Structural Capital: A Comparative Study between Banking and Reality Sector of India

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Structural capital is that infrastructure, processes, procedures and databases of the organization that help human capital to function (Maddocks & Beaney, 2002). In order to gain perspective on the concept of structural capital an extensive review of literature was carried out. Objective of the study is to see whether there is a statistically significant difference between the different factors of structural capital for reality and banking sector. This study concentrates on banking and reality sector of India. The basis of selection of banking and reality sector organizations was the top 3 private banks, public banks and reality sector organizations according to the Net Sales for 2012 as given in Prowess database.

The data were collected using the questionnaire formulated after the Review of Literature. The questionnaire had 123 questions. 12 hypotheses were formulated and mean scores were calculated; also chi-square test was applied using PASW.

It was found that all the 12 factors show statistically significant difference in the means of reality and banking sector, it means that both the sector give different weightage to different factors of structural capital.

Keywords: *System, Information System and Participation .*

INTRODUCTION

Our economy is evolving from being an agrarian economy, to industrial economy to service economy to knowledge economy to a wisdom economy. So, the nature of our economy has made it necessary to understand the concept of structural capital. As new employees, who will replace old employees can always learn from these structures so that the significance of the employees who leave diminishes.

Structural capital is that infrastructure, processes, procedures and databases of the organization that help human capital to function (Maddocks & Beaney, 2002). "Structural capital includes things like, buildings, hardwares, softwares, processes, patents, trademarks, organization's image, information system, and proprietary databases" (Essays UK, 2013). "Structural capital can be classified into organization capital, process capital and innovation capital. Organizational capital includes the organization philosophy and systems for" (Essays UK, 2013) improving the performance of the organization.

Process capital includes the processes, i.e., techniques, procedures, and programs that implement and augment the delivery of goods and services. Innovation capital includes intellectual properties and intangible assets (Edvinsson & Malone, 1997). Intellectual properties are commercial rights that are protected like copyrights and trademarks. Intangible assets are all of the other talents and theory by which an organization is run.

REVIEW OF LITERATURE

In order to gain perspective on the concept of structural capital an extensive review of literature was carried out. It was found that hardly any literature is available on this topic in India which means not much work has been done on this area in India.

Table No. 1.1 has been formulated stating the definitions given by different researchers.

Table No. 1.1: Conceptualization of Structural Capital	
Authors	Definitions of Structural Capital
Bontis, (1996)	Those technologies, methodologies and processes that make the functioning of the organization possible, this is, basically the elements that define the working mode of the firm.
Kogut & Zander, (1996)	Elements that belong to the organization and that facilitates its configuration as an entity providing coherence and superior principles for coordination.
Euroforum, (1998)	Knowledge that can be reproduced and shared and, therefore, becomes somewhat explicit.
Camison, Palacios, & Devece, (2000)	Knowledge that the organization has internalized and that remains within its structure processes or culture although employees leave.
Carson, Ranzijn, Winefield, & Marsden, (2004)	Processes and procedures that arise from employee intellectual contribution.
Ordonez de Pablos, (2004)	Knowledge that remains in the organization when employees return to their homes and, therefore, is owned by the firm. In this sense, SC is integrated by organizational routines, strategies, process manuals, and databases.
Alama, (2007)	Intangibles that determine the manner of working of a company.

(Essays UK, 2013)

Aziz, Sharabati, Jawad & Bontis, (2010) conducted a research on intellectual capital and business performance in the pharmaceutical sector of Jordan. In this study 132 top and middle level managers drawn from Jordanian Association of Pharmaceutical Manufacturers (JAPM). The survey instrument was based on Bontis' intellectual capital questionnaire (Bontis, 1998a). The study has taken three factors of structural capital into consideration i.e., Systems and programs (S&P), Research and Development (R& D), and Intellectual Property Rights (IPR).

In this research, the following tests were applied:

- To test normal distribution Kolmogorov Smirnov for all dependent and independent variables.

- Cronbach alpha to test the reliability.

- To test validity factor analysis (i.e., Pearson's principal component analysis) was conducted with and without rotation (i.e., Varimax rotation with Kaiser normalization).

- Pearson's bivariate correlation coefficient to test relationship between independent and dependent variables.

- ANOVA test to analyze respondents' characteristics related to gender, age, education, experience, department, and sector.

- Before conducting multiple regression analysis, a test of multi-collinearity using the VIF (variance inflation factor) was also conducted.

- Partial Least Squares (PLS Graph v.3.00) was used to test conceptual model and relationships among independent and dependent variable.

- Path analysis.

(Youndt & Snell, 2004) define organizational capital as representing institutionalized knowledge and codified experience stored in databases, routines, manuals, structures, patents, trademarks and so forth.

They also state that organizational capital is also embedded in standard operating procedures, business processes, rules, routines, and informal "ways of doing business".

The results of the above stated study were that:

- Both documentation (β = 0.227, p = 0.01) and information systems (β = 0.271, p = 0.01) HR configurations were significantly related to an organization's level of organizational capital, supporting the above two Hypothesis.

- Organizational capital (β = 0.189, p = 0.05) was significantly related to organizational performance, providing string support for the Hypothesis 3.

Under Documentation HR Configurations the following statements were used:

➢ We encourage employees to write "lessons learned" reports after learning experiences (employee exchange programs, projects etc.).

➢ Our employees help redesign work systems.

➢ We encourage our employees to continuously update our company's knowledge databases.

➢ We have a successful employee suggestion program.

Under Information Systems the following statements were used:

➢ Our information systems are user-friendly.

➢ Our information systems are accessible to all employees.

➢ Our information systems are integrated with each other.

➢ We utilize groupware, email, etc.

RESEARCH METHODOLOGY

Objective of the study is to see whether there is a statistically significant difference between the different factors of structural capital for reality and banking sector.

SCOPE OF THE STUDY

This study concentrates on banking and reality sector of India, the basis of selection of banking and reality sector organizations was the top 3 private banks, public banks and reality sector organizations according to the Net Sales for 2012 as given in Prowess database. Table No. 1.2 to Table No. 1.4 gives the details of the organizations and their net sales according to Prowess database.

Table No. 1.2 Net Sales for Top Private Sector Banks	
Company Name	Annual Interim Consolidated
	Rs. Million
	March 2012
	Net sales
I C I C I Bank Ltd.	379948.6
H D F C Bank Ltd.	276055.6
Axis Bank Ltd.	219949

Table No. 1.3 Net Sales for Top Public Sector Banks	
Company Name	Annual Interim Consolidated
	Rs. Million
	March 2012
	Net sales
SBI	1471973.9
PNB	374473.1
Canara Bank	308156.4

Table No. 1.4 Net Sales for Top 3 Real Estate Companies	
Company Name	Annual Interim Consolidated
	Rs. Million
	March 2012
	Net sales
D L F Ltd.	96293.8
Jaypee Infratech Ltd.	92050
Omaxe Ltd.	18487.5

DATA COLLECTION

The data were collected using the questionnaire formulated after the Review of Literature, the questionnaire had 123 questions and Table No. 1.5 gives the details of the studies which have been used for formulation of the questionnaire.

Table No. 1.5 Table showing variables and factors taken from various researches		
S.No.	Factor	Research
1.	System	(Topal, Conkar & Mustafa, 2008), (Bontis, 1998b), (Aziz, Sharabati, Jawad, & Bontis, 2010), (Sofian, Tayles, & Richard, 2005), (Youndt & Snell, 2004)
2.	Research and Development	(Aziz, Sharabati, Jawad, & Bontis, 2010)
3.	Intellectual Property Rights	(Amiri, Jandghi, Alvani, Hosnavi, & Majid, 2010), (Sofian, Tayles, & Richard, 2005), (Youndt & Snell, 2004)
4.	Information System	(Topal, Conkar & Mustafa, 2008), (Bontis, 1998b), (Youndt & Snell, 2004), (Aziz, Sharabati, Jawad, & Bontis, 2010), (Sofian, Tayles, & Richard, 2005)
5.	Culture	(Topal, Conkar & Mustafa, 2008), (Bontis, 1998a), (Amiri, Jandghi, Alvani, Hosnavi, & Majid, 2010), (Youndt & Snell, 2004)
6.	Learning Organization	(Topal, Conkar & Mustafa, 2008), (Bontis, 1998a), (Amiri, Jandghi, Alvani, Hosnavi, & Majid, 2010), (Sofian, Tayles, & Richard, 2005)
7.	New Ideas	(Bontis, 1998a), (Sofian, Tayles, & Richard, 2005), (Amiri, Jandghi, Alvani, Hosnavi, & Majid, 2010), (Human Factor International, 2011)
8.	Documentation	(Youndt & Snell, 2004)
9.	Strategy	(Amiri, Jandghi, Alvani, Hosnavi, & Majid, 2010)
10.	Communication	(Human Factor International, 2011)
11.	Authority and Responsibility	(Human Factor International, 2011)
12.	Participation	(Human Factor International, 2011)

The details of data collection are given in Table No. 1.6 and Table No. 1.7.

Table No. 1.6 showing details of data collection from banks				
S.No.	Name of Banks	Actual	Target	Gap
1.	State Bank of India	31	31	0
2.	Punjab National Bank	31	31	0
3.	Canara Bank	24	31	7
4.	ICICI Bank Ltd.	31	31	0
5.	HDFC Bank Ltd.	24	31	7
6.	Axis Bank Ltd.	15	31	16
	TOTAL	156	186	30

Table No. 1.7 showing details of data collection from real estate organizations				
S.No.	Name of Real Estate Organizations	Actual	Target	Gap
1.	DLF Ltd.	3	31	28
2.	Jaypee Infratech Ltd.	31	31	0
3.	Omaxe Ltd.	13	31	18
	Total	47	93	46

It was decided that 31 is a large sample hence, at least 31 respondents from both banking and reality sector should be there. Therefore, total number of responses from banking sector and reality sector are more than 31.

HYPOTHESES

Null Hypothesis 1 (HO 1): There is no statistically significant difference between the means of the factor system of banking and reality sector.

Alternative Hypothesis 1 (HA 1): There is statistically significant difference between the mean scores for factor system of banking and reality sector.

Null Hypothesis 2 (HO 2): There is no statistically significant difference between the means of the factor research and development of banking and reality sector.

Alternative Hypothesis 2 (HA 2): There is statistically significant difference between the mean scores for factor research and development of banking and reality sector.

Null Hypothesis 3 (HO 3): There is no statistically significant difference between the means of the factor intellectual property rights of banking and reality sector.

Alternative Hypothesis 3 (HA 3): There is statistically significant difference between the mean scores for factor intellectual property rights of banking and reality sector.

Null Hypothesis 4 (HO 4): There is no statistically significant difference between the means of the factor information system of banking and reality sector.

Alternative Hypothesis 4 (HA 4): There is statistically significant difference between the mean scores for factor information system of banking and reality sector.

Null Hypothesis 5 (HO 5): There is no statistically significant difference between the means of the factor culture of banking and reality sector.

Alternative Hypothesis 5 (HA 5): There is statistically significant difference between the mean scores for factor culture of banking and reality sector.

Null Hypothesis 6 (HO 6): There is no statistically significant difference between the means of the factor learning organization of banking and reality sector.

Alternative Hypothesis 6 (HA 6): There is statistically significant difference between the mean scores for factor learning organization of banking and reality sector.

Null Hypothesis 7 (HO 7): There is no statistically significant difference between the means of the factor new ideas of banking and reality sector.

Alternative Hypothesis 7 (HA 7): There is statistically significant difference between the mean scores for factor new ideas of banking and reality sector.

Null Hypothesis 8 (HO 8): There is no statistically significant difference between the means of the factor documentation of banking and reality sector.

Alternative Hypothesis 8 (HA 8): There is statistically significant difference between the mean scores for factor documentation of banking and reality sector.

Null Hypothesis 9 (HO9): There is no statistically significant difference between the means of the factor strategy of banking and reality sector.

Alternative Hypothesis 9 (HA 9): There is statistically significant difference between the mean scores for factor strategy of banking and reality sector.

Null Hypothesis 10 (HO 10): There is no statistically significant difference between the means of the factor communication of banking and reality sector.

Alternative Hypothesis 10 (HA 10): There is statistically significant difference between the mean scores for factor communication of banking and reality sector.

Null Hypothesis 11 (HO 11): There is no statistically significant difference between the means of the factor authority responsibility of banking and reality sector.

Alternative Hypothesis 11 (HA 11): There is statistically significant difference between the mean scores for factor authority responsibility of banking and reality sector.

Null Hypothesis 12 (HO 12): There is no statistically significant difference between the means of the factor participation of banking and reality sector.

Alternative Hypothesis 12 (HA 12): There is statistically significant difference between the mean scores for factor participation of banking and reality sector.

DATA ANALYSIS

Chi square test has been applied on SPSS 20 for analysis purpose as most of the data is non normal.

Table No. 1.8 Chi square test for reality and banking sector for the factor system

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	68.440a	32	0.000
Likelihood Ratio	71.761	32	0.000
Linear-by-Linear Association	18.671	1	0.000
N of Valid Cases	202		

a. 52 cells (78.8%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.9 Chi square test for reality and banking sector for the factor research and development

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	69.811a	30	0.000
Likelihood Ratio	77.429	30	0.000
Linear-by-Linear Association	0.876	1	0.349
N of Valid Cases	202		

a. 51 cells (82.3%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.10 Chi square test for reality and banking sector for the factor intellectual property rights

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	96.918a	39	0.000
Likelihood Ratio	97.424	39	0.000
Linear-by-Linear Association	2.816	1	0.093
N of Valid Cases	202		

a. 70 cells (87.5%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.11 Chi square test for reality and banking sector for the factor information system

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	67.964a	26	0.000
Likelihood Ratio	80.915	26	0.000
Linear-by-Linear Association	16.313	1	0.000
N of Valid Cases	202		

a. 39 cells (72.2%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.12 Chi square test for reality and banking sector for the factor culture

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	58.241a	25	0.000
Likelihood Ratio	64.443	25	0.000
Linear-by-Linear Association	15.109	1	0.000
N of Valid Cases	202		

a. 39 cells (75.0%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.13 Chi square test for reality and banking sector for the factor learning organization

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48.125a	21	0.001
Likelihood Ratio	54.990	21	0.000
Linear-by-Linear Association	3.284	1	0.070
N of Valid Cases	202		

a. 33 cells (75.0%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.14 Chi square test for reality and banking sector for the factor new ideas

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	78.448a	48	0.004
Likelihood Ratio	92.168	48	0.000
Linear-by-Linear Association	0.020	1	0.888
N of Valid Cases	202		

a. 90 cells (91.8%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.15 Chi square test for reality and banking sector for the factor documentation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	41.197a	15	0.000
Likelihood Ratio	43.581	15	0.000
Linear-by-Linear Association	4.129	1	0.042
N of Valid Cases	202		

a. 20 cells (62.5%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.16 Chi square test for reality and banking sector for the factor strategy

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.855a	14	0.020
Likelihood Ratio	30.304	14	0.007
Linear-by-Linear Association	0.820	1	0.365
N of Valid Cases	202		

a. 18 cells (60.0%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.17 Chi square test for reality and banking sector for the factor communication

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	65.543a	26	0.000
Likelihood Ratio	72.024	26	0.000
Linear-by-Linear Association	3.170	1	0.075
N of Valid Cases	202		

a. 42 cells (77.8%) have expected count less than 5. The minimum expected count is 0 .23.

Table No. 1.18 Chi square test for reality and banking sector for the factor authority & responsibility

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	69.998a	28	0.000
Likelihood Ratio	73.612	28	0.000
Linear-by-Linear Association	1.502	1	0.220
N of Valid Cases	202		

a. 46 cells (79.3%) have expected count less than 5. The minimum expected count is 0.23.

Table No. 1.19 Chi square test for reality and banking sector for the factor participation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	55.954a	32	0.005
Likelihood Ratio	62.817	32	0.001
Linear-by-Linear Association	0.911	1	0.340
N of Valid Cases	202		

a. 54 cells (81.8%) have expected count less than 5. The minimum expected count is 0.23.

In Table No. 1.8 Pearson Chi square has a value of 68.440 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor system of reality and banking sector i.e., we reject null hypothesis HO 1 in favour of alternative hypothesis HA 1.

In Table No. 1.9 Pearson Chi square has a value of 69.811 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor research and development of reality and banking sector i.e., we reject null hypothesis HO 2 in favour of alternative hypothesis HA 2.

In Table No. 1.10 Pearson Chi square has a value of 96.918 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor intellectual property rights of reality and banking sector i.e., we reject null hypothesis HO 3 in favour of alternative hypothesis HA 3.

In Table No. 1.11 Pearson Chi square has a value of 67.964 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor information system of reality and banking sector i.e., we reject null hypothesis HO 4 in favour of alternative hypothesis 4.

In Table No. 1.12 Pearson Chi square has a value of 58.241 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor culture of reality and banking sector i.e., we reject null hypothesis HO 5 in favour of alternative hypothesis HA 5.

In Table No. 1.13 Pearson Chi square has a value of 48.125 with 0.001 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor learning organization of reality and banking sector i.e., we reject null hypothesis HO 6 in favour of alternative hypothesis HA 6.

In Table No. 1.14 Pearson Chi square has a value of 78.448 with 0.004 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor new ideas of reality and banking sector i.e., we reject null hypothesis HO 7 in favour of alternative hypothesis HA 7.

In Table No. 1.15 Pearson Chi square has a value of 41.197 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor documentation of reality and banking sector i.e., we reject null hypothesis HO 8 in favour of alternative hypothesis HA 8.

In Table No. 1.16 Pearson Chi square has a value of 26.855 with 0.020 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor strategy of reality and banking sector i.e., we reject null hypothesis HO 9 in favour of alternative hypothesis HA 9.

In Table No. 1.17 Pearson Chi square has a value of 65.543 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor communication of reality and banking sector i.e., we reject null hypothesis HO 10 in favour of alternative hypothesis HA 10.

In Table No. 1.18 Pearson Chi square has a value of 69.998 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor Authority & Responsibility of reality and banking sector i.e., we reject null hypothesis HO 11 in favour of alternative hypothesis HA 11.

In Table No. 1.19 Pearson Chi square has a value of 55.954 with 0.005 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant, which means that there is statistically significant difference between the means of the factor participation of reality and banking sector i.e., we reject null hypothesis HO 12 in favour of alternative hypothesis HA 12.

Results

Table No. 1.20 Results of Chi square test compiled			
NULL HYPOTHESIS	REJECT/FAIL TO REJECT	DATA SUPPORT	INFERENCE
HO 1: There is no statistically significant difference between the means of the factor system of reality and banking sector.	Reject	Pearson Chi square has a value of 68.440 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor system of reality and banking sector.
HO 2: There is no statistically significant difference between the means of the factor research and development of reality and banking sector.	Reject	Pearson Chi square has a value of 69.811 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor research and development of reality and banking sector.
HO 3: There is no statistically significant difference between the means of the factor intellectual property rights of reality and banking sector.	Reject	Pearson Chi square has a value of 96.918 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor intellectual property rights of reality and banking sector.
HO 4: There is no statistically significant difference between the means of the factor information system of reality and banking sector.	Reject	Pearson Chi square has a value of 67.964 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor information system of reality and banking sector.
HO 5: There is no statistically significant difference between the means of the factor culture of reality and banking sector.	Reject	Pearson Chi square has a value of 58.241 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor culture of reality and banking sector.
HO 6: There is no statistically significant difference between the means of the factor learning organization of reality and banking sector.	Reject	Pearson Chi square has a value of 48.125 with 0.001 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor learning organization of reality and banking sector.
HO 7: There is no statistically significant difference between the means of the factor new ideas of reality and banking sector.	Reject	Pearson Chi square has a value of 78.448 with 0.004 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor new ideas of reality and banking sector.
HO 8: There is statistically significant difference between the means of the factor documentation of reality and banking sector.	Reject	Pearson Chi square has a value of 41.197 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor documentation of reality and banking sector.
HO 9: There is no statistically significant difference between the means of the factor strategy of reality and banking sector.	Reject	Pearson Chi square has a value of 26.855 with 0.020 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor strategy of reality and banking sector.

NULL HYPOTHESIS	REJECT/FAIL TO REJECT	DATA SUPPORT	INFERENCE
HO 10: There is no statistically significant difference between the means of the factor communication of reality and banking sector.	**Reject**	Pearson Chi square has a value of 65.543 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor communication of reality and banking sector.
HO 11: There is no statistically significant difference between the means of the factor Authority & Responsibility of reality and banking sector.	**Reject**	Pearson Chi square has a value of 69.998 with 0.000 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor Authority & Responsibility of reality and banking sector.
HO 12: There is no statistically significant difference between the means of the factor participation of reality and banking sector.	**Reject**	Pearson Chi square has a value of 55.954 with 0.005 significance. This significance value is well below alpha level of 0.05 and is thus statistically significant.	There is statistically significant difference between the means of the factor participation of reality and banking sector.

Table No. 1.21 Mean scores for Reality and Banking sector

Descriptives		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
system	Reality	47	3.4766	.39927	.05824	3.3594	3.5938	2.67	4.27
	Bank	157	3.8318	.48202	.03847	3.7559	3.9078	2.07	4.73
rd	Reality	47	3.6638	.62151	.09066	3.4813	3.8463	2.00	4.20
	Bank	157	3.8051	.69796	.05570	3.6951	3.9151	1.70	5.00
ip	Reality	47	3.4823	.53662	.07827	3.3247	3.6398	1.80	4.20
	Bank	157	3.2866	.76782	.06128	3.1656	3.4077	1.00	5.00
is	Reality	47	3.6915	.40638	.05928	3.5722	3.8108	2.20	4.50
	Bank	157	4.1166	.64806	.05172	4.0144	4.2187	1.70	5.00
cul	Reality	47	3.6234	.39465	.05756	3.5075	3.7393	2.40	4.70
	Bank	157	3.9439	.49033	.03913	3.8667	4.0212	2.30	5.00
lo	Reality	47	3.8024	.41227	.06014	3.6814	3.9235	2.29	4.57
	Bank	157	3.9763	.61057	.04873	3.8801	4.0726	1.57	5.00
ni	Reality	47	3.6324	.42271	.06166	3.5083	3.7565	1.61	4.28
	Bank	157	3.6638	.67758	.05408	3.5570	3.7707	1.33	4.83
doc	Reality	47	3.5000	.64900	.09467	3.3094	3.6906	1.00	4.75
	Bank	157	3.7755	.75754	.06046	3.6561	3.8949	1.25	5.00
strategy	Reality	47	3.5904	.48180	.07028	3.4490	3.7319	1.75	4.50
	Bank	157	3.4936	.68871	.05496	3.3851	3.6022	1.50	5.00
com	Reality	47	3.7723	.37861	.05523	3.6612	3.8835	2.20	4.60
	Bank	157	3.9452	.59393	.04740	3.8516	4.0389	1.80	5.00
ar	Reality	47	3.7830	.42443	.06191	3.6584	3.9076	2.30	4.80
	Bank	157	3.9210	.69762	.05568	3.8110	4.0310	1.20	5.00
par	Reality	47	3.6511	.31956	.04661	3.5572	3.7449	3.00	4.50
	Bank	157	3.7713	.76770	.06127	3.6503	3.8924	1.00	5.00

FINDINGS

Following findings can be inferred from Table No. 1.21:

1. The mean score for first factor system of banking sector (3.83) is greater than that of reality sector (3.48) which implies banking sector has more pronounced recruitment, selection, reward systems.

2. The mean score for second factor research and development of banking (3.80) is greater than that of reality sector (3.66) which means that banking sector spends more on research and development than reality sector.

3. The mean score for intellectual property rights of reality sector (3.48) is greater than that of banking sector (3.28) as it was also noticed during data collection that banking sector does not focus on intellectual property rights.

4. The mean score of banking sector (4.12) is greater than that of reality sector (3.69) for the fourth factor information system as banks need strong information systems.

5. The mean score of banking sector (3.94) is greater than that of reality sector (3.62) for the factor culture.

6. The mean score for the factors learning organization, new ideas, documentation, communication, authority & responsibility and participation of banking sector (3.98, 3.66, 3.77, 3.94, 3.92, and 3.77) is greater than that of reality sector (3.80, 3.63, 3.50, 3.77, 3.78, 3.65).

7. The mean score of the factor strategy of reality sector (3.59) is greater than that of banking sector (3.49).

CONCLUSION

It can be clearly inferred from Table 1.20 that all the 12 factors show statistically significant difference in the means of reality and banking sector, it means that both the sector give different weightage to different factors of structural capital.

According to the findings stated in the above section it can be clearly stated that banking sector emphasizes more on structural capital concept than the reality sector.

RECOMMENDATIONS

It is recommended that reality sector should also build its structures in order to ensure that it does not depend too much on the human capital. Although reality sector does have a strong strategy but in times of crisis these strategies are not the only way out for instance currently due to demonetization the sector is expected to suffer a huge loss and in such hard times structural capital can be a panacea. Thus, reality sector should spend time, money and effort on the factors system, research and development, information system, culture, learning organization, new ideas, documentation, communication, authority & responsibility and participation.

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