vision for the direction we need to take. However, an open,

public engagement with what is at issue could bring up many answers. Cambridge philosopher Onora O'Neill speaks of the importance of "practical reasoning, that is reasoning to judge and appraise what is going on, ... to assess what has been done, ... to guide activity" (O'Neill, 1996, p. 5).

Can we afford not to engage in this participatory activity? The answer may be arrived at in the context of the great debate between Krishna and Arjuna on the Kurukshetra battlefield. Krishna's message, embodied in the Bhagwad Gita, lays stress on the performance of one's duty regardless of the consequences. It is surely our duty to contribute to nation-building.

Arjuna's reasoning was consequential. It was based on his foreboding that by taking part in the great war, he would only be causing avoidable death, destruction and suffering. We cannot dismiss his logic as easily as Krishna does. The war does leave a trail of carnage and the Pandavas are not allowed to savour their victory as Ashwatthama wreaks a terrible revenge for the deaths of Dronacharya and the Kaurava princes.

We may therefore examine the consequences of a choice to remain aloof from the debate on poverty on the ground that it does not affect us. Yet can we sustain an existence on an island of affluence in a sea of deprivation?

The correlation between poverty, the attendant frustration and criminality is too well known to need elucidation here. Economic backwardness is also at the root of many extremist movements, be it the ULFA, Kashmiri, Khalistani or Naxalite variety. Terror ideologues find fertile recruiting grounds among the excluded and the deprived. Dilip D'Souza points to a further interesting connection between hunger and violence. He points to a Harvard study which relates high food prices to outbreaks of violence.⁴ Taking the FAO's Food Price Index (FPI) of 210 as the threshold for rioting it was found that the Arab Spring of 2010 coincided with an FPI of 210 plus. Similarly the FPI has been above 210 for most of 2013. Correspondingly there have been outbreaks of violence in Thailand, Venezuela and Ukraine.

⁴ <http://www.livemint.com/Opinion/1rrxLLyXsa0zJbCb0hadI/Dilip-DSouza--Something-in-the-food.html>

Perhaps the Maoism in our own backyard can be similarly understood. On the ground, high food prices mean that the poor go hungry and then get angry.

Consequential reasoning indicates that our failure to engage pro-actively with the concerns of the poor will surely doom us and our posterity to protracted rounds of social conflict. Though the poet T.S. Eliot insisted that “Human kind cannot bear very much reality,” (Four Quartets, Burnt Norton) we cannot really tune off the messages that are coming large and clear from the other side of the economic divide.

Democracy is, ultimately, government by discussion. Open public debate which allows for the clear articulation of views across the spectrum will actually promote an inclusive solution towards the problem of exclusion. Equally importantly, it will prevent the stranglehold of one-sided approaches based on asymmetrical information.

Prahalad, for example, speaks of the dominant logic of the post-independence Indian establishment which stressed distributive justice rather than growth through the state regulation of business, the development of heavy, basic industries and the encouragement of the small-scale sector. The multiplicity of controls promoted a licence raj and economic growth stagnated at the notorious “Hindu” rate of 3% for decades.

This dominant logic also simplistically equated rural with poor and urban with rich. Yet the urban poor often live in “high-cost ecosystems” where they pay a “poverty penalty” for everything from rations to credit (Prahalad, 2006, p. 11). For example, a slum-dweller in Mumbai's Dharavi may pay 600 to 1000% interest on a loan taken from a local moneylender. A premium is charged on every consumable due to local monopolies, strong intermediaries, poor distribution and therefore weak access to goods and services.

The growth of a strong tradition of public debate would challenge the mindless continuation of policies which clearly offer few dividends. It

would promote an activist culture and bring many issues to the spotlight. As an example, we may take the role of agricultural input companies (selling seeds, pesticides and fertilisers) in the farmer suicides of Vidarbha region. In the absence of government extension machinery, cotton farmers were forced to rely on the advice of input traders and their agents. Supplier-induced demand led to ever-higher input costs combined with declining productivity and lower sale prices on their cotton. This was exacerbated by a record global cotton harvest in 2004 which pushed down prices worldwide, a US subsidy to its cotton farmers and the failure of the government procurement agency to give a proper price. The issue is further complicated by the fact that cotton, like sugarcane and soyabean is not really suited for this area which is often short of water and where poor power supply often does not allow for the use of irrigation facilities, even when and where available.

While farmer suicides, on a large enough scale, are “breaking news,” the role of the large agricultural companies is usually downplayed. Hence the need for fair reportage and discussion.

The poor, like the rest of us, seek to live with dignity. Aristotle in Nicomachean Ethics notes: “wealth is definitely not the good we are seeking; for it is merely useful and for the sake of something else” (cited in Sen, 2009, p. 253). A culture of subsidies does not promote the recipient's sense of self-esteem. If poverty is seen as capability deprivation, then financial inclusion would give the poor capability - the real opportunity to add value to their own lives.

What would be our role? It is worth quoting Sen once again: “in the inclusive perspective of *nyaya*, we can never simply hand over the task of justice to some *niti* of social institutions and social rules that we see as exactly right and then rest there, and be free from further social assessment. To ask how things are going and whether they can be improved is a constant and inescapable part of the pursuit of justice” (Sen, 2009, p. 86).

This is the demand of participatory social living. We need to make the

choice of getting involved because, in the last analysis, we are responsible for each other.

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THE “*ETHICAL DIVIDEND*”: SEEING THE “GREEN”**Rick Keller***

Is your company “Seeing the “*green*” in its ethical efforts? If so, your company, like many others, is reaping the many benefits from the *Ethical Dividend*.

What is The *Ethical Dividend* you ask? I like to think of it as a principled, strategic, goal-based set of ethically-based behaviors and actions that, when chosen, drives and sustains business opportunities resulting in market share growth and increase profitability.

“Corporate Transformation” is happening on a global scale. Customers, investors, and employees are demanding more accountability from companies and those who run them. This tsunami-esque wave facing companies began at the consumer level followed then by the investment class finally reaching the board of directors. In order to survive, remain relevant, and influential in their industries, the demand for corporations to transform and become “*green*” is having a major impact.

Thanks in part to those companies who came late to the party, and are now wanting to bask in the profits of being “*green*”, a new cottage industry has spawned and is thriving. The aim of this nascent entrepreneurial venture is to help companies retain their customer base by responding to the growing demands placed upon them to be “*green*”. Hence, companies are rolling out large scale internal and external campaigns to communicate their “*green*” ethical initiatives to the public. We will be examining a few of these campaigns as they relate to competitive advantage and recruiting later on in this text.

Advocate groups who monitor corporate ““greenness”, like “*green*” America and the Sierra Club, have proven that for those companies who are willing to spend the monies upfront to be “*green*”, they will enjoy long-term social and financial benefits for having done so. The geneses for

* President, The Healthy Business Doctor, Ocala, Florida, United States.

opportunities are best found in what has become referred to as “Environmental Sustainability.

What Is Environmental Sustainability (ES)?

Today's consumers are very educated. They are highly committed to companies they either work for, or do commerce with being heavily invested in some type of “*green*” campaign. The fact that eco-friendly businesses see more social and financial benefits due to a positive public opinion and robust customer loyalty than their non-*green* counterparts is no accident. The corporate transition from the rudimentary simplicity of eliminating waste/ garbage and recycling and wanting to be called “*green*” has evolved more so in the past five years than it has in the twenty years prior. Common corporate vernacular now includes the use and understanding of terms like “green supply chain management” as a way of describing environmentally sustainable practices.

Environmental Sustainability is as simple and ethical as it sounds: businesses making responsible business decisions that will significantly reduce their causing destruction to the environment. ES goes way beyond companies just reducing the amount they waste or using less energy. The nucleus behind ES is its concerned with developing processes that will lead to businesses becoming completely sustainable in the very near future.

Sustainable business initiatives can relate to social, corporate environmental stewardship, and sustainability founded in ethical business practices. Collectively, Environmental Sustainability is directly related to the emergence of Corporate Transformation. Both involve seeking out ways to create a positive impact by examining business processes and practices in terms of ethics, people, planet, and profit. While improving ethical standards and protecting the environment are certainly admirable goals, ES is proving to be a positive long-term ROI business strategy for many corporate bottom-lines.

Companies have crossed the Rubicon upon realizing that “*green*” is not just another fad. To reap the many social and financial benefits associated with

being “*green*”, companies are acting unashamed, almost to the point of braggadocio, in making public their “*green*” record” as it relates to their policies of ethics, environmentalism and sustainability.

For example,

- Ebay’s “**eBay Eco-Initiatives**”
- Starbucks Stores “**Go “green”**” campaign
- IKEA plans to achieve complete energy independence by 2020
- Amazon with its “***Sustainable Building Design***”
- Google has purchased the entire output of MW Happy Herford’s wind farm near Amarillo, Tx.,

Meanwhile, the early pioneer in “greenness” as Patagonia, Lands End, and Ben & Jerry’s are now laughing at those playing “catch-up”. Ironically, many of the new “*green*” converts are the same companies who decades ago laughed at such tripe “hippie foolishness”.

“Greenness” has now become an “optic brand”. Companies that are able to brand themselves as positive examples of environmental citizenship greatly increasing their competitive strategy, which equates to more “*green*” in terms of profits and a competitive advantage.

The Case for Competitive Advantage with the “*Ethical Dividend*”

Simply stated, a competitive advantage enables the company to create superior value for its customers and superior profits for itself. According to Author and Professor Michael Porter, when one company is able to provide the same, or similar, value/s and benefit/s with their product and/or service as its competitors, however at a lower cost (aka, cost advantage), or deliver value and benefits which exceed, or are vastly superior to those of its competition (aka, differentiation advantage) a “competitive advantage” exists.

Environmental stewardship is now viewed as a competitive advantage. Why? Very few forward-thinking companies’ want to see their image being depicted on any social media as aligned with a “scorched earth”

environmental policy, less be perceived as “falling behind its competition in the current CSR battles and lose its market share. “Competition amongst rivals play a significant role in influencing their company's environmental practices.” so say Christian Hofer (University of Arkansas), David E. Cantor (Iowa State University) and Jing Dai (Iowa State University). They looked at the two largest firms in 48 different manufacturing industries from 2006 to 2009 and found that competition within an industry does affect environmental performance.

Enhanced Brand and Increase Competitive Advantage

The highly regarded Natural Marketing Institute (NMI) has found in their consumer research that knowing a company is mindful of its impact on the environment and society makes consumers 58% more likely to buy their products or services.

This demographic, according to the NMI, is roughly estimated at 68 million adult Americans who make purchasing decisions based on their personal, social and environmental values. Consumers are willing to spend up to 20% more on environmental sound products and services.

According to the BBMG Conscious Consumer Report, nearly nine in ten Americans say the words “conscious consumer” describe them well and are more likely to buy from companies that manufacture energy efficient products (90%), promote health and safety benefits (88%), support fair labor and trade practices (87%) and commit to environmentally-friendly practices (87%), if products are of equal quality and price.

“**Eco impact.**” This phrase is the “new” Value Proposition for “*green*” companies to create a competitive advantage. By taking their “old” VP and adding “*green*” alternatives, the “old” VP is now a “new” VP. The “*green*” value-added concept now accompanies a companies' VP model of service, price, and quality as market differentiators. Adding “*green*” holds the potential to opening up markets to a whole new demographic who may not otherwise have been customers.

As is the case with changing a company's VP, the addition of “eco-impact” campaign causes a paradigm shift within the company's core business model and strategic planning. In order to create a competitive advantage at this level, the driver of an “eco-impact” campaign relies upon how to best optimize its resources. Years of “green” Best Practices have demonstrated that a company's fundamental value is both created and sustained through the better use of its key resources (efficiency), or improvements in the profit structure of how such resources are allocated and managed. When a company can fully execute and optimize its “eco-impact” business model and strategic planning, they will have positive impacts to its overall success and enjoy the “*ethical dividend*”.

“Green” Recruiting: A Competitive Advantage for the *Ethical Dividend*.

Despite global economic conditions, corporate HR Departments are always on the hunt for exceptional candidates. “Green” Recruiting is now in the repertoire of major HR Departments and yet another example of competitive strategy for the “*Ethical Dividend*”.

To have a shot of engaging the vision, values, and goals of exceptional candidates, HR needs to be keenly aware that attracting, recruiting, developing, and retaining the “best-of-the-best” begins with understanding that promoting their company's “green” initiatives to such candidates is vital because the competition is breathing down their necks.

Based upon internal survey results, Adecco USA reports that people under the age of 35 were the most interested in working for a company based upon its “green” record. The report states that job candidates representing all generations are placing a high value on their potential employer's “greenness & sustainability” programs. The results of a recent Kelly Services Inc. online survey of about 100,000 people clearly indicated that 9/10 respondents confirmed that they were more likely to work for organizations they perceived as being highly ethically and socially responsible, for example:

- * Issue of global warming, the on-going wars, relief efforts in the aftermath of on-going global natural disasters and environmental catastrophes have college students evaluating how a prospective employer responded to the aforementioned and why, or why not.
- * Are the company's behaviors and actions in-line and consistent with real leadership on “greenness” issues? For example, what educational opportunities are openly available to its current employees, vendors, customers, and yes, even the competition on the importance behind how and why “greenness” programs need to be integrated into its operational goals and strategies?
- * Many candidates are concerned about their future. The Gen Y culture (the future talent pool) is one where recycling and understanding the scarcity of the Earth's resources were taught to them in grade school. The nucleus of their mindset is predicated on “green” issues and their ability to influence results on their employer's environmental footprint.
- * Globalization includes filling positions with recruits outside of the USA. Any Multi-National Company interested in recruiting and sustaining top talent must recognize that countries such as England, Germany, Australia, and Finland share a reputation for their passionate concerns for the environment. To not respect such passions will negate any chance of being perceived as the “employer-of-choice” and severely decrease one's “*ethical dividends*” as a competitive advantage.
- * Any company whose goal is to capitalize on its “green” campaigns, as a corporate advantage, must be in alignment with the following corporate transformations:
 - a) Moving away from money (as a prime motivator)
 - b) Moving to language diversity; corporate cultures (based upon ethics and CSR)
 - c) Increase more acceptance of personal responsibilities by C-Levels and Executive Leadership
 - d) Develop more career options for “green” positions that were not in existence ten years ago

Foster and reward innovation about new “*green*” technologies companies that are now fully supporting, or working with, companies making a host of other “*green*” visionary products and ancillary innovations.

According to a Kelly Services Inc. survey of about 100,000 people, nearly 90 percent of respondents said they're more likely to work for an organization perceived as ethically and socially responsible. Likewise, Generation Y (or Millennials) have voiced openly their opinions that working for a company with a leading CSR program and stewardship is amongst the top reasons why they would select an organization if recruited.

It is important to attract and recruit candidates by educating them on the values and mission of the company in order to find individuals who best fit with the organization. The two most important deciding questions a company must ask itself are: Does your organization view social responsibility as a top priority? and, Is your current recruiting program in alignment with the company's ethics and CSR image?

According to cachinko.com, these companies serve as remarkable examples of companies engaging in “green” recruiting practices:

Proctor & Gamble

Proctor & Gamble's recruiting language focuses on sustainability, environmental and social responsibility, product safety, heritage, and employee engagement. Each program has loads of information on how exactly they are working toward achieving their goals. In addition, there are eye-catching photos of their products, workers, and plants to show the consumer or candidate real examples of integrating “green” practices into their company. A particularly interesting aspect of their sustainability page is the “Reports” tab that provides PDFs of reports.

Whole Foods

Their careers site focuses on organic farming, sustainable agriculture, alternative energy, composting, and many other ““green” ” practices. They clearly understand the ideal candidate and describe their mission and values

clearly to that candidate. The site includes a video about the culture at Whole Foods and an introduction to actual employees in order to get a better sense of the company.

Nike

Nike's responsibility site puts a strong emphasis on innovation, environmental apparel and fair labor practices. One of the main features on the page describes how Nike is positioning themselves as an industry leader by creating the Environmental Apparel Design Tool, which "aims to accelerate collaboration between companies, fast-track sustainable innovation and decrease the use of natural resources like oil and water." Like Proctor & Gamble, you can download a report on Nike's corporate responsibility via the site. You can also check out information on workers, factories and the Nike Foundation.

Coca-Cola

This sustainability site focuses on community, energy efficiency, climate protection, sustainable packaging, water stewardship and workplace. Coca-Cola shares overarching goals such as, "aim to be the beverage industry leader in energy efficiency and climate protection," along with specific goals such as, "improve the energy efficiency of our cooling equipment by 40%."

Timberland

According to their website, "Timberland's commitment to corporate social responsibility is grounded in the values that define our community: humanity, humility, integrity and excellence." They aim to be transparent with their impact on the earth by providing reports and sharing information with their customers and stakeholders. Timberland clearly shares goals and a mission for their organizational future.

Considerations to Implementing "Green" Recruiting for the "Ethical Dividend"

1. Re-examine your corporate culture. Are its current value, goals and

mission statements in alignment with, or exceed competitive strategies of currently acceptable environmental citizenship sustainability programs? More importantly, how do they match against your immediate competition? Do you have a competitive advantage? If so, what is it and how are you capitalizing on it in terms of the “*ethical dividend*”?

2. Frequent re-examinations of your corporate ethics programs. Are the company's behaviors and actions in-line and consistent with real leadership on ethical issues? What educational, or certification/instructional programs are either being offered or required? Are all rules, policies and consequences spelled-out and enforced to include ALL employees? If so, by who/m and is an ombudsman available? How are your ethics programs integrated into corporate operational strategies and goals? Does your corporate ethics program have the support at the C-Level?
3. Frequent re-examine your company's website. How prominent are your “*green*” programs listed and where? Does it include awards your company has won, or demonstrate significant strides taken to be “*green*”? ie., statistics proclaiming what has been done in terms of recycling efforts and lowering of “*green*” house gases or increased use of bio-fuels or electric vehicles.

Corporate Transformation is happening. As stewards of the next generation, make your thoughts known. Each of us has a role to play in how ethical we are in our choices, actions, and behaviors. Use your voices and take a stand to be ethical. You can make a difference before it is too late.

A FORMIDABLE DREAM.....

Nishtha Bhasin*

Standing at a duped threshold,
When anguish is fired, trust is cold,
Every five years analogous ceremony we hold,
Possessing futile hope of grim events to mould,
Sadly! Confronting the same disappointment as episodes unfold.

We Indians are naïve,
Honest leadership is what we crave.
However, relinquishing the greedy path,
To walk the pious road,
Contemporary representatives find fiendish to pave.

Mocking it is that our leaders dismiss,
That the common man is not a play-piece,
With their indifferent policies they may never cease to tease,
Betraying our trust, filling their pockets with outright ease,
Yet it is the democracy we are living in,
Where ultimate power rests with the common man,
Don't forget please!!!

Our gracious history is testimony to the fact,
Masses reward the ones who “care and act”,
Boycotting the cluster with unethical tacts,
Morality and accountability is what we select.

From pitiable quality education,
To tremendously hiking inflation,
From incessant cases of women abuse,
To our ever- dipping Rupee always in the news,
From heartless and coldblooded recent communal riots,

* A student at Daulat Ram College, University of Delhi, Delhi

To innumerable scams and nation's helpless plight,
For all these tormenting happenings,
Who wish to take the blame!!
No matter what, iconoclastically,
Development and good governance are what they claim.

Well, again the real challenge has begun,
Not for the tyranny, not for the power,
But to scrutinize that for how long,
They can keep their vested interests aside,
And serve the society with jam-packed dedication,
Blooming like a corrupt less flower.

A common man's heart just says,
We need a party, we need a leader,
Who knows how to lead a truthful way,
To stand aside us be it night or day,
Who can rise above all egocentric aspirations,
Is enriched with pride and respect for the nation
,And dreams to aid our motherland with bursting motivation.

Clueless I am to assert,
That whether all this will happen soon or late,
The kind of spearhead we all dream of,
Have we already got the one or,
Is he/she someone the Almighty is yet to create??????

ETHICAL WORKING

Dr Brajendra Kumar Jha*

One important factor in working of a low performing organization is ethical practices. This may be in any sphere of work be it materials procurement or supplying finished product to consumer or dealing with human related issues. In a broader way concern for environment, safety at workplace, health of employees, welfare measures and social responsibility issues are better cared with sensible ethical practices. Ethics emanates from personal values and conviction to do right things in right time and in right manners. Merely adhering to procedure and systems may not be all for ethics. A good sense and honest approach in resolving issues and problems can build ethics in working methods and approaches.

Ethics strengthens the person and his working and his team. Non ethical working reduces strength of the team and may cause total disruption in working and may result into loss of output. Primarily in companies many unethical practices develop for different reasons. Reports keep coming and initially efforts are made to identify them and eliminate. In most cases unethical working gets converted into normal procedure and generally people don't accept these problems to remove them. This happens in individual's life also particularly in family working and relationships. Cleansing family from wrong practices and deviations from poor ethics requires determined effort and focused approach, and, so is the case in an organizational working.

Unethical behavior and practices also have spiraling effect in the organization and particularly human resource working where leadership become ineffective and people develop tendency to become undisciplined and develop arbitrary behavior. This is more serious obstacle for future growth and development. Individual becomes self centered and ignores interests of the organization. Losses keep mounting and suffocation within organization could be observed. Customers lose trust in people and product

* Ex-CMD, Hindustan Steelworks Company Limited, a PSU under Ministry of Steel.

as quality comes down and deteriorates significantly.

In one company ethical working was introduced in each and every department and sections. Production reporting was made regular and factual. Quality parameters were adhered to in all work practices. Honest feedback was gathered from customer, Raw material supplies checks were strengthened and maintenance of machineries was regularized with all sincerity to reduce breakdowns and increasing machine availability. Enhancing securing and safety of workers and staff are other moral issues where a manager has to pay utmost attention. Erring employees must be dealt seriously but uniformly as per rules and procedure to minimize grievances. This consolidates faith in management. Introduction of incentive scheme to increase earning potential must be review from time to time and it should commensurate with earning of the company.

This is also a step towards recognizing efforts of workmen and staff in production and supplying of products to consumers with good quality. This promotes company and in turn increases development. Supply of important input for production and conservation of financial wealth by ensuring availability of this is also important for product development in near future.

Operation of any enterprise or business is always an ongoing process and needs review from time to time. Concept of 'Renewal' and 'Midterm course corrections' can be applied effectively by a conscious manager in any organization. It is never surprising that 'Ethical Values' and 'Ethical Systems' become lax with time. Manager has to look into them at intervals to locate the reasons for deviations to make corrections. Even personal values and practices become tardy in the business environment in course of time and these have to be reviewed consciously with aids to send messages of concern down below the ladder. Ethics can be given higher scores in promoting people in organization as a special factor over and above final ratings. This is bound to make employees more attentive in performance and decision making. Tata Group maintains a strict adherence to ethics and many times lose orders worth millions of rupees to their competitors without regrets. There are companies who face severe competitions but

never compromise on ethical working.

Stress must be on inner values rather than external environmental influences which get streamlined in due course when market realizes that doing business with ethics honoring companies give better dividend in future days in terms of 'Customer Delight' rather than only satisfaction. Recently Marti Udyog has recalled back more than half a million cars for defects noticed after quite some time. Imagine the satisfaction of the buyers who are bound to feel more confident in using these cars. The author bought Maruti Cars twice and enjoyed the ownership for two decades without any complain. Similar experiences are being experienced with other latest versions by most users.

Business environment is changing fast and so the competitive working. Simple but important ethical norms can ensure success of the business all time to come. Budding managers must be taught these Ethical Values in initial days of employment which they must have learnt in family and parents, but forgotten in due course. Manager builds his subordinates and in turn builds his own career of successes, and. Ethical Working' does silent miracles.

ETHICS IN GLOBAL ECONOMIC GOVERNANCE:
*Examining the Ethics Quotient in International Financial
Institutions*

Dr. Aparajita Mazumdar*

The troika of the International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO) form the core of contemporary multilateral economic governance. Post-World War II they have attained increasing prominence, significantly impacting the lives of millions of people worldwide. However, issues of accountability, transparency and responsibility thwart the ethical quotient of these institutions. In the face of growing public outrage and wide-ranging criticism levied against the international financial institutions (IFIs), their policies hardly answerable on ethical and moral counts and often accompanied by negative social and human rights impacts, assessment of their ethical dimension is crucial.

This paper attempts to reinterpret the roles of IFIs through the prism of ethics. It looks at the importance of ethical consideration in these institutions and how the voices of discontent against have forced the IFIs to co-opt ethics in their operational policy. It also examines how the IMF, the World Bank and the WTO have modified or adapted their institutional structure to factor in ethical dimension in order to make themselves relevant in the context of intensified demands from global social movements and civil society. The moral obligation of the IFIs is limited, their ethical attitude relatively negligent. However, improved monitoring and evaluation, and civil society participation can ethically sensitize them.

Key Words: Ethics; Governance; International Monetary Fund; World Bank; World Trade Organization

Background

Increasing trends towards globalization, liberalization and privatization

* Assistant Professor, Department of Political Science, Ramanujan College (University of Delhi) Kalkaji, New Delhi

have become the defining features of contemporary world politics. In the absence of government in world politics, the process of global governance encompasses a broad range of actors. A significant characteristic of globalization has been the emergence and consolidation of international institutions in forging cooperation among states in economic matters. Thus, inter-governmental economic organizations assume a key role in global economic governance.

The institutional framework of global economic governance is rooted in the planning for a new world economic order during the last phase of World War II. In July 1944, policy-makers from 45 countries assembled at the International Monetary Conference, Bretton Woods (New Hampshire, USA) to negotiate the design of a post-World War II monetary system and establish the rudiments for international finance and trade. The primary objectives were to prevent a situation like the Great Depression of the 1930s from occurring again, to rebuild the war torn European economies; to devise ways to ensure stability in global monetary system; and open world trading system (Woods 2005: 244).

Two key multilateral institutions in the global economy were born out of the Bretton Woods Conference – the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), known as the World Bank.⁵ These two institutions are together referred to as the Bretton Woods Institutions (BWIs).

The IMF was designed to remove international monetary instability and exchange restrictions, which had thwarted international trade and payments during the inter-war years, and ensure exchange rate stability and international payments that enable countries and their citizens to buy goods

⁵ The 'World Bank Group' is the collective expression used for the conglomerate of five specialised institutions – the IBRD, the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for the Settlement of Investment Disputes (ICSID). For the present purpose, the term 'World Bank' is used to refer primarily to the IBRD and the IDA.

and services from each other. As the fixed exchange rates system collapsed and major currencies began to float against each other in the international economy, the IMF branched out to lending to preserve financial stability (Structural Adjustment Facility succeeded by the Enhanced Structural Adjustment Facility) and concessional lending facilities to address the balance of payment difficulties faced by the poorest countries. To alleviate the debt burdens of the poor countries, the Heavily Indebted Poor Countries (HIPC) initiative was launched in cooperation with the World Bank, further supplemented by the Multilateral Debt Relief Initiative (MDRI). Progressively, the IMF has come to monitor global economic trends and performance through global, regional and country surveillance, providing a forum for policy dialogue, alerting member countries of impending dangers and extending technical assistance to governments in addressing economic situations through policy advice and lending. It also works with the developing countries to help them achieve macroeconomic stability and reduce poverty. However, 'conditionality' attached to loans remains a key mechanism for ensuring compliance with IMF's restructuring imperative.

The World Bank is the largest multilateral development lending organization, both in terms of the money it loans and the advisory influence it wields over developing countries. The Bank was originally mandated to facilitate provision of capital for reconstruction in the immediate post-war period and then to make development loans. In the initial years, its major thrust was to lend for infrastructural projects, strictly under economic overheads – transport, communication, power projects, ports, dams, etc., that could be shown as financially viable in terms of rate-of-returns. Gradually, the Bank adopted non-economic (poverty alleviation, human resource development, education, agriculture, industry, health facilities, employment schemes, water, sanitation etc., – components of the 'basic needs approach') and non-project (program-based lending and structural adjustment) lending. Over the years, Bank lending has incorporated concerns of environment, gender, governance, participation and ownership.

Finally, the General Agreement on Tariffs and Trade (GATT), signed in 1947, became a forum for negotiating on trade liberalization. The GATT

was replaced by the World Trade Organization (WTO) as a result of the 'Final Act' signed at the conclusion of the Uruguay Round of negotiations (1986-1994) at the Marrakesh Ministerial Meeting, on 14 April 1994, which came into force on 1 January 1995. WTO is the only multilateral institution governing and regulating trade, ushering in a new era of global economic cooperation and increased liberalization of the global economy. Its main purpose is to promote free and fair trade through multilateral negotiations and to arbitrate trade-related disputes between countries. The WTO mandate has expanded to include agriculture, services, investments and protection of intellectual property rights. Incorporation of a dispute settlement mechanism within the WTO gives it greater coercive power in situations of incompatible state policies.

While the BWIs have their headquarters in Washington, DC (USA), the WTO headquarter is in Geneva (Switzerland). Together, the IMF, the World Bank and the WTO constitute the 'troika' of International Financial Institutions (IFIs) or Multilateral Economic Institutions (MEIs) that assumed increasing importance for global economic governance. These institutions form "a cornerstone of the liberal world economy" (O'Brain et al. 2000: 11).

The Problématique

The operations of the multilateral financial institutions of global governance have profound ramifications for the lives of a large number of people around the world who are far away from the policy-making centers of Washington, DC and Geneva. In view of their rule-creating and rule-supervisory decision, these institutions exercise considerable influence for the states and the daily lives of the world's population. Since the IMF, the World Bank and the WTO matter a great deal for millions of people, therefore, it is hardly surprising that the people at the receiving end of the policies of these institutions are increasingly mobilizing themselves to influence the functioning of these institutions.

While, on the one hand, the World Bank's decision to priorities girls'

education can open possibility for individual and community development (O'Brain et al. 2000: 1), its decision for lending for big dam projects, like the Sardar Sarovar Dam Project on the Narmada River in India resulted in ousting hundreds of people, destroying their livelihood and leaving them homeless and destitute (Morse and Berger 1992). Similarly, the terms of the IMF structural adjustment programme and the conditionality attached with them (requiring drastic cuts in governmental expenditures for education, health and other welfare activities) influence the living standards and basic social welfare of people, especially in the developing countries. Since these multilateral financial institutions have been established to deal with very specific economic issues, an examination of their ethical quotient is both imperative and urgent.

Expectations regarding the IFIs caring about sound virtues in financial and economic matters, human resource management, the production-marketing-sales chain, intellectual property rights, and their impacts on producers and consumers, are often belied in practice. This paper attempts to reinterpret the roles of IFIs through the prism of ethics. It looks at the importance of ethical considerations in these institutions and how the voices of discontent against them have forced the IFIs to co-opt ethics in their operational policy. It also examines how the IMF, the World Bank and the WTO have changed, modified or adapted their institutional structure to factor in the ethical dimension in order to make themselves relevant in the context of intensified demands from global social movements and civil society.

The Ethical Quotient

Ethics relates to the way issues of right and wrong are deliberated upon and practiced. Ethics seeks to address questions related to good and bad; what ought to be done for the benefit of individuals and society. It is “the moral and social system for individuals and organizations” (Gupta 2011: 116), “the practice of knowing what actions are enriching and then doing these actions” (Gupta 2011: 109). The contradiction arises because most of the time what seems to be the 'best' policy may not necessarily be the right one. The dilemma between performance, profit and efficiency vs. moral values,

fairness and integrity is much contested, and often a lost battle for ethical considerations. Application of ethical principles to the activities and mandates of the international financial organizations and the way they carry out their operations has been 'troubled waters' to tread.

The issue of governance has an inevitable connection with the hierarchy in command, which exists in any sector, institution or organization that has set rules, whether written or unwritten. "Wherever there are written or unwritten rules the issue of ethics arise," mainly "when there are set of unwritten rules, which we feel that every person should inculcate in them" (Maken 2011: 123). In the case of MEIs of global economic governance, decision-making impacts a vast majority of the population, sometimes directly and mostly indirectly. Ethics is upheld when governance or policy-making by these institutions tries to help or benefit a group of people and "is based on public interest and not driven by any extraneous consideration" (Bhushan 2011: 137). Therefore, a system of accountability is very important in any institution because "power without accountability is a very corroding and corrupting influence..." (Bhushan 2011: 137). In addition, institutional transparency is also of great importance along with an independent system of addressing conflict of interests.

Ethics in the behavior of the IFIs will relate to making their decision-making procedure and administration transparent, accountable and responsible to the people whose lives they vastly impact. The ethical components of institutional policies and norms rest in helping the poor and vulnerable population in maintaining a decent standard of living and offering them protection during emergencies. An ethical approach also helps the institutions of global economic governance to take cognizance of local realities and ensure participation from the affected communities instead of imposing fixed-format or one-size-fits-all programmes. Nevertheless, despite this ethical rationale, actual operational decisions are decisively rooted in a few rigorous economic considerations and rules of conduct. The affected people have no real say in decision-making or overall policy matters. Most often these institutions are "lacking in exact ethical and moral codes in order to gain distinctive consensus and commitments on mainstream

programmes.” Instead, “ethics and morals must be designed as two interconnected concepts to enable all national and international economic agents design effective policies and commitments” (Sergi 2006: 64).

A set of policies were envisaged through the IFIs to achieve economic and financial stability and make available adequate economic resources to poor populations and developing countries. These commitments can be seen as attempts “to establish an acceptable base for an ethical behavior... Tackling inflation and imbalanced public finances, prompting trade liberalization, creating governance and strengthening financial systems appeared to be ethically truthful, guiding principles” (Sergi 2006: 66). At the same time, they are criticized as being unable to meet the needs of the poor and held guilty of actually worsening their situation. The projects funded by these institutions are hardly answerable on ethical and moral counts and are often accompanied by negative social and human rights impacts.

Voices of Dissent: Demand for Ethical Considerations

There has been public outrage and wide-ranging criticism against the IFIs by labour unions, and environmental and human rights activists. Over the last few years, the Bank's, the IMF's and the WTO's mandates and activities have been subjected to protracted monitoring and assessment from external as well as internal quarters, especially in the context of rising resistance to neo-liberal economic policy and concerns in favour of social, human rights and environmental issues. The BWIs have been the target of serious scrutiny, epitomized in the slogan “Fifty Years is Enough” raised at their golden jubilee celebrations in 1994 by a coalition of over 200 grassroots organizations. The Annual Meetings of the IMF and the World Bank, and the WTO Ministerial Conferences have become regular sites of massive protests and demonstrations by civil society groups and concerned intellectuals and people.

Joseph Stiglitz (2001), former Chief Economist of the World Bank, asserts that the World Bank and the IMF are institutions that are primarily controlled by the United States and in particular large multilateral

corporations based in the US. Therefore, these institutions of global economic governance act largely in the commercial and financial interests of the US-based MNCs. The regulations enforced by these institutions take advantage of the developing countries, exploit the labourers, and overlook workplace safety and environmental protection.

A plethora of criticism has been volleyed against the multilateral financial institutions of global economic governance, ranging from impoverishment of people; increasing inequality among and within countries; environmental destruction; abetting corruption; diminishing human rights standards; and promoting privatization. Resistance movements against these IFIs have been spearheaded by non-governmental and civil society organizations (NGOs/CSOs), both at the national as well as international levels to factor in ethics in the policies and functioning of these institutions.

The Narmada Bachao Andolan (under activist Medha Patkar) actively opposed the World Bank for funding the SSP that caused massive involuntary displacement, without inadequate resettlement and rehabilitation. Finally, the Bank was compelled to discontinue its funding. The Bank was indicted of “serious violations of democracy, human rights and sovereignty” by the Independent People's Tribunal on the World Bank Group in India that met in New Delhi from 21-24 September 2007. The Tribunal accused the Bank of having an “undue and negative influence in shaping India's national policies disproportionate to its contribution, financial or otherwise.” Its preliminary findings puts forth,

A disturbing and shocking picture of increased and needless human suffering since 1991 among hundreds of millions of India's poorest and most disadvantaged in rural areas and in the cities. It is clear to us that a significant number of Indian government policies and projects financed and influenced by the World Bank have contributed directly and/or indirectly to this increased impoverishment and suffering. All this has taken place while a minority of India's population that constitutes the middle class and rich has enjoyed the fruits of an economic boom..... India and the international community must join to hold the World Bank accountable for policies and

projects that in practice directly contradict its mandate of alleviating poverty for the poorest.⁶

Activist Lee Kyung Hae, a South Korean farmer, represents a more dramatic example of resistance movement against WTO's trade policies. He led hunger strikes and joined demonstrations by farmers and indigenous people from around the world asserting that "WTO kills farmers". Finally, on 10 September 2003, near the venue of the WTO Ministerial Conference in Cancún (Mexico), standing on top of a police barricade, he took his life by stabbing himself with a knife. He was voicing the concern over the inhumane and undemocratic form of globalization that was being pursued by the WTO, largely under the influence of multinational corporations and big governments, inflicting suffering on the farmers. La Via Campesina, which began in 1993 in Mons, Belgium, is an international movement bringing together about 150 local and national organizations in 70 countries of Africa, Asia, Europe and the Americas, representing around 200 million farmers, which protests against the WTO free trade regime that is responsible for the suicide of many farmers around the globe.

In Indonesia, massive social unrest and popular revolt in response to subsidy cuts agreed between the Suharto Government and the IMF in 1997 finally led to the collapse of the government. In May 1998 a massive crowd protesting against the WTO swarmed through the streets of Geneva, attacking McDonald's restaurants and vandalizing expensive restaurants. The BWIs have been subjected to fierce criticism by Indonesian trade unions and South Korean unions because of their restructuring prescriptions (O'Brain et al. 2000: 1), pushing them towards economic specialization, monoculture cultivation or cash crop production to increase agricultural exports and foreign exchange earnings available for servicing foreign debt. Evidently, the operations of the MEIs have been increasingly marked by opposition.

⁶ See, Independent People's Tribunal on the World Bank Group, Final Jury Findings, 11 September 2008, available at: <http://www.worldbanktribunal.org/jury-findings.html>. The complete Findings of the Jury is available at: http://www.worldbanktribunal.org/WB_Tribunal_Jury_Findings.pdf

Such instances of resistance and discontent can be multiplied across the countries. The important point to note, however, is that these social movements and NGOs/CSOs can, to a certain extent, generate awareness and build public opinion regarding the ethical quotient of the IFIs, making them transparent and accountable, and sometimes even forcing them to address issues of morality and values.

Attempts to Incorporate/Accommodate Ethical Considerations

The conduct of the IFIs prior to 1980s had little institutionalized connection with civil societies within member countries. However, faced with increasing pressure from civil society for transparency and accountability, these institutions have specifically embarked upon a strategy of 'incremental reform' with the view of extending and universalizing the policies of the institutions and at the same time subduing dissent by accommodating hostile groups and integrating them into the governing structure (O'Brain 2000: 4). The attempt has been to make decision-making a bottom-up approach, based on participation of global civil society, instead of top-down, flowing from those sitting at the executive helm of affairs.

Ethics had been accommodated within the IMF by way of the Independent Evaluation Office (IEO), established in 2001, which is entrusted to systematically “conduct independent and objective evaluation of Fund policies and activities...it is fully independent from the Management of the IMF...”⁷ The IEO attempts to enhance the learning culture within the IMF, strengthen its external credibility and support institutional governance and oversight. IEO is intended to serve as a means of improving the IMF's ability to draw lessons from its experience and integrate improvements into its future work. The IEO itself is subjected to external evaluation in order to assess its effectiveness and to consider possible improvements to its structure, mandate and operational modalities.

The World Bank has incorporated ethics through an evaluation procedure

⁷ See the Independent Evaluation Office of the IMF at: <http://www.ieo-imf.org/ieo/pages/ieohome.aspx>

that entrusts the operational staff to review every Bank-assisted project after one or two years of completion of disbursement and prepare project completion reports. This ensures comprehensiveness and participation of operational staff. The Operations Evaluation Department (OED), established in 1973 (renamed as the Independent Evaluation Group, IEG, in 2006) carries out independent audits of completed projects and prepares recommendations to identify lessons for improving the Bank's operations and ensure that errors are not repeated.

The Bank has established an independent appeals mechanism in 1993, the Inspection Panel, which is a permanent quasi-judicial appellate body. It allows people and communities, who believe that they have been or are likely to be adversely affected by Bank-funded projects, to file complaints regarding the Bank's failure to comply with its own operational policies, procedures and loan agreements with respect to the design, appraisal and/or implementation of the project. Upon receipt of a formal request made by the affected parties, the Panel instigates a preliminary review by assessing the evidence. "The Panel is an impartial fact-finding body...aims to promote accountability at the World Bank, give affected people a greater voice in the activities supported by the World Bank that affect their rights and interests, and foster redress when warranted."⁸ It can, however, only issue recommendations to the Board of Executive Directors, with whom the final decision rests. Since the Panel is not empowered to take direct remedial or punitive action, its effectiveness is questionable.

The Ethic Office, headed by the Ethics Officer, provides independent ethics advice to the IMF and its staff, promotes ethical awareness through training and conducts preliminary inquiries, and investigations into allegations of unethical behavior and misconduct. Similarly, the Office of Ethics and Business Conduct (EBC) ensures that the Bank staff understands their ethical obligations to the Bank and bears individual responsibility for the ethics of the institution.

⁸ See, the World Bank Inspection Panel at:
<http://ewebapps.worldbank.org/apps/ip/Pages/AboutUs.aspx>

The Doha Ministerial Conference of the WTO, November 2001, recognized technical cooperation and capacity building as essential components of the multilateral trading system and established the Doha Development Agenda Global Trust Fund (DDAGTF) to provide technical assistance and training. Recognizing the importance of monitoring and evaluation (M&E) in technical cooperation, M&E system was put in effect in May 2002 to make technical assistance more transparent and accountable. The M&E system is expected to provide independent observations and analytical information on the efficacy, effectiveness and relevance of technical assistance projects and on the sustainability of results. A new Technical Cooperation Audit, which was created within the WTO Secretariat in 2001 and charged with the function to ensure optimal usage of strategic financial and human resources engaged in WTO, administers technical assistance and training programmes.

In 2008, the Office of Internal Audit (OIA) was created to undertake independent examination and evaluation of WTO's financial and budgetary processes and control system. It “makes recommendations for strengthening accountability, financial risk management, internal controls and governance processes, with the aim of ensuring that the financial resources made available to the WTO by its members are used efficiently and effectively to obtain the best value for money”.⁹

The One World Trust, an independent charity, began the Global Accountability Project in 1999 to assess and monitor governance and accountability of the major international organizations, including the IFIs, which impact people. Four key parameters are applied: transparency; participation; evaluation; and complaint and response mechanism (see Figure below), to assess the policies and management of an international institution, which together make up its accountability capability. The *Global Accountability Framework* aims to extend the democratic principles and ethical considerations, by way of providing a common frame of

⁹ See WTO Office of Internal Audit (OIA) at:
http://www.wto.org/english/thewto_e/secre_e/div_e.htm

reference for all the institutions, and improve their accountability. It is important to recognize that approach to accountability will not be similar for all institutions and will differ depending on the context, organizational structures, issues, and stakeholders involved.

The Global Accountability Framework



Source: Michael Hammer and Robert Lloyd, *Pathways to Accountability II: The 2011 revised Global Accountability Framework*, report on the stakeholder consultation and the new indicator framework, London: One World Trust, available at: <http://www.oneworldtrust.org/globalaccountability/pathways>

All the three IFIs – IMF, World Bank and WTO – have progressively opened windows for interaction and dialogue with the civil society and non-governmental organizations. It is a two-way process by which the NGOs are kept informed about the policies and practices of these institutions, while at the same time the NGOs, through advocacy, can bring development benefits, inform project identification and design, and enhance policy implementation, monitoring and evaluation. The WTO Public Forum provides an opportunity for public debate where the NGOs can voice their opinion and exchange views with the WTO. Accredited civil society organizations are allowed to participate in the Annual Meetings of the IMF and the World Bank with the aim of facilitating consultation and partnership.

Conclusion

It has been asserted that international organizations are part of the political and administrative apparatus of human society, made necessary by the complexity of interdependence of their society (Claude 1956: 5). Based on this assertion, it can be said that the utility of the institutions of global economic governance would be derivative of the approval or disapproval of the people they are supposed to serve. The involvement of all peoples, including indigenous communities, is imperative for the success of their economic and financial endeavours. Though these institutions obliquely (sometimes even directly) impact the lives of the people of the member countries, they have no direct relationship with the affected people. Ordinary citizens have virtually no access to these institutions. They can access the IFIs only indirectly through their representatives, who are often far removed from the ground realities. The consent of the targeted people, especially those adversely affected by policies of the IFIs, is more important than that of the government of the countries. Hence, they must make available effective channels to ensure the same, in order to secure legitimacy.

Conceived primarily as economic institutions, no ethical role was envisaged by the founding fathers for the IFIs. Their Articles of Agreement have absolutely no mention of moral values: no ethical concerns were prescribed for their policies, nor were any structural arrangements put in place to carry out moral/ethical assessment. However, respect for ethics is a primary demand of the current international context and as multilateral financial institutions responsible for global economic governance, the World Bank, the IMF and the WTO must effectively incorporate this demand in order to defend their endurance and remain legitimate and meaningful in the contemporary international context that has dramatically changed from the context in which these institutions were formed. They need to be ethically informed, interpret their Articles and evolve to incorporate a proactive ethical dimension, and renew their underlying premises to make their activities congruent with moral norms and standards, which must be respected. This implies that ethics must be

observed during policy-making and care taken not to contribute to worsening the prevailing economic status of an individual, group/community or a country. However, the IFIs are under no obligation to promulgate or establish new ethical standards. In my submission they must, at the least, ascertain adherence to their own guidelines and ensure that their activities do not violate ethical norms.

It is ethically wrong if the IFIs are not held responsible for the outcome of their operations and policies, and are not made accountable to the people whose lives are significantly altered by them. Ethical standards to make the IFIs liable are justifiable demands that need to be addressed and accommodated. There is no doubt that the moral obligation of the multilateral financial institutions of global economic governance is limited and their ethical attitude relatively negligent. However, improved motioning and evaluation, and participation of civil society and NGOs can serve as first steps to ethically sensitize them. The ethical considerations in the IFIs/MEIs have been largely cosmetic till now and needs to be made more substantive, involving deeper commitment and effective mechanisms.

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RELEVANCE OF ETHICAL VALUES IN EDUCATION

Ms. Charu Jain*

The main objective of this paper is to diagnose the need of incorporating ethical values in today's formal education. During our pre-independence era, few people had the access to formal education and it was an established belief that educated persons would hold civilized behavior, good manners, decency and ethical conduct. It was uneducated persons who were believed to have mostly uncivilized behavior and criminal instinct. Today, due to globalization and expansion of education system, there is a growth of interdependence of people. This change has raised the importance of ethical values manifold. A large number of crimes now-days are being committed by students coming out of schools. Despite coming from well-educated families, there is marked decline in their character, moral values. In most of the educational institutions, there is lack of emphasis on human development and character-building. The main emphasis is on moneymaking and career-building. This has resulted in the gradual decline of ethical values in the society. This paper discusses the need and relevance of ethical values in the education system, including its role in building the nation.

Introduction

In the present, focus of education system is more on acquiring knowledge to score marks in the examination than learning to apply knowledge in daily life. The purpose of education has shifted from seeking enlightenment to scoring marks. We produce successful technicians, scientists and professionals; but with so much of materialistic obsession that they often fail the test of good a human being. Only materialistic attainment has become the yard-stick of success today.

In order to earn quick bucks and need to fulfill their dreams and desire at earliest, young people have resorted unlawful means to achieve them.

* Guest Faculty, Department of Commerce, Ramanujan College, University of Delhi

According to National Crime Records Bureau 44 per cent of arrested criminals belong to the age group of 10-30 year and the same is rapidly increasing. Further in all major corporate scams in India after 2009 such as Satyam and Adidas highly educated and key managerial persons of these companies were involved in misappropriation, embezzlement of company's funds which proves the importance and relevance of imparting ethical values in education system.

The true essence of education does not lie in imparting knowledge for getting jobs or do well in exams. It is training in rational thinking and emotional well-being, which may help them to adjust with the ever changing environment. It also means opening the doors of the mind, purification of soul and realization of the self.

The aforesaid mentioned issue of ethics and values had also been raised by The President of India, Mrs. Pratibha Patil in her first address to the Indian parliament-2008 which states that “the education system needs to strengthen the values of ethics, secularism, democracy, inclusiveness and pluralism, these are the great values enshrined in our constitution and traditionally developed by our civilization. These values give strength and sustenance not only to our diverse multi cultural society but also to our country” and similarly our Prime Minister Mr. Narendra Modi also focused on changing India's image from “Scam nation” to “Skilled nation” in his first address to Indian parliament-2014.

The main aim of education should be to make human life better not only through economic uplift but also through their social, moral and spiritual awakening so that they can depict ethical behavior to the society and act as role model for the next generation. This will not only improve quality of human life but also help realize the “higher truth” i.e. “*Tamaso Ma Jyotirgamaya*” (lead us from darkness to the light).

Thus, education is not only to explore means and ways of earning money but also to help develop human personality with the soft-skills, values, morals and wisdom. This way education is considered as vital means not

only to enhance man's employment potentialities but also to improve his quality of life.

Relevance of Ethical values in Education

Ethics is a branch of philosophy that deals with morality; the word ethic has been derived from the Greek word 'ethos' which means character. Ethics is a set of moral principle or values which is concerned with the righteousness or wrongness of human behavior and which guides our conduct in relation to others. Aristotle was one of the first great philosophers to define the ethics. According to Aristotle, ethics was more than a moral, religious or legal concept.

Values are the guiding principles of life that contributes to the overall development of an individual. A value is a continuous belief that a specific mode of conduct is personally or socially preferable to an opposite or converse mode of conduct. Values adding quality to the life should also contribute to the welfare of the family, the community and the nation. Education is a tool for overall development of human. If any aspect of human personality is ignored, it can result adversely. Without imparting values and morals in our education system, human development will be incomplete. Education should help in building human character and realization of their inner purity, ethical values and morals, which are inbuilt in human beings. The essential thrust of education system should be to integrate values and morals with the goals of skill development.

If we compare the ancient education system of India with the modern one, at that time education system was very prosperous, value-based, and skills were highly developed. In ancient times, teachers were very much concerned about the total development of students which included, apart from their intellectual abilities, making them aware of their responsibilities, regards for elders, appreciation for cultural heritage, and responsibility towards their fellow classmates.

It is generally accepted that five universal human values i.e. Truth, Righteous conduct, Peace, Love and Non-violence are directly linked to

physical, intellectual, emotional psyche and spiritual facets of human personality. These values are essentially acquired during childhood, first at home and then at school.

Unfortunately, very little has been done to include this important aspect as part of our education policy. We need to take concrete steps to frame curriculum, develop and adopt innovative methods to inculcate ethical values in the youth. Apart from curriculum, academic atmosphere and behavior of teachers are major factor in developing a sense of values. It must be emphasized that consciousness of values must permeate the whole curriculum and programme of educational activities. Institutions should be able to educate them about the value of love, selflessness, universal brotherhood etc. The learning environment should help students to learn both physical and socio-emotional environment that enhances the overall learning.

In order to improve quality of our education system there should be a two way communication system in institution. We should be able to impart quality education using innovative methods such as e- learning. Alongside we should also be good listener i.e. we should be eager to listen to the students and parents. Their suggestion, ideas, problems, complaints should be considered and become part of our decision making process. Believing that every student has a treasure within, we should always listen to them.

Quality of teachers should also be maintained for they act as role models. They are the core of any education system and thus their role in quality education becomes paramount. The quality of the education should stand out any flaws. Only well-educated teacher can teach a student the real difference between rights and wrongs of modern social setup. It is, therefore, imperative that we prepare a band of younger generation teachers who would engage with more accountability, clearer vision and commitment to the role of ethics and values in education system.

Today, professional ethics is gaining significance across the world which also proves the role of ethics and values at all levels of education. Every

organization in the current scenario wants to ensure the professional and ethical conduct of employees. It is high time that we understand the relevance of ethical values in education system.

Conclusion

After independence many commission, committee, policies were setup to improve Indian education system, but the improvement has not been satisfactory. This is largely because less focus is given to values and morals in education system.

The gradual decline of ethical values in education has given rise to the number of non-committal and undisciplined students, which have resulted into increased cases of violence, crime and corruption in the society.

According to National Business Ethics Survey (NBES) issued by Ethics resource centre in 2011 there is 5 percentage increases in employees who compromise ethical values and standards to do their Jobs. It also reported increase of around 4 percentages in cases of sexual harassment, insider trading, and substance abuse and anti competitive practices resulting in decline of companies having weak ethical culture (42% in 2011 compared with 35% in 2009).

Thus, there is an urgent need to give more emphasis on ethics, values and humanistic principles to make our education system a leading one in the world. Education system should provide to the society with brilliant, scholarly and ethically enriched people. One that makes the education processes an excellent academic experience creating high ethical standards and positive thinking.

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IN-SOURCING IS TRANSFORMATIONAL AS OUTSOURCING IS TRANSACTIONAL FORM

T.K. Mishra*

Transforming the enterprise within by way of in-sourcing can make soulful, peaceful and joyful person in you. It is indeed an individualistic pursuit of well-being within the framework of moral discipline, but without creating any adverse social consequences. Outsourcing, on the other hand, is transactional pursuit towards realization of full potential of development in the present technological age; but can meet only the sensuous, transitory and ego needs of individuals. You can't outsource equanimity, sense of responsibility, harmony, commitment to service, moral values, peace, and spirituality for yourself. For securing these virtues and values you will have to resort to in-sourcing form, delving deep within. Though both the pursuits have been engaged in the welfare of humanity, there has been little interaction between them to balance material and moral dimensions of human existence.

In business world, outsourcing form can said to be the transactional pursuit of a manager while in-sourcing the transformational pursuit of a leader. Business Process Outsourcing mostly breeds competition, dependency, and discord while the process of in-sourcing generates elements of cooperation, independence, and accord. Operating with best of your intentions one may realize that not only possibility of positive outcome increases but also the path of achieving the outcome becomes hassle-free.

One builds one's good 'intent' by way of in-sourcing, which forms the basis of quality 'content' formation. One's 'intent', as foundation of transformation, has direct implication on the 'content' built upon. If the 'intent' is impure, unclear or malicious, the 'content' will be shoddy. If the 'intent' is poor, bad or untrustworthy, 'content' will not be trustworthy? Now, how to know the intention, be it yours or others? The answer could be: By

* Associate Professor, Department of Commerce, Ramanujan College, University of Delhi.

knowing the values and the practices that person in question adheres to.

Knowledge is said to be available in the airspace today with online accessibility to almost everything. The canvass of outsourcing has enveloped the wide-open sky. If you can connect to it every now and then, others can do equally. To gain advantage over transactional outsourcing of knowledge in the air, you would have to source wisdom-based knowledge within. In-sourcing is said to be the source and the cause for the phenomenon of creations; tangibles and intangibles. Besides creating scope for the new and newer sops, it enables the transformation of information-based knowledge into wisdom-based.

In-sourcing is benevolent and may lead to salvation, if sourced with best of intentions. Reaching the state of purity, deflating the ego you can create newer and newer versions of life, and higher glory to achieve. Spirit of detachment from the fruits of action begets purity of intentions. And this is the most difficult challenge for a man in this world.

Four S's of why you feel unsettled or lowly motivated towards transformation:

The four reasons why you behave unethically are: Fear, Pressures, Convenience and Greed. Lord Buddha talked about the four sublime states of mind: *Metta* or loving kindness, *karuna* or compassion, *mudita* or sympathetic joy, *upekkha* or equanimity. These are also known as the four Boundless states, the four Immeasurables, and the four Abodes. These are the mind's dwelling places where one feels constantly 'at home' and 'settled'. The four S's how you see godly virtues bestowed on every human are: Smile, Servitude, Solace and Soulfulness. Likewise, the four S's why you feel unsettled or lowly motivated towards transformation are:

1. Self-improvement ignored: Each one of you is an independent soul, a separate, and a unique entity in yourself. Just like corporate, if you want to sustain success; you need to create surplus by using minimum of scarce resources from the society and generating maximum of output for the society. Key to self-improvement lie in making constant

effort to educate yourself in order to contribute to others welfare. You see so many upheavals or untoward events around, so many inspirational or condemnable actions; but seldom do you try to improve yourself by taking cue from them.

2. Self-surrender not done: Not knowing that you need to surrender to none other than yourself, you often surrender to others. It is through self-realization that you come to know about actual freedom, which lies within and not outside. By surrendering to yourself you develop self-discipline in your life, so important to liberate yourself from external regulation or the foreign yoke. And that is how you develop self-respect and self-esteem. You do not realize that by surrendering yourself to others, you enslave yourself. And then how can you enjoy exalted freedom.
3. Self-secretive missed out: Just like corporate, your actions (functions, strategies) are needed to be transparent. But then values, beliefs (valuables) working behind must be kept secret. Often you share your values as beliefs and get robbed-off or mocked-up. You expose your weaknesses as to how meek, noble or kind-hearted you are. Values may be eternal like love, respect, honesty etc; or transitory ones that keep changing with the changing times. Your eternal and transitory values are the precious milestone, the keys, why should you release them freely.
4. Self-service marginalized: Servitude gets you respect and affinity of others. Just like the concept of servant leadership gaining momentum in the corporate world, you can also earn values by applying service leadership in your daily life. Apart from the feeling of self-gratification or self-actualization, by doing so you are also welcomed by people wherever you go. Enhancing social security for yourself you make life more enjoyable. And you create a beautiful world around you.

Have you properly diagnosed yourself to enable transformation?

By being insightful, who other than you can diagnose yourself better? But

mistakenly most of you keep diagnosing yourselves with other's prism. In your wakefulness you are interfaced with the outer world by the five senses. You receive and transmit messages through these senses. As per Newton that every action has an equal and opposite reaction, your reactions of five senses to the actions of others reveal your true character. And such reactions of yours cannot be noted and diagnosed better by anyone other than you.

You cannot borrow transformation. It has been said that without changing your beliefs, if you blindly start living the words of enlightened ones, you will realize that your attraction for the pit has not reduced. You will have the yearning for sensuous pleasures and will also feel guilty about it. Gradually hypocrisy and deceit will set in. You will experience transformation within only if you keep checking your beliefs, thoughts emotions and experiences. Once a saint was asked, "How can one save oneself from vices?" He replied, "The one whose house is on fire will not ask, 'How can I escape?' He will not wait to learn about good conduct or rules. He will take a leap and jump out.

Traditionally we classify the five senses into sight, smell, taste, touch, and hearing. Each of the 5 senses consists of organs with specialized cellular structures that have receptors for specific stimuli. These cells have links to the nervous system and thus to the brain. Sight is probably the most developed sense in humans, followed closely by hearing.

To check own potentials by diagnosing your character, you need to master the art of 'concentration' and 'introspection'. Innovation through concentration was the great 'revelation' made to Steve Jobs when he sought to know the reason why ancient India pioneered the field of knowledge. But you are unable to concentrate when your five senses are distracted outwardly. These senses keep bringing information to you say @ of 127 bits per second. You can't listen to things that go beyond this limit. Your child may be found trying hard to ward-off the distraction while studying by casing ears with palms. You can't have concentration in a crowdie situation. Indic scriptures correlate this phenomenon with Lord Shiva poised and insightful with hood of a serpent, not allowing any disturbance to come.

To diagnose your emotions, for example, you can consider case of a donkey and his washer man. Imagine you are seeing from a distance washer man beating his donkey mercilessly for refusing to move-on with the loads of cloth on its back. But the next moment washer man cajoles the donkey and the donkey readies to move-on. Now, you can judge your reaction witnessing this sight. If you felt depressed initially for the merciless beating and then pleased with the affectionate treatment to the donkey, you are empathetic. But if you were undeterred with the sight, beware you are going apathetic and your emotions are drying out. Likewise, feeling excited seeing others excitement and sad knowing others sorrow indicates your emotions are alive and responsive.

To diagnose your characteristic core values, you can quietly analyze the kind of action; information, incident, and the inference that pleases you or makes you feel good. In the daily newspaper, for example, which news item or blog interests you the most? Is it related to spirituality, education, well-being, and environment or related to crime, war, sex abuse, atrocity, mischief, scandal, scam, mud-slinging and the like? Through objective analysis you can come to know whether you characterize a sadist, unkind, envious, and resentful or a humanist, altruist, compassionate, and considerate one. Likewise, characteristically you're jovial, generous and extrovert or otherwise can be known by analyzing your reaction to meeting a guest, relative, neighbour or a friend. Whether or not you consider them Godlike, as per Indic mythology, will reveal the sum of loving character in you.

The irony is that by identifying with the body and the senses you want to enjoy the material objects, beginning with your body and the bodies of others, and seek to enjoy all varieties of sensuous pleasure. You want to enjoy tasting nice foods, to hear pleasing sounds, to touch soft things, to smell attractive smells and to see beautiful forms. To enhance your material ego you want to acquire beautiful and valuable things, especially those that others cannot acquire, and you thereby enjoy being the object of others' envy. This material concept of life drives you forward to adopt all means, be it immoral or unethical, in pursuit of your objectives. This concept is further

enhanced by, and centres on the sexual attraction between man and woman. Not only do you identify with your body, but you also identify with the extensions of the body in the form of husband, wife, children, parents, as well as with your community, nationality or country. Your relationships with all of these provide you with the basis for your identity in life, and an orientation from which to understand the world and your place in it.

On the basis of Indic scripture you can diagnose yourself in that of the three dynamic characteristic modes. The first of this triad of characteristic mode is called 'Goodness mode' (*sattva guna*), the second 'Passion mode' (*rajas guna*) and the third 'Ignorance mode' (*tamas guna*). Goodness mode is constituted of luminous understanding, inward depth and serenity, outward steadiness and sincerity. Passion mode is of the stuff of blind activity, inward shallowness and turbulence, outward grabbing and deviousness. Ignorance mode is made up of darkness and inertia – the opposite of both Goodness and Passion. Each personality profile is always an integral composite of these categories of three characteristic modes, but their relative proportions always vary from one entity to another. This variation explains the salient differentials in the manifest behaviour and disposition amongst children of the same parents, members of the same group, citizens of the same country, and amongst countries of the same world. If dominated by the goodness mode, your revealed profile would tend to be a patient, farsighted, contented, and caring much more for inner/spiritual progress. Perfection would receive priority over success by instinct. If governed by preponderant passion mode, your personality-in-action would tend to be mercurial, short-sighted, perpetually wanting, lured much more by ephemeral external victories at the cost of defeats within. Success without, by clever manipulation, replaces perfection within as the goal of living. Under the influence of dominant ignorance mode, however, action orientation would be in short supply.

Modelling your dreams and making the dreams come true through transformation:

From the dreams of best place to live and best style to live, you can explore

things that possibly can transform you into 'a model of your dreams' – a person who would operate at the fullest of potential and with highest of joy. One, who would earn everyone's trust, doesn't deceive, stonewall, distort or spin. And is better off in knowing the truth before someone else does. A model that is free of arbitrary restrictions, respectful to inner feelings and needs, knows the volatile world and thinks strategically. His thoughts are candid, complete, clear and timely. Realizing that honesty will not stop problems from arising, he is confident about handling them amicably. Thus, the question that I grapple here is, how one can transform into a person with whom anybody would like to associate?

We are divinely blessed with dreams. And we strongly desire the dreams to come true. As master of own enterprise (body), we can craft person of our dreams within. A model person, which is happily interfaced with own-self (My world) and the outer world (The world). Simplicity, innocence and honesty are the bliss with which we are born. Retaining the bliss in such dream model is a challenging task. But the benefits of rising to it are potentially great. If we don't do it, the best people may leave or never consider us at all.

To me, for such procreation one does not require developing specialized skills. It simply entails kindling soft-skills through a value sensitization program. Underdeveloped soft-skill is the cause of conflicts within, and muddled relations outside. To develop deeper insight required for value sensitization and to ensure right track of development, we need holistic education fully.

Through holistic education we get more intellectual outreach and credibility, and our core competence gets completed. Defiantly, with uncharted or not born values, the blissful heart remains underused. Holistic education empowers a person to practice honesty, simplicity and transparency in daily life. Besides a guilt-free mind, one is considered trustworthy, credible, and independent person. For holistic education, which can transform and procreate such model within, one need to take few practical steps in the form of 'Helps' acronym as given below:

H = Harness Beauty – Beauty is defined as something with which one cannot ever get bored of; The God and the nature, for example. One has to beautify ones inside out. Cosmetic beauty does not last for long. Without good heart even natural beauty appears ugly beggar. Among beauties, the beauty of thought and conduct sustains forever. Ability to see beauty in others helps develop beauty inside.

E = Empathize Honesty – 'Honesty is the best policy', should be whole heartedly adopted and empathized in daily life. A strong belief in this policy creates expansive heart and a magnified vision in you.

L = Love Humanity – We must realize that it is blissful to be born as human after, believably, suffering series of births in different species. Unlike other powers, power of love is unbeatable. No matter how beautiful externally you are, you look ugly when you are angry out of hatred.

P = Personify God – Superb response you may find out when you lean to personify God into persons you meet and objects you intently look at. We worship idols and symbols personifying God. Why can't we apply the same rule to living and nonliving objects created by Him?

S = Sacrifice the sacrifices – Most difficult thing in this world is to forget the sacrifices done for the benefit of others. Taking cue from motherhood truths, for example, your left hand should not know the act of charity or help done by your right hand.

Educated this way, one can create a beautiful world for oneself; and reach the exalted state of freedom, joy, and majesty. That is why, perhaps, an expectant mother is given to admire beauty of bits and pieces that nature has created.

Earning Corporate Freedom through Transformation:

Every being wants to be free of external regulations and fly high in the sky. But few are able to do so. Many keep struggling around the point 'survival of the fittest'. Questions arise: How can the beings reinvent for themselves to

keep up with the changing times, and earn freedom from such struggle? Mahatma Gandhi earned political freedom for his country through '*Satyagraha*' (soulful force). His forms of struggle are finding new resonance in a world where 'market' is the ruling mantra. He is being rediscovered for the virtues of *satyagraha*, the efficacy of non-violence and the relevance of his thought embracing endeavour from economics to ecology. Now, can the corporate earn freedom in the form of '*Swaraj*' (self-rule) by similar means? Or, can such freedom be attained through ethical rejuvenation transforming murky governance into good governance?

Beyond government policies, greener technologies and compliances; is there a transformation of the kind that requires earnest examination and deeper understanding of ethical values? Do we need to critically examine the question of what is *ethical*, *just*, and *sustainable* in the broader context of an ailing economic system – one characterized by crony capitalism, environmental degradation and corruption in public life – of which the corporate is a part? Likewise, can ethical perspective restructure the overall approach and create clear benchmark for good governance? In order to sensitizing motherhood, truths and principles; in people's eyes, a corporate person should look like a mother, if not goddess. Mother can be rich or poor, glorious or terrible, benevolent or filled with wrath, but she commands love either way. One will have to believe that this is the greatest power of any corporate person in the world. Areas needed to be re-examined to advance the goals of freedom include: conception of corporate nature; of adherence to ethics; and of resource development.

The corporate nature: The question of corporate nature has an important bearing as it prompts us to re-examine, at the deepest levels, what its purpose is. The corporate life experience is essentially profit-centric in nature: it is rooted in the economic reality that is shared in common. This, however, has tended to reduce corporate entities to competitive, insatiable profit earners and to objects of manipulation by the owners. In the absence of ethical rudder the vessel of corporate governance will be buffeted by gales of self-interest, indifference and opportunism. In this culture a more *ethical*, *just* and *sustainable* corporate philosophy - affiliation,

accountability, responsibility and service to the common good – has too often been dismissed as naive ideal. Yet, it is these, and related qualities that must be harnessed to overcome the traits of rivalry, greed, manipulation and exploitation, which are often rewarded by the market in terms of susceptible profits and short-term growth.

Adherence to ethics: Moral education is required for transforming man into a good human being. In a similar manner, adherence to ethical values is required for making into good corporate being or establishing good governance. The exemplary Chanakya used to keep two lanterns, one for the office and the other for personal use. Good governance is described as one, which entails establishment of values and principles in the organization that are universal and eternal. It is characterized as processes that provide ethical foundation for its own needs of sustainability; and for the material, just and ethical needs of humanity, which enable all the people to contribute to the ongoing advancement of society. It is a perceptible change in the corporate philosophy and in the decision-making so as to reflect fully not only the self-disciplined governance of the entire corporate structure but also interconnectedness with the natural world that sustains it. The pursuit of adherence to ethics within the frame of governance provides for wisdom and offers means by which freedom can be achieved.

The corporate crisis: Materialistic worldview without ethical underpinning has cost many the freedoms that they ever enjoyed. It has contributed to the downturn of corporate conduct, the corruption in public life, and the marginalization of the large section of society. The same source of threat of regulation can be converted into a source of protection with your good conduct as a corporate person. The same source of insecurity from illegal co-passengers in a journey can be turned into a source of security by your good behaviour. The bulk of the causes for corporate crisis are attributed to the loss of morals. As corporate governance is posing for itself a more complex task than ever, shift toward a more *just, ethical* and *sustainable* corporate society will require attention to a harmonious dynamic between the commercial (material) and ethical (non-material) dimensions of profit-making. The latter, in particular, will be essential for laying the foundation

for earning freedom (*swaraj*) through means of transformation based on truth-force (*satyagraha*) and peaceful human relations (non-violence).

On resource development: The vital human resource or insights lying within the individuals of organization remains grossly underdeveloped or underutilized for want of ethical underpinning. Without the development of integrity of human being there is no integral development or regeneration for the world. Integrity is the primordial energy responsible for the entire development or regeneration. For corporate development most chase an outward worldview. Corporate persons will have to realize that it is foolish to judge one's own success through outward's worldview and consider other's success to be one's own failure. Dedicated to the cause of people, they will have to realize that people in-common expect to be liked, loved, and treated fairly. So they have to bother the painful emotions that they cause to others by injuring moral values or the work-*ethic*.

How are ethical values aligned to governance of business?

If you have ethical values in place in the organization, you hardly need any pressure of law to enforce good governance. Laws are needed to regulate from outside. With self-regulation in the organization not only the compliances are ensured but also the corporate freedom to grow is attained. Ethics is mistakenly identified with idealist people. In reality, ethics is nerve-soothing, peace-giving, righteous way of doing things in general; and authentic, pragmatic, reputational, futuristic and progressive way of doing business in particular. Corporate, as an artificial person created by law, can transform itself on the pattern of personal transformation by adherence to values. With the emergence of globalization and advent of e-commerce in business, ethical values has surfaced as one of the most important assets in an organization and a tool for gaining competitive advantage in the global operations.

Employees today like to be loyal to the profession and to the people they trust and respect, and not to the organization. They want to work with leaders whose actions they can trust and who in turn, trusts them. These leaders know that if they want their companies to be successful, individuals must

inhabit values. Rushworth Kidder (1997) suggested that, in fact, in at least 10 ways, managers find that ethics have practical impact on the bottom line: “Shared values build trust, consistency leads to predictability in planning, predictability is essential for crisis management, confidence in such rewards builds loyalty, companies are as good as their people, consumers care about values, shareholders also care about values, ethical leaders forestall oppressive rules, effective partnership depends on common values, ethics is a form of insurance.” The long-term interest of business, avoidance of litigations and governmental intervention, and regulating actions of employees through self-regulations are strong and practical reasons for having ethical work-culture and values in organization. Scams in recent years explain how unethical practices can ruin business. Social expectations of business are changing: Companies are expected to share more social responsibility of government, Common standards of employment are needed, so as to operate in a single market code of conduct, Management by self-regulation is needed to avoid threat of legislation to curb what is perceived as irresponsible management and commercial practices.

How ethical values are aligned to business can be described with the help of 4Ps - productivity is improved, protection is ensured, perpetuity is guaranteed, peace is assured; 4Rs - relationships are built, reputation is established, respect is earned, responsibility is generated; and 4Ss - self-discipline is created, self-governance is established, self-regulation is practiced, self-assessment is experienced. Among the rewards for being more ethical is increased efficiency in daily operations, greater employee loyalty, increased investor willingness to entrust funds, more customer trust and satisfaction, and better financial performance. The reputation of a company has a major effect on its relationships with employees, investors, customers, and many other parties. Ethics Resource Center, Washington-DC, 2000, has established that when employee see values such as honesty, respect, and trust applied in the work place, they feel less pressure to adopt unethical standards, observe less misconduct, are more satisfied, and feel more valued as employees.

Importance of ethical values has gained momentum in the globalized world. Despite steady economic growth worldwide; change, fear and uncertainty

continues to impact our organization. In the midst of extraordinary change, leaders are required to paint a meaningful and compelling vision. As our common understanding becomes blurred, adherence to ethical values is the language that realigns leaders with employees, customers, shareholders and communities in which they operate. Ethical values, therefore, is not personal matter, but interpersonal and interfaith. Successful business requires not only the physical and intellectual commitment, but also a sense of shared values and purpose along with their emotional and spiritual commitments. One is often faced with the problem of deciding whether a particular act is ethical or not. Certain acts considered unethical for example, are: Keeping two sets of books to evade taxes, using company's property for personal use, bribing public officials to obtain favors, revealing confidential information or trade secrets, overlooking safety violations to get job done, using false claims in advertisements, understating educational qualifications to get low-level jobs, artificially inflating profits to influence share prices.

The culture of ethics can help augment/reinvent human resource to serve a strong anchor in the sea of changes. We do not understand that in the present, where knowledge is in the air and there is sea of changes, in-sourcing or surfing the intra-net (Soulful search/introspection) provides us a distinctive source to reinvent or transform. Rather than developing faith in the source of internet (outward worldview), through intra-net we may craft outer order and command the space. Against the backdrop of credibility crash, the culprit has broadly been identified as corporate greed, and the solutions have stressed largely on additional regulation. There have been a few proposed solutions to one of the most important, and mostly unexamined, causes of the ethical downturn. "To be free is not merely to cast-off one's chains, but to live in a way that respects and enhances the freedom of others", said Nelson Mandela. The corporate world needs ethical renewal of its work-culture that can transform individuals in the above way. Once so transformed; self-discipline/self-governance would be naturally in place requiring no external regulation, and then comes the celebration of the unflinching freedom.

ISSUES AND CHALLENGES OF WOMEN ENTREPRENEURS

Heena Kashyap*

This paper attempts to understand the problems and the challenges that women entrepreneurs of rural areas are facing in India. Many women have the skills as well as enough talent but they do not get enough opportunity to prove and explore the skills. Various social barriers like - family pressure, casteism, male dominance etc. are halting the growth of such efficient and talented women entrepreneurs which is restricting the growth of our Nation. The power and qualities of women are being underestimated by the male dominant society which is hampering the growth of women.

Government and non government organisation have launched various programmes for supporting women entrepreneurs. People in rural areas are not educated, due to which females are lagging behind in every field. Rural women do not have adequate knowledge and confidence to start and control a business venture. Rural areas are not well developed and people in such areas are not financially well off. Women face both gender and caste discrimination in the society.

There are very few examples of successful women entrepreneurs in rural areas as compared to urban areas. But it doesn't mean that women of rural areas don't have potential to succeed as Business women. The data used in the paper is secondary data collected from various online journal magazines and various websites.

Key Words: Women Entrepreneur, Rural People, Challenges

INTRODUCTION

Entrepreneurship is a process of identifying and starting a business venture, sourcing and organizing the required resources and taking both the risks and rewards associated with the venture.

* Heena Kashyap, Assistant Professor, Department of Commerce, Delhi School of Economics, University of Delhi

Women entrepreneurs may be defined as a women or a Group of women who initiate, organize and run a business Enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women.

“You can tell the condition of a nation by looking at the status of its women”

- Jawaharlal Nehru.

Every creation of God is unique and valuable. Not only man but god himself needs a female womb to take birth. Thus civilizations, culture and ethical values have grown from her. In Indian society the female have graced the male with complete freedom by taking full charge of family affairs so that they could earn respect and glory in the society. Male earned a lot of praise; fame and name for their achievements in the society but female live in four walls of the house. Result! What they lost? Self-dependency! Personal ambitions! Most important is the loss to the society. Women have great talent and skills hidden inside them, and we are wasting this talent by not promoting and supporting women entrepreneurs. Women entrepreneurs in India are handicapped in the matter of organizing and running businesses on account of their generally low levels of skills and for want of support system. The transition from homemaker to sophisticated business woman is not that easy. Rural women can be encouraged to start cottage industries. Unfortunately, our educational system has not succeeded in creating awareness about women's capacities and their hidden powers to handle economic activities. Male and female are not treated equally in our society and as a result Nation is not able to reap the benefits of skilful human resource. One of the major problems is that Women are not able to move according to the changes in the society. There have been plenty of technological changes in field of business but rural people are not able to match with it. Thus, if women are given adequate support in the field of business then they can move with the changing society.

ISSUES AND CHALLENGES OF WOMEN ENTREPRENEURS

Empowering women particularly rural women is a challenge. Micro enterprises in rural areas can help to meet these challenges. Micro enterprises not only enhance national productivity, generate employment but also help to develop economic independence, personal and social capabilities among rural women. Following are some of the personal and social capabilities, which were developed as a result of taking up enterprise among rural women.

- Economic empowerment
- Improved standard of living
- Self confidence
- Enhance awareness
- Sense of achievement
- Increased social interaction
- Engaged in political activities
- Increased participation level in gram sabha meeting
- Improvement in leadership qualities
- Involvement in solving problems related to women and community
- Decision making capacity in family and community

Women entrepreneurs or rural as well semi urban, urban areas encounters various problems right from commencement of business.

Following issues are related to problems of women of rural areas.

DUAL RESPONSIBILITY

A Woman is expected to take care of her husband, children, and in-laws and to do all household work (cleaning utensils, cleaning home, preparing food, packing lunch, washing clothes, purchasing fruits, vegetables and ration from the market etc.). A woman is emotionally bounded with her family and is obliged to give as much time as she can to her family. A woman is burdened with many household responsibilities that it becomes difficult for

her to work outside. Especially in rural areas, women are only expected to do domestic work and no other work like job and business. Women are not able to handle dual responsibility of both home and business. They are not able to devote equal time to both home and business. There are 24 hours in a day and a woman spends around 16 hours in managing home. Thus it becomes very difficult for them to take out some time for doing business or job.

GENDER BIASNESS

Women are considered as weaker sex and always made to depend on men folk in their family throughout their life. Also women are considered physically and emotionally weak and incapable of taking decisions of business. Women are risk averter and tend to avoid risk completely but in business greater risk leads to large profits. A woman is expected to take permission from her husband or father for doing anything. Condition of women in rural areas is very bad as they are not treated equally to men. They are treated as a birth machine and life time servants by men. Gender biasness has not been eradicated completely from the society. Men fear that if women are given liberty then they will become self reliant and might raise their voice against them. Men do not want to get their ego hurt that women can perform much better than them. Many women have good business skills but they do not want to work with male workers because there is so much molestation and harassment that women feel unsafe to work with men. Sometimes family do not allow females to work with males and sometimes male workers are not ready to work with women entrepreneurs. There is no encouragement and appreciation from male dominant society to women entrepreneurs. Instead male criticise women that it's socially unacceptable and awkward that women do business.

ILLITERACY

In rural areas right from the birth of a girl child, a girl is treated as a burden over the family which leads to early marriages of girl (child marriage). Rural people do not have any importance for education and thus they do not send their children in schools. There are schemes like MID DAY MEAL in

government schools for promoting education in backward areas, but everyone knows that no education is imparted over there. Parents send their children in schools in greed of food (mid day meal) and have no concern for education of their child. Teachers in rural areas are not well qualified in spite of amendment in RIGHT TO EDUCATION ACT. Schools do not have proper infrastructure and basic facilities. Thus women in villages remain illiterate and remain engaged in domestic work. They are engaged in labour work, but are never motivated for setting up their own business. Also they have no knowledge of business and the outer world. Even in 11th -12th class textbooks of commerce which is the stem of commerce stream, there are no case studies or inclusion of examples regarding any women entrepreneur that can motivate and inspire girls to start a business.

CASTE SYSTEM

Caste system is still prevailing in rural areas in spite of so much progress in the nation. In spite of the strict laws, discrimination takes place in rural and semi urban areas. Lower caste women are not allowed to go to schools and are asked to serve as servants to the upper caste people. Castesim is imbibed and engraved so much in our society that it doesn't allow the uplift of women. Even if a woman tries to do something, she is being halted and humiliated on caste basis. Thus a woman faces gender as well as caste discrimination. People are not ready to work with lower caste people and because of this our nation is lagging behind.

FINANCIAL PROBLEM

People in rural areas are not rich enough to start up a business and even if they will start up a business they will be requiring more funds to run business. A woman is never entitled to have an asset or property in her own name and faces problem in mortgaging asset and taking up loans. Thus women entrepreneurs face financial problem. Father always transfer his property to his son and never to a girl child, thus girls do not have much property that they can use for their business purpose. Though there are organisations that help women to become self employed by providing

financial assistance but because of the various social barriers women do not enter into business ventures. Male members of the family do not want to invest their capital in the business run by women due to lack of confidence in their ability to run business.

LACK OF KNOWLEDGE, SKILL AND TRAINING

Women do not have any skills for doing business nor they are provided with any training for this. Because of lack of knowledge and skills, women who take up initiative to run business do not succeed. People of rural areas being uneducated are unaware about the legal formalities of setting up and running a business. Even if they hire a middleman for all the legal formalities, they are often being fooled by them. Women entrepreneurs may not be an expert in each and every function of the enterprise. Women do not have bargaining skills for the business. It's easy to bargain for fruits and vegetables but not for raw material, cheap labour etc. Women do not have adequate knowledge and experience regarding optimum utilisation of finance and other resources. Because of lack of experience and expertise, women are not able to recruit appropriate labour and employees (both quantitatively and qualitatively)

RESTRICTED MOBILITY

A woman is never allowed to go out of house without the permission of head of the family. Even if a family allows doing a business then also a woman is not allowed to travel outside the state. For handling operations of business and various activities, sometimes it is required to travel across the country. For example: if a particular raw material or machine is not available in the city then the person might have to travel different cities in search of raw material and machine parts. Also for keeping the production cost least, it is needed to find the cheapest and finest source of raw material and for which one needs to travel various cities. Sometimes family doesn't permit the female member to go out of station and sometimes women themselves don't prefer to go because they do not want to leave their home and children. Such restrictions hamper the growth of a woman entrepreneur.

INFRASTRUCTURE AND OTHER PROBLEMS

Since women don't have much finance, they are not able to purchase adequate assets. It is very tedious to obtain various licenses (land, water, electricity) and permission for commencing business. In rural areas roads are not well connected which disrupt the transportation facility. Another problem is marketing and advertising. For marketing the product, women entrepreneurs are dependent on middlemen because women find difficult to capture the market. A lot of money is needed for advertisement due to stiff competition from male entrepreneurs. Women entrepreneurs also lack energy and extra efforts needed to be investing and to win the confidence of customers and popularize the products. Women entrepreneurs have to face severe competition from organized industries and male entrepreneurs having vast experience.

GOVERNMENT INITIATIVE

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

- Integrated Rural Development Programme (IRDP)
- Training of Rural Youth for Self-Employment (TRYSEM)
- Prime Minister's Rojgar Yojana (PMRY)
- Women's Development Corporation Scheme (WDCS)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Rashtriya Mahila Kosh
- Khadi and Village Industries Commission
- Indira Priyadarshini Yojana
- SIDBI's Mahila Udyam Nidhi Mahila Vikas Nidhi
- SBI's Sree Shakti Scheme
- NGO's Credit Schemes

- National Banks for Agriculture and Rural Development's Schemes

Government and non government organisation efforts are appreciable but the growth rate of women entrepreneurs is very less in rural areas.

SUGGESTIONS FOR THE GROWTH OF WOMEN ENTREPRENEURS

- Government should provide finance at very low interest rates without mortgaging any asset.
- Credit facility should be provided.
- Training institutions should be open in rural areas so that women of rural region can learn to do business and various tactics.
- Seminars, workshops should be organised for motivating women to enter into entrepreneurship.
- Assistance should be provided for importing latest and advanced machines at minimal cost. Also to meet the problem of shortage of raw material some assistant should be provided.
- Educational programs should be conducted to create awareness among rural people regarding casteism. Education is the only means to end the castesim from the society. Through street plays and skits the message can be given.
- Infrastructural facilities like electricity, water supply, power, land should be provided at concessional rate to rural people.
- Successful women entrepreneurs should be appreciated and some reinforcement should be given so that it could motivate other women.
- Procedure of legal formalities like obtaining licenses and payment of taxes should be simplified.

CONCLUSION

The power and strength of women should not be underestimated. Women are not being provided appropriate opportunity in rural areas which is

hampering the growth of women in rural areas. The problem is also that the rural youth do not think of entrepreneurship as a career option. Therefore, the rural youth need to be motivated to take up entrepreneurship as a career, with training and sustaining support systems providing all necessary assistance. People of rural areas are mostly engaged in agricultural activities or laborious work and not educated enough. Children are not motivated to study and gain some knowledge instead they are being indulged in either household work or agricultural work. It is quite clear that rural entrepreneurship cannot be developed without significant training. Therefore, instead of just schemes (financial and developmental) as the carrot for entrepreneurship development an intensive training needs to be provided to the youth in rural India. Programs and policies need to be customized to not just encourage entrepreneurship as well as implement strategies which can help support entrepreneurial culture among youth. The Self Help Groups (SHGs) have paved the way for economic independence of rural women. The members of SHGs are involved in Micro-Entrepreneurships. Through that, they are becoming economically independent and providing employment opportunities to others. The government has implemented various policies for uplift of women and helping them to become self dependent. But unfortunately, the government sponsored development activities have benefited only a small section of women. The large majority of them are still unaffected by change and development activities and have benefited only a small section of women i.e. the urban middle class women. Women are willing to take up business and contribute to the nation's growth but they need the opportunities and support to be provided with. Not only rural women but also semi urban and urban women needs support and opportunities to become self reliant. But the condition in rural area is much worse than urban areas. Women in urban areas are educated and much confident than rural areas. Overall, the condition of women in rural areas is bad and because of this women are not able to enter into entrepreneurship. Status of women can be raised through self employment.

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IPO PRICING IN INDIA: ETHICAL PRACTICES STILL FAR AWAY

Dr. Amit Kumar Singh¹ and Dr. Sanjay Kumar Singh²

The main objective of this research paper is to show whether or not IPO companies are ethical in their behavior towards the IPO investors. In order to achieve this objective, initial gains and long run prices of the IPOs are analyzed. The IPO market regulator SEBI also tried various methods like book-building process and IPO grading to improve the IPOs pricing and help out the investors. But, even such methods are not foolproof in protecting long-term investors of IPO markets as shown by data in the paper. The basic question that this study wants to address is: Why investors are not able to get consistent average returns from the IPO market? Is it due to lack of ethics on the part of company or lack of regulations on the part of regulator or the reckless attitude of investors? Therefore, is there a need to inculcate ethics in the value system of the company itself or there is a need of having more regulations and new laws related to ethics in IPOs.

INTRODUCTION

Initial Public offering (IPO) is a life-time event for any company transforming from unlisted to a listed entity. It is a means for a company to raise money from investors for its future projects and get listed into Stock Exchange. Such companies are like a rare animal which usually appear when stock markets are trading at peak valuations. These seasonal creatures appear like a monsoon deluge in a bull market. When market takes a U turn for the worse, they are the first one to disappear from the market. Recent trend clearly show that IPO Companies raise money from the market to serve their own hidden objective which is not shown in the prospectus. Is it ethical on the part of IPO Companies to serve hidden objective? This paper discusses this very aspect of the company in the forthcoming parts.

¹ Assistant Professor, Department of Commerce, Shaheed Bhagat Singh College, University of Delhi

² Associate Professor, Department of Commerce, Dyal Singh College (Eve), University of Delhi

OBJECTIVE OF THE STUDY

The main objective of the research paper is to show whether or not IPO companies are ethical in their behavior towards IPO investors.

REVIEW OF LITERATURE

There is not enough and direct literature available in the area of ethics in IPO markets. In India we were unable to find any specific study in the area. But, following are some of the studies and reviews available in the foreign markets:

Astha and Bush (2009) studied the ethical issues involved in IPO's with reference to Mexican micro finance company named Compartamos AC. The paper highlighted that Compartamos AC being an NGO funded by CGAP World Bank as well as other international donors, as well as ACCION International, which was in turn financed by US Aid, departed from its mission who was to aid the poor by offering micro credit and raise the standard of poor. In 2000, Compartamos AC formed for-profit financial company named Financiera Compartamos and it made high profit by charging high rate of interest. Its ROE was 55% very high as compared to rest of the world average 7.5%. The high profit helped in financing outreach. By 2006, the book value of the initial paid-up shares of \$6 million had reached \$126 million. In 2006 it got banking license and transformed in to Banco Compartamos. An IPO was made to existing investor and no new stock was issued. The shares were bought by international fund manager and commercial investors. They received \$470 million (12 times the book value!). This means original investors got 100 percent per year compounded for 8 years. This paper assesses the criticism i.e. the donor fund given before 2000 reached the private pockets. Secondly, the higher rate of interest adversely impacted the poor and finally saw a transfer of wealth from poor borrower to rich foreigners. There were certain ethical problems as there was a mission conflict and issues related to target stake holders (poor). This paper questions further the role of not-profit institutions involved in profit making ignoring their mission.

Maynard (2002) highlighted in his paper “spinning in a hot IPO: A matter of business ethics” that spinning activity in allocation of shares in hot IPO. He concluded that there is a need to bring rigorous judicial enforcement of fiduciary duty standard that cannot be waived by the parties and provide reasonable ground to court to protect the expectations of investors. There is a need to bring standard of fair and ethical conduct for corporate managers. Fiduciary laws also hold the corporate executives accountable for the exercise of power.

IPO Pricing

The issue of pricing of IPO can be divided into two separate regimes, that is:

- Pre-liberalization regime - The Controller of Capital Issues (CCI) era (before 1991). In pre-liberalization period, IPOs were priced through 'CCI formula'. The firms were required to take approval from the office of CCI (Controller of Capital Issues) for raising capital and the CCI used to fix the size and price of the IPO. The economic rationale behind the philosophy was to ensure that there is no concentration of economic power.
- Post-liberalization regime – Securities Exchange Board of India (SEBI) era (1992 onwards). There has been a shift in the paradigm in financial sector. The Narasimham Committee, in 1991, initiated a reform process in capital market where it removed all kinds of controls and restrictions and introduced elements of transparency, disclosure and freedom based on a well framed regulatory framework. The Two main methods of pricing:
 1. *Fixed Price Method*: It is a traditional method of pricing the IPOs. Here the issuer and the merchant banker agree on the issue price before making the actual issue and the investors are required to fill in an application form at this price and subscribe to the issue.
 2. *Book Building Method*: In 1995, on the recommendation of the Malegam Committee, under the chairmanship of Shri Y.H. Malegam, SEBI

decided to introduce book building, as an alternative pricing mechanism Book Building Method. Book Building is basically a price and demand discovery mechanism. SEBI defined book building as “a process undertaken by which demand for the securities proposed to be issued by a body corporate is elicited and built up and the price for such securities is assessed for the determination of the quantum of such securities to be issued by means of a notice, circular, advertisement, document or information memorandum or offer document.”. Despite the regulatory framework in place, it was only in 1999 that the Hughes Software in IT sector became first Indian IPO to adopt “Book Building” route.

IPO Process

IPO process of a company always starts with an Offer document/prospectus, which contains all the information that investors need about the company. The document contains information regarding the company's public issue, its financials and how the issue will be priced. It is mandatory for every company to file draft Offer document with the Securities and Exchange Board of India, the market regulator, at least 21 days before the company files it with the ROC/ Stock Exchange. After filing of Offer document, the investor can have access to the Red Herring Prospectus, which is just like the above except that it does not contain the details of the price or the number of shares being offered or the amount of issue. That is because the Red Herring Prospectus is used in book building issues only, where the details of the final price are known only after bidding is concluded. The company also appoints one of the merchant bankers as the lead manager who leads all merchant bankers known as book-runner. The regulator takes some time, which is called as 'cooling off period', to verify accuracy of the information provided in the registration document. Since the company will become public limited (from privately held) and the regulator has to look after the interests of investors, there are strict rules in place to get the required approval. **BUT the real issue is if companies give correct information that is verified by SEBI, why so much price variations are there, which can be misused also?**

Ethics in IPO Process

Meaning of ethics:

Ethics is defined as systematic study of human action from the point of view of righteousness and wrongfulness. Ethics is a set of standard fixed by the society to classify what is right and wrong. Ethics is a normative study of what is good and bad. Ethics studies people's belief about human values, conscience and morality. Ethics is required not only in professional life but also in general life of the society. We set those ethical standard or benchmark or code of conduct for ourselves that are acceptable universally. Unlike the concept of morality, acts which are considered ethical for one person will also be ethical for the other. And if a person follows ethical values, he or she will get more respect in the society than those who do not follow it.

Ethics in Stock Market:

A company that follows ethical code of conduct is likely to gain competitive advantage over other companies. Investors will show more confidence in company which follows ethical practices. This enhances the value of the company in the eyes of investors. In a stock market, insider trading is considered as unethical practice. The argument is that the information has been stolen by the employee or manager, which solely belonged to the corporation. When material information is used for personal gain by an insider without the owner's permission, it is treated unethical. There are few argument in favor of insider trading i.e. there is no moral responsibility on the part of insider when non-public information becomes public. Well! This may not be an immoral act but definitely an unethical act for the company. Thus, stock market regulator SEBI has formulated guidelines to check the unethical practice of insider trading. The question is, whether IPO issue process with hidden objective of the company can be considered ethical or not?

IPO Issuing Process and the ethics involved

When a company comes up with an IPO, the investors try to invest as much as they can in order to obtain listing gain. They do not have long term

investment in their minds. In order to curb this listing gain, the SEBI has changed the method of IPO pricing from fixed price to book-building. But, somehow, SEBI was not able to fully control the listing gain.

Table 1.1 Fixed Pricing IPO Listing Gain

Company	Issue price	Listing Price	Gain (%)
Tijaria Polypipes	60	62	3.333333
Shekwati	30	32.5	8.333333
Gallant Ispat	50	52	4
Somi conveyor	35	37.65	7.571429
Bafna Pharma	40	43.8	9.5

Table 1.2 Book building IPOs listing gain

Sl.no	Issuer Company	Issue Price	Listing Price	Listing gain (%)
1	Sharda Cropchem Ltd IPO	156	254.1	62.88462
2	Snowman Logistics Ltd IPO	47	75	59.57447
3	Wond erla Holidays Ltd IPO	125	164.75	31.8
4	Credit Analysis & Research Ltd IPO	750	949	26.53333
5	Shemaroo Entertainment Ltd IPO	153	180	17.64706
6	Just Dial Ltd IPO	530	590	11.32075
7	RDB Rasayans Ltd IPO	79	85	7.594937
8	MT Educare Limited IPO	80	86.05	7.5625
9	Tara Jewels Limited IPO	230	242	5.217391
10	Taksheel Solutions Ltd IPO	150	157.4	4.933333

Most of the IPOs that gave listing gain to the investors were not able to provide good performance in future and thus investors were at loss. This point is revealed with the help of secondary data obtained from various sources like official websites of BSE and NSE. The data has been taken for 10 IPOs from the year 2011. We have taken those IPOs which have given negative return to the investors in the long run. We have calculated Long term gain as:

$$\text{Long term gain} = (\text{Latest Price} - \text{Issue Price}) / \text{Issue Price}$$

Table 1.3 Long term gains from IPOs

Sr No	Issuer Company	Issue Open	Issue Close	Issue Price (Rs.)	Issue Type	Issue Size (Crore Rs.)	12/12/2014 latest price	gain/loss	gain/loss(%)
1	RDB Rasayans Ltd IPO	21-Sep-11	23-Sep-11	79	BB	35.55	14.99	-64.01	-81.0253
2	Servalakshmi Paper Ltd IPO	27-Apr-11	29-Apr-11	29	BB	60	4	-25	-86.2069
3	Innoventive Industries Ltd IPO	26-Apr-11	29-Apr-11	117	BB	219.5	16	-101	-86.3248
4	Inventure Growth & Securities Ltd IPO	20-Jul-11	22-Jul-11	117	BB	81.9	11.82	-105.18	-89.8974
5	Timbor Home Limited IPO	30-May-11	2-Jun-11	63	BB	23.25	6.2	-56.8	-90.1587
6	Vaswani Industries Ltd IPO	29-Apr-11	3-May-11	49	BB	115.1	3.98	-45.02	-91.8776
7	Aanjaneya Lifecare Ltd IPO	9-May-11	12-May-11	234	BB	117	11.14	-222.86	-95.2393
8	Bharatiya Global Infomedia Ltd IPO	11-Jul-11	14-Jul-11	82	BB	55.1	3.62	-78.38	-95.5854
9	Acropetal Technologies Ltd IPO	21-Feb-11	24-Feb-11	90	BB	170	3.8	-86.2	-95.7778
10	Paramount Printpackaging Ltd IPO	20-Apr-11	25-Apr-11	35	BB	45.83	1.24	-33.76	-96.4571

Through the table, we wanted to show the real picture of Some IPO companies who have raised the money from the market just for their hidden objective of minting large money. These 10 IPOs have raised money from the investor and after four years still trading at below their issue price. In fact, they have given negative returns to the investors, which vary from 81 percent to 96 percent.

Therefore, it appears that such companies dodge the long-term investors. If they are giving listing gain to the investors, they are attracting the investors. But, then why investors are at loss?

SEBI also tried to come up with the concept of IPO grading, so as to protect the investors from losing money. The concept of grading of IPO's has been made mandatory from May 1, 2007. SEBI made IPO grading mandatory for all IPOs where draft offer documents were to be filed with SEBI on or after May 1, 2007. SEBI initiated the concept of grading to make the investors more informed about the issue in order to safeguard the investor's interests. According to SEBI, 'IPO grading' is a service aimed at facilitating the assessment of equity issues offered to public. It is a one-time process done prior to the opening of the issue during the draft prospectus stage. IPO Grading is a 5-point scale and the grade given to an IPO shows the assessment of fundamentals of graded issues relative to other listed issues. IPO grading is just an independent assessment of fundamentals of the company to help investors to take decisions. However, IPO grading is not a substitute for investor judgment and it is not a buying or selling recommendation. The Indian stock market regulator SEBI is the first in the world to make IPO grading mandatory for all the unlisted companies. But after a span of six years, in 2013, SEBI has scrapped mandatory grading of initial public offering (IPO).

We have analyzed some of the IPOs that are graded by credit rating agencies and analyzed further their performance in the due course.

Table 1.4: Performance of graded IPOs

Name of the Company	Issue Price	Current Market Price	Grading	Rating Agencies
Acropetal Technologies Ltd	90	3.10	3	ICRA
MCX	1032	831	5	Crisil
C.mahendra Export	110	12.3	2	ICRA
Punjab Sind Bank	120	61	4	Care
Moil	375	302	5	Care
Ashoka Buildcon	324	137	4	Crisil
SJNV	26	23.7	4	Care
ILFS transport	258	174	4	Care
SKS Microfinance	985	402	4	Care

Compiled from the various sources.

The above table clearly shows that even the highly graded IPOs were not able to give good return to long-term investors. The investors who might have trusted the graded IPOs were still losing their money. *Why it so happened? Was it due to the absence of ethics on the part of company or lack of regulations on the part of regulators or the reckless attitude of investors?*

CONCLUSION

Is it ethical on the part of the IPO companies to befool the common or retail investor? *The Retail investor invests his hard earned money to get the at least the nominal return in future. But these IPOs are not able to provide minimum return to the investor even in the long run.* As literature suggests that the IPO market is a long-term market, in short-run company may not be able to provide return to the investor. But in the long-run, when company gets mature and has some experience of working in global environment and is also able to cover some market share in its respective field, then company should pass some profit to the investors. But such motive does not reflect in

the data and analysis given above. Therefore, there is a need to inculcate ethics in the value system of the company or there is a need to have more regulations and compliances. The issue, however, remains open for further discussion.....

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TRANSFORMATION, FREEDOM OR EXPLOITATION..?

**Dr. Zafar Aijaz Abbasi
(Khurram)***

A lot has been said and written about women's liberation, transformation, economic freedom of women and the gender sensitivity. When we analyze the period after independence (almost 68 years), we find some positive changes in the society. But, unfortunately, when we look at the condition of women, it is really painful. Progress of women is abysmal in the field of education, employment and all other fields, which men consider exclusively their domain. Daughters of India have time again proved that despite the biological difference they are no less than men. As far as their political representation and GDP share in India is concerned, they are far behind the developed countries.

I am not discussing here the growth rate of women, their contribution in the economy and their political representation. I do not also want to discuss in detail the miserable condition of women in villages and small towns where the Khap Panchayat etc impose their illegal and insensitive decisions on women, though I may touch upon it. What I want to highlight here is some of the issues which educated and working women are facing in India today. In other words, what I want to expose here is how the so-called sophisticated culture, and the “broad minded” and modern society are exploiting the women indirectly in the name and guise of freedom and equality of women. In India, women are exploited at every stage of their life. They are exploited not only by others but by their family members as well. Subsequently, the pertinent question aroused here is this: What type of exploitation women are facing today. I want to look into the matter from a different point of view. If we go sixty to seventy years back, we may find that during that time women did not have the right to speak in front of the male members of their family. They were not so educated. They were not contributing anything to the economy of their family. They lived in Parda/Ghunghat, and they were forced to live within the four walls of their home.

* Dr. Abbasi is the Administrative Officer of Ramanujan College, University of Delhi.

They did not have any other responsibility except home-making. Women were restricted to the four walls of their home. In those days, women were denied their right to express their views, right to choose their spouse, and they were denied economic freedom and property rights etc. about which Women Rights Commission is talking today.

Now, our leaders understand the sensitivity of this issue and realize the negligent attitude of the society towards the uneducated and unprivileged women, who are about half of the population of the country. Our leaders make laws relating to the liberation of this deprived lot of our country and try their level best to support this section to come up to the main stream. The government machinery tries its level best to implement the laws and promotional schemes for the upliftment of this unprivileged and deprived section of the country, but the results are not very encouraging. Only a small section of young women of India gets adequate education and employment. By merely making promotional schemes, we cannot change the whole society. For this we have to change the mindset of people, especially that of the uneducated females and the males.

The question arises that what is freedom? As far as my understanding is concerned, freedom means, apart from the economic freedom, the rights our constitution provides us. According to the constitution of India, there are six basic Fundamental Rights of Indian Citizens. They are right to equality, right to freedom of religion, cultural and educational rights, right to freedom, right to constitutional remedies and right against exploitation. In the absence of these rights citizen of a nation may not feel independent because the identity of any nation depends primarily, apart from its' geography, on its languages, culture & other traditional values (heritage). Progress does not mean progress in the economic sphere only. If you are growing economically, but the language, culture & traditional values (heritage) are disappearing, that means you are successful on one front but failure on the succeeding front.

Copying the west in technological and other fields is a good thing if our country is not up to the mark in those areas. But when we have such a rich

culture and heritage, why should we adopt their bad things from which the west itself is suffering? If we are far behind Western countries in terms of technology, let's accept it, then, why we have the complex that our culture and heritage is not good. It may be true that they are superior to us in terms of technology, but as far as our culture and heritage is concerned, we are very much superior to them.

After globalization, day by day we are going more westernized, and ignore our rich culture and heritage. This is a dangerous trend in our nation. As one of the Urdu poets suggests:

*“Roz suraj humein ye paigham deta hai
Maghrib ki taraf jaogey tu doob jaogey”*

Meaning, “Every day the sun gives us a message that if you go towards west you will be destroyed.” In our culture we consider woman superior to man since she is chosen by the god to help him to produce his progeny. In Indian culture we pray to the goddess Laxmi, Saraswati and Durga. What I want to say is that the inspirational source of Indians is women. No doubt, there is a high crime rate against women exists in India, but it does not mean that Indian men do not respect women. I am sorry to say that in Indian metropolitan cities we are blindly following the culture of western countries. But it is unfortunate that we are adopting more bad things than good things of the western culture. We pay less attention to the dedication, hard work, honesty and sincerity etc. and we are more attracted to the bad things of western culture like boozing, immoral sex, immodest dresses & violence etc. We are responsible for our new generation adopting the bad things of western culture because we do not have time to spend with our children and we fail to inculcate in them the richness of our culture. Hence, the new generation does not know about the richness their own culture and heritage. For them the so called western culture is the pub, discotheque etc. They even do not know the good things of either their own culture or the western culture.

In India there was an Urdu poet, namely, Sahir Ludhianvi, in whom we see a

real soldier of women's rights. His poems are so sensitive. But where *Sahir* writes about the rights and respect of the women, he also insists on the modesty of women. More than 70 years back Sahir Ludhianvi highlighted these things in one of his poems:

*“Jinke abba katt mare quamon ki izzat ke liye
Nachti hai betiyan unki hukumat ke liye
Khush huwaye bartania ke hakim ahtasham
Tere haathon mein hai mashriq ke tamduum ki lagaam*

“Whose forefathers sacrifice their life for the honour of the family
The daughters of those who danced on the tune of Government
The ruler of Britain is happy because the command of the
Culture of the East is on their hands.”

There are different views regarding women's education, transformation and their employment. One section of men believes that in India there is no need of higher education for women. I do not agree with that view. Another section of men is against employment of women, for, they say, if you give job to a man, you are giving that job to his family, whereas, if you give a job to a woman, it is given only to her and not to her family. Another argument they put forth is that a highly educated man may marry a woman who has just studied till matriculation, or he may marry even an illiterate woman and run a family, whereas one will not see a highly educated woman ever marrying a lesser educated/qualified man with lesser than her social status. The woman is more cautious and particular about her social status. Some men would say that if an employed woman marries a man with a higher social status in comparison to her, which will create economic disparity. I do not agree with such views at all. I am in favour of both higher educations for women and employment of women. My view is that if it is necessary, she has to earn. I have seen many highly professionally qualified women leaving their job after their marriage due to the transfer of their spouses from one city to another city or from one country to another country because their husbands have careers with higher salary and higher status. In such cases, some men would say that the amount the government as well as their family

spent on such women's education is wasted, and they in a way have made to “waste” a seat in professional education, where a young man could have taken admission. Some say this is one of the reasons for the frustration of some of the young men who consider that these women, who do not have serious approach towards their career, deny their chance to become professionals. They observe that these notions make young men frustrated, and gradually, the frustration prompts them to commit crime against women.

There are many more logics and reasons given by many people and different groups of men. But one thing is certain, if you teach a woman, you are imparting knowledge to a generation, and consequently, the education gets transmitted to many generations. Nevertheless, merely getting education is not enough, unless and until you apply it to your life (*taleem baghair tarbiyat ke bekaar hai*. means “Education has no meaning without proper upbringing, the onus squarely lies with women”). Education is meaningless, if women cannot bring their children up in such a way as to develop the overall personality of the children which, in my view, is very important for building up the future generation of the country.

Today, women are facing challenge of transformation and liberty not just from male members alone, but from the educated female members of their families as well. In many villages, earning/working women are considered characterless/ impure women. On the other hand, in cities, males consider marrying a working woman a profitable venture. If I recollect my childhood days, in those days, marriages were not considered to be just an agreement between two individuals, but it was considered to be a union of families. Nobody used to go after “looks” of the girl, not even go after their educational qualification or earnings, and they never considered dowry as the sole criteria. They used to consider only the reputation of the family: whether they are gentle or not; not whether they are poor or rich. Now, after 67 years of independence we are noticing a radical change in the society. The middle class people of India are becoming more materialistic than ever

before, especially after 1980's globalization process. The thought process of the new generation has entirely changed. They are becoming more money minded, and elements of emotion, spirituality and humanity are fast depleting. Market necessitates the making of relationship of individuals. Love for humanity is being considered a luxury. In the given Indian scenario, the modern, educated and employed women turn out to be the newly exploitable and exploited category, which, perhaps, these women themselves do not comprehend fully.

Merely securing economic freedom does not mean obtaining true freedom. Today a young man desires for a beautiful, educated, earning, employed or employable wife with a lot of dowry, which we had never heard of in our childhood. Now, a man expects his wife to earn and to contribute an equal share of money towards their family expenses. Moreover, he expects that she will look after the housekeeping, deliver a child, teach the kids, cook the food, wash the clothes and do all other household works and also serve his parents and fulfill a lot of his other expectations. By just showing that he is a broad minded man and he does not mind the liberation of women, he has transferred the huge burden of the tremendous responsibilities onto the shoulders of his woman, and started enjoying himself the comforts and luxuries. The wife is earning, she is going to office, and she is looking after the household. The man considers that the entire work related to their household and upbringing of their children is an exclusive job of his woman, which she herself has to do along with her office work.

However, a large section of male members of the society feels that these women snatch away their job opportunities. They think that the economic disparity in the society has been created by these women. On the contrary, industrialists, businessmen and traders prefer women employees because they are more available than the male ones, they are financially viable, and they are more loyal and submissive than men. A large number of unemployed youths feel that these women are responsible for their unemployment. And, to some extent, it is this notion that provokes them to

be disrespectful to women. So, women are fighting and struggling on several fronts not only in the family and society but in the professional world as well.

This is really a dangerous trend that may affect our future generation, which is still in their teens. Since the boy-child observes that his mother is doing a job, looking after kids, cooking food, washing clothes, doing all other housekeeping jobs, and still she is being treated disrespectfully, he will never learn to respect women. Boys may most probably consider this as a part of the tradition of the society. This is dangerous for young girls of today, who are studying and trying to make their career for themselves and expecting a good, bright future.

I am quite unable to understand what type of liberation these women are getting and what kind of transformation they are heading to. They are taking more responsibilities, more than double of that of a man. Where is the equality or freedom? Is this not a kind of exploitation? It seems to me that women were considerably a bit more comfortable in the past than in the present even when they were illiterate and economically dependent on the male members of the family. Now, women are earning money and doing a lot of physical and mental work, but they are not getting the respect that they duly deserve.

After seven decades, we see that all bad things of western culture are very easily and very fast being adopted by the Indian youths. This is very harmful for our culture as well as the security and respect of women. The condition of women in the metro cities of India is really miserable; the smile on their face and their glamorous “looks” do not mean they are happy. They show that they are happy and independent because they, I think, feel that the economic freedom is a decisive freedom, which, as they themselves know very well, is not enough. If you pamper women and ask them whether they are really happy, I think the answer will be a big “No.” My purpose of writing this is just to raise the issue of indirect exploitation of the working women. In conclusion, I want to quote another poem of Sahir Ludhianvi.

*“Madad chahti hai yeh hawvaa ki beti
Yashoda ki humjins, radha ki beti”*

“Help, O Help, this daughter of Eve!
Radha's child, Yashoda's breed”

We all have to condemn such exploitation under the garb of freedom and transformation. The tradition of dowry is increasing day by day. And the respect for women in their in-law's home is equated with the amount of dowry she brought in. It is a heinous crime against which all of us need to stand up and try to change this mindset. If you are a *MARD* (male with a strong build-up, good looks and sexually attractive), that does not mean you are really a *MARD*. *Mardangi* is an alternate word for responsibility. In my view, a real man gives security, protection, and respect for women, and takes care of his lady well. A real man never lets tears in the eyes of his lady. A real man always respects woman since she is his mother, sister, wife and daughter. He always treats them with care, so is his concern for other women in the society. When men have a mindset of respecting women, acknowledging and appreciating their contributions, then, the rest of the problems faced by women will inevitably be over.

THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON CONSUMER PURCHASE INTENT

Deepthi Gupta*

Corporate Social Responsibility is defined as the continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. The concept of corporate social responsibility is becoming so much integral to effective corporate brand management that the brand managers are in a constant endeavour to analyze the consumer's degree of interest in corporate responsibility and its impact on their perceptions about the company and decision to purchase its products. This paper tries to provide insights into the purchase behaviour of Indian consumer and whether he is affected by the corporate social responsibility of companies or if he is still a very price conscious buyer buying solely on how much the product costs regardless of social behaviour of companies.

Consumers generally identify socially responsible companies by the level of activity in three domains of social responsibility viz Environment, Philanthropy and Socially Responsible Purchase and Disposal. Based on these three domains, scales are constructed to know the extent to which consumers support each of these domains. The corporate social responsibility of companies and the price they charge for their products are manipulated to create different situations and the respondents are asked to role play i.e. imagine themselves in that situation and indicate their purchase intent and evaluation of the company.

The study can have some important implications for marketing managers who want to build a positive brand image in the minds of consumer as well as a higher brand recall while making purchases. Through the analysis it has been found that consumers are willing to pay a premium on products if they get a positive feedback about the social responsibility of companies.

* Research Scholar, University School of Applied Management, Punjabi University, Patiala

This calls for effective communication of CSR activities in various forms of media so that they create a greater value proposition in consumer's minds about the company when they have to make choices about competing products and choose a product of the company, even if it has a higher price tag, simply because that brand contributes to the society in a better way than the others.

INTRODUCTION

Corporate brand image management has become a key strategic activity for many companies today. The importance of corporate social responsibility (CSR) for companies is seen in the form of numerous initiatives, forums and associations arising in public and private sector environments. Examples include The European Multi-stakeholder Forum for CSR, the European Commission Green Paper and the OECD guideline directives for multinational companies. Back home we have the cases of E-choupal being setup by ITC as it's CSR initiative to engage the rural customer as also the project Shakti launched by Hindustan Unilever. International networks have also been created to develop the concept, e.g. CSR Europe, the European Ethic Business Network, along with the appearance of financial indices composed of companies that fulfil a series of social criteria.

Among all this, there is a growing concern about how consumers perceive socially responsible behaviour of companies and how does it affect their intention to purchase products of such companies. In addition it is imperative to study the interaction between different product attributes and CSR. There is a lot of literature on the corporate social responsibility but very few of them have focussed on the consumer perceptions of CSR who in today's competitive era are absolute and powerful and thus may decide the fate of a business. It is therefore very important on the part of the industry to get to know what actions affect consumers and how should socially responsible behaviour be communicated to them in order to create a strong brand identity and thus a positive purchase decision.

NEED FOR STUDY

As evident from above there is growing concern about the social behaviour of the corporates. It not only affects the overall image of the company but also decision of the consumer to buy products of particular brand and company. Research has indicated a positive relationship between corporate social responsibility and purchase decision. So much so that the consumer is willing to pay extra price for the product of the company that engages itself in social activities.

In their effort to portray a good social behaviour companies often undertake various community and environmental developmental programs and communicate them to their consumers. However their effort is seriously dampened by the fact that there is low level of consumer awareness about the concept of corporate social responsibility.

The study tries to examine consumer responsiveness to CSR and factors they consider important in judging the extent to which a company is engaged in social causes. Customer usually judge the social behaviour of a corporate identity using three main factors viz. Environmental factors, philanthropic activities and socially responsible purchase and disposal though the degree to which an individual identifies with a particular factor varies from person to person. Through the application of multivariate techniques a relationship between these factors can be established and generalized for the population. Further the study aims to bring out the differences among various cultures in their perceptions towards corporate social responsibility and tries to suggest companies about how should they approach this idea in a country like India and effectively communicate its social efforts.

RESEARCH OBJECTIVES

- To determine the effect of corporate social responsibility on purchase intent.
- To identify factors consumers consider important in evaluating social

behaviour of companies.

- To study the interaction of important product attributes (quality, price, convenience) with CSR in their impact on consumer responses.
- To compare research conducted in different countries to analyze how consumer perception about socially responsible firms varies across cultures.

REVIEW OF LITERATURE

Singh et al. (2008) says that the concept of corporate social responsibility is becoming integral to effective corporate brand management. It adopts a multidimensional and cross country perspective of the concept and analyses consumer perceptions of behaviour towards corporate social responsibility. The idea is captured through the analysis of responses gathered for four leading consumer products manufacturers. Data was collected from consumers in two countries – Spain and UK. The study analyses consumers' degree of interest in corporate responsibility and its impact on their perception about the company. The implications and relevant to companies for strengthening their social responsibility associations with the consumers

Mohr and Webb (2005) define corporate social responsibility as “ a company's commitment to minimizing or eliminating any harmful effects and maximizing its long run beneficial impact on society .” socially responsible behaviour then, includes a broad array of actions such as behaving ethically, supporting the work of non profit organizations, treating employees fairly, and minimizing damage to the environment. The study examines the influence of corporate social responsibility and price on consumer responses. Scenarios were created to manipulate corporate social responsibility and price across two domains (environment and philanthropy). Results indicated that corporate social responsibility had a positive impact on the evaluation of the company and purchase intent. Furthermore in the environmental domain corporate social responsibility affected purchase intent more strongly than price did.

Pe´rez et al. (2009) analyses the influence of the perception of Corporate Social Responsibility on consumer–company identification (C–C identification). This analysis involves an examination of the influence of CSR image on brand identity characteristics which provide consumers with an instrument to satisfy their self-definitional needs, thereby perceiving the brand as more attractive. Also, the direct and mediated influences of CSR based C–C identification on purchase intention are analysed. The results offer empirical evidence that CSR generates more C–C identification because it improves brand prestige and distinctiveness; brand coherence is also a powerful antecedent of brand attractiveness in the context of CSR communication. Finally, CSR-based C–C identification is able to generate directly better attitude towards the brand and greater purchase intention.

Herbert and Schantz (2007) say that corporate action is subject to more scrutiny now than ever. Corporate principles are communicated in various forms to a wide set of stakeholders. Ideally, what is communicated in terms of principles is also seen in business practice. In cases where the principles and actions differ, the platform for creating a brand territory is limited. The communication platform is affected by, for example, corporate documents, actions and media perceptions. The corporate communication strategy is affected by media's verdicts. Driven by outside pressure, a set of ethical principles are declared but they receive little attention due to management's myopic focus. The press on the other hand highlights the issues concerning the company and thus the reputation of the company is severely affected.

Branding represents a cornerstone in the corporate marketing umbrella. It is built not only by offering good products and services but also engaging in good social responsibility. Effective communication of the company's social behaviour goes a long way in developing this behaviour. It is a simplifying symbol that helps stakeholders distinguish between sales offers. Credence values such as social responsibility and ethical business conduct are intangible; the brand thus becomes a guarantee for the communicated social values.

Pomering and Dolnicar (2008) say that consumer attitudes and purchase

intentions are influenced by CSR initiatives – if consumers are aware of them. In order to create this awareness, business is increasingly turning to 'pro-social' marketing communications, but such campaigns are met with scepticism and their effectiveness is therefore uncertain. Consequently there is a need to determine the level of actual consumer awareness of CSR initiatives. This study examines the Australian banking sector, which engages in and promotes its CSR activities, to help fill this gap. Results indicate low consumer CSR awareness levels. Consumer understanding of many of the social issues banks engage with is also low. While CSR is effective in eliciting favourable consumer attitudes and behaviour in theory, CSR has not proven its general effectiveness in the marketplace. The low consumer awareness of the various social issues in which firms engage with their CSR program suggests that firms may need to educate consumers, so they may better contextualise CSR initiatives communicated. However, better context may amount to little if claimed CSR initiatives are perceived as inconsistent with other facets of the business that reflect its values and ethics.

Bhattacharya et al. (2009) finds a dearth of research on the psychological mechanisms that drive stakeholder responses to CSR activity. Borrowing from the literatures on means- end chains and relationship marketing, it proposes a conceptual model that explains how CSR provides individual stakeholders with numerous benefits (functional, psychosocial, and values) and how the type and extent to which a stakeholder derives these benefits from CSR initiatives influences the quality of the relationship between the stakeholder and the company. It discusses the implications of these insights and highlights a number of areas for future research.

Jahdi and Acikdilli (2009), examines the role that the various vehicles of marketing communications play with respect to communicating, publicising and highlighting organisational CSR policies to its various stakeholders. It further endeavours to evaluate the impact of such communications on an organisation's corporate reputation and brand image. The proliferation of unsubstantiated ethical claims and so-called 'green washing' by some companies has resulted in increasing consumer cynicism and mistrust. This has made the task of communicating with, and

more importantly convincing, an organisation's stakeholders vis-a`-vis its CSR credentials even more difficult. It argues that marketing communications tools can play a major role in conveying a company's CSR messages and communicating a more socially responsible image.

Quazi and O'Brien (2009), is of the view that most models of corporate social responsibility revolve around the controversy as to whether business is a single dimensional entity of profit maximization or a multi-dimensional entity serving greater societal interests. Furthermore, the models are mostly descriptive in nature and are based on the experiences of western countries. There has been little attempt to develop a model that accounts for corporate social responsibility in diverse environments with differing socio-cultural and market settings. An attempt has, therefore, been made to fill this gap by developing a two-dimensional model of corporate social responsibility and empirically testing its validity in the context of two dissimilar cultures – Australia and Bangladesh. The two dimensions are the span of corporate responsibility (narrow to wider perspective) and the range of outcomes of social commitments of businesses (cost to benefit driven perspective). The test results confirm the validity of the two-dimensional model in the two environments. The paper concludes that corporate social responsibility is two dimensional and universal in nature and that differing cultural and market settings in which managers operate may have little impact on the ethical perceptions of corporate managers.

Zdravkovic et al. (2010), examines cause-marketing promotions and finds that fit between social causes and consumer brands can be decomposed into ten “micro” sub- dimensions or two “macro” sub-dimensions (prominence and marketing strategy) of fit. Results indicate fit sub-dimensions are significantly related to the attitude toward the sponsorship and the brand, and that attitude toward sponsorship mediates the relationship between fit and attitude toward the brand. As such, managers should not only rely on natural fit between cause and brand, but they should also attempt to communicate fit to the consumers. Importantly, familiarity with the cause interacts with fit when attitudes toward the sponsorship and the brand are measured, such that fit matters less to those who are more familiar with the cause.

HYPOTHESIS

The hypotheses have been developed in accordance with the research objectives. The hypothesis so developed will be tested using various multivariate techniques of analysis in order to test for their acceptance or rejection. Accordingly we will get to know how consumers perceive socially responsible behaviour of companies. According to Brown and Dacin (1997), for the first objective i.e. to determine the effect of corporate social responsibility on purchase intent the following hypothesis is tested.

H1: There is no relation between the CSR of a company and the purchase intent and evaluation of the company by the consumers.

Next it will be determined whether negative or positive information about a company's social record has a stronger effect than having no information. It is in accordance with the second objective to know what factors consumers consider more important while evaluating CSR of companies and to determine this we test the following hypothesis as proposed by Sen and Bhattacharya (2001).

H2: The level of CSR activity communicated by the company has no effect on evaluation and purchase intent.

Extending the above objective further we also examine whether it is the low prices only on the basis of which consumers make purchase decisions even if companies are not socially responsible i.e. whether consumers are willing to pay more for products of companies that are more socially responsible. The third hypothesis therefore tests that when CSR is low whether price will have a weaker effect on purchase intent than when CSR is high.

H3: There is no interaction between CSR and price and that price has no effect on purchase intent when CSR is low, than when it is high

It is expected that several trait variables would affect whether or how strongly consumers respond to a company's level of social responsibility. Therefore, for people measuring high on socially responsible purchase and

disposal CSR will have a stronger impact on evaluation and purchase intent than when SRCB is low. Therefore the fourth hypothesis according to Mohr and Webb (2007) is:

H4: The measured trait of SRCB has no effect on evaluation and purchase intent irrespective of the level of CSR of the company

Also it can adequately emphasized that consumers will respond positively to the CSR activities of the companies when the cause to which they support is close to personal values of the consumer. The fifth hypothesis tries to test this:

H5: There is no effect of the consumer's personal inclination for a particular domain on evaluation and purchase intent when companies communicate their CSR in a specific domain

METHODOLOGY

Target population

General shoppers in marketplaces were asked to provide their opinions on corporate social responsibility and their perceptions on purchase and evaluation of such companies.

Sampling frame

A mall intercept survey was chosen because it can provide the different type of consumers required to get the unbiased and varied viewpoints

Sampling technique

For the purpose of the research a systematic sampling technique has been chosen.

Sample size

A sample size of 100 completed responses is taken for this study.

Expected Incidence Rate

From the pretesting stage it is expected that 8 out of 10 respondents approached for filling out the questionnaire would respond positively and therefore an incidence rate of 0.8 is expected.

Expected Completion Rate

Similarly the number of respondents who completely fill out the questionnaire is expected to be 80% of the people giving positive response. So the completion rate is 0.8

Expected Sample Size

(No. of completely filled questionnaires)/ (Incidence Rate x Completion Rate)

So, $100 / (0.8 \times 0.8) \sim 150$

Technique of Analysis

Multivariate analysis of variance (MANOVA) is used to examine the differences between groups. MANOVA examines group differences across multiple dependent variables simultaneously. This technique is appropriate when there are two or more dependent variables that are correlated. In this case we have CSR and domain as independent variables and evaluation and purchase intent as dependent variables.

Multivariate analysis of variance is similar to analysis of variance (ANOVA) except that instead of one metric dependent variable, we have two or more. Whereas ANOVA examines group differences on a single dependent variable, MANOVA examines differences across multiple dependent variables simultaneously. In ANOVA the null hypothesis is that the means of the dependent variable are equal across the groups. In MANOVA, the null hypothesis is that the vectors of means on multiple dependent variables are equal across groups.

Reliability Analysis

The data is then entered into SPSS Statistical Package Ver19 for analysis. All the 100 filled in responses were entered into SPSS Data Editor. All the variables were defined first in variable view and data entered in data view. Following data entry the Reliability Analysis was carried out. Chronbach alpha was calculated for the three scales measuring support for each of the three domains of Corporate Social Responsibility viz. Environment domain. Philanthropy domain and Socially Responsible Purchase and Disposal. According to Malhotra and Dash (2011), the threshold limit of Chronbach alpha is 0.6. The values of each of these three multi item measures came out to be above 0.6 indicating reliability of scales.

Reliability Analysis for Environmental Domain

Scale: ALL VARIABLES

Reliability Statistics

Cronbach's Alpha	N of Items
.655	3

According to Malhotra and Dash (2011), a value of 0.6 or less indicates unsatisfactory internal consistency reliability. Since support for domain has a value of Chronbach Alpha to be 0.655, it is considered to be internally consistent.

Reliability Analysis for Philanthropy Domain

Scale: ALL VARIABLES

Reliability Statistics

Cronbach's Alpha	N of Items
.699	3

The Chronbach alpha value for Philanthropy domain is close to 0.7, which means that it is also internally reliable.

Reliability Analysis for Socially Responsible Purchase and Disposal

Scale: ALL VARIABLES

Reliability Statistics

Cronbach's Alpha	N of Items
.861	21

The value of Chronbach alpha for Socially Responsible purchase and disposal is 0.861 which is very good and indicates a high internal reliability of the scale.

Findings

Data Analysis

The first part of data analysis deals with testing of hypotheses. Each of the hypotheses is tested one by one using appropriate tools from the SPSS statistical package. To test the first hypothesis H1 I conducted a multivariate test of variance (MANOVA) in which CSR and domain were used as independent variables and evaluation and purchase intent as dependent variables. The result of the MANOVA are presented in Table 1

Table 1
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.956	1023.642 ^a	2.000	94.000	.000
	Wilks' Lambda	.044	1023.642 ^a	2.000	94.000	.000
	Hotelling's Trace	21.780	1023.642 ^a	2.000	94.000	.000
	Roy's Largest Root	21.780	1023.642 ^a	2.000	94.000	.000
CSR	Pillai's Trace	.467	41.134 ^a	2.000	94.000	.000
	Wilks' Lambda	.533	41.134 ^a	2.000	94.000	.000
	Hotelling's Trace	.875	41.134 ^a	2.000	94.000	.000
	Roy's Largest Root	.875	41.134 ^a	2.000	94.000	.000

Domain	Pillai's Trace	.015	.732 ^a	2.000	94.000	.484
	Wilks' Lambda	.985	.732 ^a	2.000	94.000	.484
	Hotelling's Trace	.016	.732 ^a	2.000	94.000	.484
	Roy's Largest Root	.016	.732 ^a	2.000	94.000	.484
CSR * Domain	Pillai's Trace	.037	1.801 ^a	2.000	94.000	.017
	Wilks' Lambda	.963	1.801 ^a	2.000	94.000	.017
	Hotelling's Trace	.038	1.801 ^a	2.000	94.000	.017
	Roy's Largest Root	.038	1.801 ^a	2.000	94.000	.017

a. Exact statistic

b. Design: Intercept + CSR + Domain + CSR * Domain

Table 2
Tests of Between-Subjects Effects

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	Pur_m	48.829 ^a	4	12.207	8.201	.000
	Eval_m	101.782 ^b	4	25.446	23.209	.000
Intercept	Pur_m	2136.125	1	2136.125	1435.105	.000
	Eval_m	2077.430	1	2077.430	1894.818	.000
CSR	Pur_m	45.501	1	45.501	30.569	.000
	Eval_m	91.022	1	91.022	83.021	.000
Domain	Pur_m	2.113	1	2.113	1.419	.236
	Eval_m	.356	1	.356	.324	.570
CSR * Domain	Pur_m	.113	1	.113	.076	.074
	Eval_m	1.800	1	1.800	1.642	.023
Error	Pur_m	141.406	95	1.488		
	Eval_m	104.156	95	1.096		
Total	Pur_m	2421.222	100			
	Eval_m	2334.222	100			
Corrected Total	Pur_m	190.234	99			
	Eval_m	205.938	99			

The Table 1 shows the results of MANOVA. From this I can see that the effects of CSR on evaluation and purchase intent were significant meaning thereby that a high level of CSR would result in higher level of evaluation and purchase intent and vice versa. The results, therefore contradicts H1 and is therefore rejected.

I can also see that the effect of domain is not significant. Therefore people do not base their evaluations on the basis on the domain in which corporate

perform social responsibility. This lead me to believe that people look out for socially responsible behaviour of companies but in which domain they perform their activities does not matter much to them.

The interaction between CSR and domain is also found to be significant on purchase and evaluation. Univariate analysis indicated that the significant interaction is driven by its effect on evaluation.

To test the second hypothesis that there is no effect of the level of CSR activity communicated by the company, separate tests for each domain were conducted. In each domain the low CSR groups were compared to control groups. Similarly high CSR groups were also compared with control groups. The results of these tests are presented in the table below.

MANOVA tests for evaluation and purchase intent when domain is
Environment and CSR is low

Between-Subjects Factors

		Value Label	N
CSR	0	Control	20
	2	Low	40

Table 3
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.930	378.733 ^a	2.000	57.000	.000
	Wilks' Lambda	.070	378.733 ^a	2.000	57.000	.000
	Hotelling's Trace	13.289	378.733 ^a	2.000	57.000	.000
	Roy's Largest Root	13.289	378.733 ^a	2.000	57.000	.000
CSR	Pillai's Trace	.350	15.365 ^a	2.000	57.000	.000
	Wilks' Lambda	.650	15.365 ^a	2.000	57.000	.000
	Hotelling's Trace	.539	15.365 ^a	2.000	57.000	.000
	Roy's Largest Root	.539	15.365 ^a	2.000	57.000	.000

a. Exact statistic

b. Design: Intercept + CSR

MANOVA tests for evaluation and purchase intent when domain is
Environment and CSR is high

Between-Subjects Factors

		Value Label	N
CSR	0	Control	20
	1	Low	40

Table 4
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.971	965.826 ^a	2.000	57.000	.000
	Wilks' Lambda	.029	965.826 ^a	2.000	57.000	.000
	Hotelling's Trace	33.889	965.826 ^a	2.000	57.000	.000
	Roy's Largest Root	33.889	965.826 ^a	2.000	57.000	.000
CSR	Pillai's Trace	.047	1.405 ^a	2.000	57.000	.254
	Wilks' Lambda	.953	1.405 ^a	2.000	57.000	.254
	Hotelling's Trace	.049	1.405 ^a	2.000	57.000	.254
	Roy's Largest Root	.049	1.405 ^a	2.000	57.000	.254

a. Exact statistic

b. Design: Intercept + CSR

Comparing the above two tables we see that for environmental domain, compared to control groups low level of CSR is found to significantly reduce evaluation and purchase intent than high level of CSR.

Similarly I conducted tests for philanthropy domain and manipulating the level of CSR

MANOVA tests for evaluation and purchase intent when domain is
Philanthropy and CSR is low

Between-Subjects Factors

		Value Label	N
CSR	0	Control	20
	2	Low	40

Table 5
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.930	378.733 ^a	2.000	57.000	.000
	Wilks' Lambda	.070	378.733 ^a	2.000	57.000	.000
	Hotelling's Trace	13.289	378.733 ^a	2.000	57.000	.000
	Roy's Largest Root	13.289	378.733 ^a	2.000	57.000	.000
CSR	Pillai's Trace	.350	15.365 ^a	2.000	57.000	.000
	Wilks' Lambda	.650	15.365 ^a	2.000	57.000	.000
	Hotelling's Trace	.539	15.365 ^a	2.000	57.000	.000
	Roy's Largest Root	.539	15.365 ^a	2.000	57.000	.000

a. Exact statistic

b. Design: Intercept + CSR

MANOVA tests for evaluation and purchase intent when domain is
Philanthropy and CSR is high

Between-Subjects Factors

		Value Label	N
CSR	0	Control	20
	1	High	40

Table 6
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.971	965.826 ^a	2.000	57.000	.000
	Wilks' Lambda	.029	965.826 ^a	2.000	57.000	.000
	Hotelling's Trace	33.889	965.826 ^a	2.000	57.000	.000
	Roy's Largest Root	33.889	965.826 ^a	2.000	57.000	.000
CSR	Pillai's Trace	.047	1.405 ^a	2.000	57.000	.254
	Wilks' Lambda	.953	1.405 ^a	2.000	57.000	.254
	Hotelling's Trace	.049	1.405 ^a	2.000	57.000	.254
	Roy's Largest Root	.049	1.405 ^a	2.000	57.000	.254

a. Exact statistic

b. Design: Intercept + CSR

As can be seen for the above two tables, for the philanthropy domain as well the low level of CSR significantly reduces evaluation and purchase intent than when CSR is high. Therefore, I can conclude that for each of the domains, when compared to control groups, the low level of CSR has a more negative influence on evaluation and purchase intent than a high level of CSR. The hypothesis H2 is, therefore, rejected that the level of CSR activity communicated by the company has no effect on evaluation and purchase intent.

H3 suggests that there is no interaction between CSR and price and that price has no effect on purchase intent when CSR is low, than when it is high. To test this hypothesis I conducted a two-way analysis of variance with CSR and price as independent variables and purchase intent as dependent variable.

Table 7
Tests of Between-Subjects Effects

Dependent Variable: Pur_m

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	51.529 ^a	5	10.306	6.984	.000
Intercept	2037.756	1	2037.756	1380.976	.000
CSR	46.604	2	23.302	15.792	.000
Price	4.556	1	4.556	3.088	.082
CSR * Price	.515	2	.257	.175	.840
Error	138.706	94	1.476		
Total	2421.222	100			
Corrected Total	190.234	99			

From the table we can see that there is no significant interactions between CSR and price and therefore H3 is supported which leads us to conclude that price has indeed no effect when CSR is low. It means that consumers do not solely purchase on price and that the level of CSR matters in their purchase decisions. This idea is further bolstered by the fact that CSR has significant positive impact while price has insignificant impact on purchase decision.

H4 suggests that personal characteristics of consumers do not play a role in evaluation of CSR activity of a company. Those scoring high on socially responsible purchase and disposal are as likely to evaluate a company and purchase its products as those who score less on this trait. To test this hypothesis, first the sample was divided on the median of SRCB score of 2.318. Then MANOVA tests were conducted separately for low and high SRCB scores using CSR as independent variable and purchase intent and evaluation of company as dependent variables.

Effect of CSR on evaluation and purchase intent when SRCB was low

Table 8
Multivariate Tests^c

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.940	249.696 ^a	2.000	32.000	.000
	Wilks' Lambda	.060	249.696 ^a	2.000	32.000	.000
	Hotelling's Trace	15.606	249.696 ^a	2.000	32.000	.000
	Roy's Largest Root	15.606	249.696 ^a	2.000	32.000	.000
CSR	Pillai's Trace	.444	4.702	4.000	66.000	.202
	Wilks' Lambda	.575	5.105 ^a	4.000	64.000	.201
	Hotelling's Trace	.708	5.488	4.000	62.000	.201
	Roy's Largest Root	.660	10.889 ^b	2.000	33.000	.200

a. Exact statistic

b. The statistic is an upper bound on F that yields a lower bound on the significance level.

c. Design: Intercept + CSR

Effect of CSR on evaluation and purchase intent when SRCB is high

Table 9
Multivariate Tests^c

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.969	947.002 ^a	2.000	60.000	.000
	Wilks' Lambda	.031	947.002 ^a	2.000	60.000	.000
	Hotelling's Trace	31.567	947.002 ^a	2.000	60.000	.000
	Roy's Largest Root	31.567	947.002 ^a	2.000	60.000	.000
CSR	Pillai's Trace	.577	12.364	4.000	122.000	.000
	Wilks' Lambda	.423	16.118 ^a	4.000	120.000	.000
	Hotelling's Trace	1.363	20.105	4.000	118.000	.000
	Roy's Largest Root	1.363	41.570 ^b	2.000	61.000	.000

a. Exact statistic

b. The statistic is an upper bound on F that yields a lower bound on the significance level.

c. Design: Intercept + CSR

From the tables we can see that the effect of CSR on evaluation and purchase intent is significant when SRCB is high then when it is low, therefore H5 is also supported. Thus the personal traits of consumers do play a role in evaluating CSR of companies.

According to H5 CSR will have a stronger impact on evaluation and purchase intent for consumers who more strongly support the domain of the company's social responsibility programs than for those who exhibit weaker support. To test this I divided the sample into two parts based on the median values of support for environment and philanthropy domains. MANOVA was calculated separately for environment and philanthropy domains using CSR as independent variable and evaluation and purchase as dependant variable.

Effect of CSR on evaluation and purchase intent when support for domain (Environment) is high

Between-Subjects Factors

		Value Label	N
CSR	1	High	15
	2	Low	11

Table 10
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.940	181.748 ^a	2.000	23.000	.000
	Wilks' Lambda	.060	181.748 ^a	2.000	23.000	.000
	Hotelling's Trace	15.804	181.748 ^a	2.000	23.000	.000
	Roy's Largest Root	15.804	181.748 ^a	2.000	23.000	.000
CSR	Pillai's Trace	.306	5.077 ^a	2.000	23.000	.015
	Wilks' Lambda	.694	5.077 ^a	2.000	23.000	.015
	Hotelling's Trace	.441	5.077 ^a	2.000	23.000	.015
	Roy's Largest Root	.441	5.077 ^a	2.000	23.000	.015

a. Exact statistic

b. Design: Intercept + CSR

Effect of CSR on evaluation and purchase intent when support for
domain (Environment) is low

Between-Subjects Factors

		Value Label	N
CSR	1	High	25
	2	Low	29

Table 11
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.968	778.066 ^a	2.000	51.000	.000
	Wilks' Lambda	.032	778.066 ^a	2.000	51.000	.000
	Hotelling's Trace	30.512	778.066 ^a	2.000	51.000	.000
	Roy's Largest Root	30.512	778.066 ^a	2.000	51.000	.000
CSR	Pillai's Trace	.679	53.969 ^a	2.000	51.000	.000
	Wilks' Lambda	.321	53.969 ^a	2.000	51.000	.000
	Hotelling's Trace	2.116	53.969 ^a	2.000	51.000	.000
	Roy's Largest Root	2.116	53.969 ^a	2.000	51.000	.000

a. Exact statistic

b. Design: Intercept + CSR

Effect of CSR on evaluation and purchase intent when support for
domain (Philanthropy) is high

Between-Subjects Factors

		Value Label	N
CSR	1	High	24
	2	Low	24

Table 12
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.960	534.838 ^a	2.000	45.000	.000
	Wilks' Lambda	.040	534.838 ^a	2.000	45.000	.000
	Hotelling's Trace	23.771	534.838 ^a	2.000	45.000	.000
	Roy's Largest Root	23.771	534.838 ^a	2.000	45.000	.000

CSR	Pillai's Trace	.479	20.691 ^a	2.000	45.000	.000
	Wilks' Lambda	.521	20.691 ^a	2.000	45.000	.000
	Hotelling's Trace	.920	20.691 ^a	2.000	45.000	.000
	Roy's Largest Root	.920	20.691 ^a	2.000	45.000	.000

a. Exact statistic

b. Design: Intercept + CSR

Effect of CSR on evaluation and purchase intent when support for domain (Philanthropy) is low

Between-Subjects Factors

		Value Label	N
CSR	1	High	16
	2	Low	16

Table 13
Multivariate Tests^b

Effect		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.962	363.146 ^a	2.000	29.000	.000
	Wilks' Lambda	.038	363.146 ^a	2.000	29.000	.000
	Hotelling's Trace	25.045	363.146 ^a	2.000	29.000	.000
	Roy's Largest Root	25.045	363.146 ^a	2.000	29.000	.000
CSR	Pillai's Trace	.639	25.635 ^a	2.000	29.000	.000
	Wilks' Lambda	.361	25.635 ^a	2.000	29.000	.000
	Hotelling's Trace	1.768	25.635 ^a	2.000	29.000	.000
	Roy's Largest Root	1.768	25.635 ^a	2.000	29.000	.000

a. Exact statistic

b. Design: Intercept + CSR

From the above four tables I concluded that support for a particular domain does not necessarily increase the chances of a more positive evaluation when the company indulges itself in that particular CSR activity. Hence H5 is supported that there is no effect of the consumer's personal inclination for a particular domain on evaluation and purchase intent when companies communicate their CSR in a specific domain

DISCUSSION AND COMPARISON OF RESULTS

It is found that the purchase intent is affected by the level of CSR activity of

the company. A high level of CSR would result in more positive evaluation and stronger purchase intent than a low level of CSR. According to Mohr and Webb (2005), when a similar study was conducted on American adults, they also found significant interaction between CSR and purchase intent for the products of the company. This means that people in general have an inclination to purchase from socially responsible companies. This idea is further strengthened by the findings of a study done by Singh et al (2007), where it was found that there was no significant statistical difference between consumers from UK and Spain about how they perceive communication on social responsibility issues. Hence, companies should try to be responsible citizens by engaging in community development, philanthropic and environmental development programmes.

The findings indicate that in Indian scenario whereas consumers expect companies to be socially responsible they are not affected by the domain in which companies commit themselves to be socially responsible i.e. companies can engage in whatever activities they can contribute to most positively and efficiently. However this is in contrast to the study done in US. There people do not view activities conducted in different domains to be equal. They view work done towards environmental well being as different from philanthropic activities. Such a variation may be because of higher awareness and education levels that people may differentiate between the two.

Also it is found here that people who support a particular cause are not more likely to favour those companies that communicate their CSR activities in that domain. However we see in case of American people, it can be said that they are biased towards those companies that work in the domain to which they support.

Singh et al. (2007) says that consumers from UK are most interested in environmental and social issues than their counterparts in Spain. Also people in Spain were of the view that communications about CSR activities were poorly visible and they had minor influence on overall evaluation of the company when its CSR activity was communicated than when it was not. Therefore we can conclude that people in Spain are generally not affected by the level of socially responsible activities of companies. But

from our country's perspective we can say that Indians as a society value the socially responsible behaviour of companies.

Another finding of the study was that those scoring high on socially responsible purchase and disposal are more likely to be influenced by level of corporate social activity than those scoring low on this domain. These results were found to be consistent with the study carried out on US nationals.

Summary of Findings

- There was a positive evaluation of the company and higher level of purchase intent when the level of CSR was high then when it was low.
- A low level of CSR has a more profounding effect on evaluation and purchase intent than a high level of CSR when compared with situations in which the CSR activity was controlled (no CSR mentioned).
- When CSR was low price had a weaker effect on purchase intent i.e. people did not purchase solely on basis of price even if corporates fared badly on their social behaviour
- Similarly when CSR was high, price played an important factor in decisions regarding evaluation and purchase intent
- Personal traits of consumers played an important role on how strongly they respond to a company's level of social responsibility
- When the level of SRCB was high, there was a stronger effect of CSR on purchase and evaluation of companies
- However when SRCB was low CSR did not have desired effect on evaluation and purchase intent.
- People showed considerable influence on purchase and evaluation even if they did not supported the domain strongly in which the company directed its CSR activities.
- Therefore people in general were affected by the level of CSR activities of companies irrespective of which domain they directed their energies.

Managerial Implications

The study has tried to assess the impact of CSR initiatives on the purchase intent and evaluation of a company. It can therefore provide key insights to

marketing professionals about how they should go about the idea of communicating their CSR activities to consumers in order to create a strong brand value and higher brand recall while making purchases of products of the said company.

It tries to break away the myth that the Indian buyer is a very price conscious buyer and would purchase any product solely on the basis on price alone irrespective of what harm the product or the process through which it is made does to the environment or the society. Also consumers are affected by how well a company fares in its objective of being a social institution and ploughs back a percentage of its profits back to the society in form of philanthropic activities.

From the analysis it is evident that a high level of CSR does favourably affect purchase intent and evaluation of a company. Thus managers need to make a point to effectively communicate their CSR activities to create more positive evaluation and thus a higher level of purchase decisions of products of their companies.

Also since consumers are not affected to a great extent to what domain the companies direct their CSR activities, managers can rest assured that they need not be worried about which specific social cause they should engage in. People generally expect companies to work in an atmosphere of friendliness where both society and corporates prosper. They expect that companies should not be over enthusiastic in their endeavours of earning greater profits and should indulge in giving back to community in whatever way they can.

Since price is not sole factor on the basis of which consumers make their purchase decisions, managers can expect to charge premium prices for their products but only if consumers perceive such brands to be adequately giving back to the environment and society.

It is to be noted that personal traits of a consumer can have an impact of how it evaluates the level of CSR of a company. For a person scoring high on the scale of socially responsible purchase and disposal CSR will have a stronger impact on evaluation and purchase intent than when SRCB is low.

Managers, therefore, have to take care of such self-righteous people, activist groups and NGO's who will expect companies to also be self-righteous as well in whatever products they offer and causes they associate themselves with. Implications for managers will be to look out for influential members of such a community and keep them in good stead since a positive word-of-mouth publicity would go a long way in building a brand value for the products of a the company. On the other hand if such persons go about bad-mouthing the company there can be irreparable loss to its brand value.

Limitations

- Since the study involved scenario based experiments, whereby respondents were asked to role-play by imagining themselves in the given scenario, it is possible that they paid more attention to CSR than what they would in a real life situation.
- The study consisted of a sample of 100 respondents. Actual field studies usually have a much larger sample.
- Though the nature of the study and the meaning of questions were explained to the respondents, yet the possibility of respondent error in answering the questions cannot be ruled out.
- The sample consisted of shoppers visiting prominent shopping malls. Generally a more affluent and educated class of shoppers visit such malls and thus the sample may not be representative of the target population of general shoppers.
- Due to constraints of time and resources, the area of sampling was limited to the areas in and around Chandigarh.

Scope for Further Study

The study found a strong relationship between the CSR of a company and the purchase intent and evaluation of the company by the consumers. This can be further strengthened by conducting field experiments involving actual purchases. For example, consumers can be made aware of the CSR activities of different companies and the price they charge for their products. They can then be asked to purchase products of their choice arranged on a shelf.

A larger sample can be considered in order to make the study more comprehensive and broad based.

In order to make the sample population more representative the sample may be drawn from shoppers in common market places, bazaars or even weekly markets rather than confining to shopping places.

The area of sampling should be enlarged to cover a state or a combination of cities in two or three states, or cities in different regions of the country(e.g. four metropolitan cities) if time and budget permit.

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