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FROM THE DESK OF THE EDITOR

A warm welcome to the third issue of “**Amity Journal of Management (AJM)**”

Volume 3, Number 2 of AJM presents diversified business views in front of its readers. To justify the scope of current issue a very apt subtitle – People, Process and Beyond has been selected.

Most of the articles published in this edition are authored by eminent professors of various Business Institutes of our country. Journal starts with the understanding of the impact of e-service quality on customer satisfaction. The empirical research done on the topic suggests that e-service counters are satisfying their customers on various factors laid by Parasuraman et al. (1985).

The second article is based upon the in-store factors which act as promoters to push impulse purchase of goods. It gives comprehensive idea about in-store factors which boost impulse purchase. This research reveals the role of Price factor, Trial factor, Staff Attitude, Visual merchandising and Convenience & Store images on impulse buying of respondents with respect to their demographic profile such as Gender, Education and Age. Our third article is related to

the labour reforms. It depicts a chronology of initiatives undertaken by the government and the reactions of trade unions and employers towards the same. The fourth article is based on the education system in Gujarat. This study states that it is desirable to focus on taking initiatives for making institutions stronger. Education system in Gujarat should put stronger efforts to improve education quality and must involve education institutions in the economic development activities of India.

Finally we present a book review based on investment banking (Concept, Analysis and Cases). The review is terse, yet effective and elicits major issues discussed in the book.

Diversified topics on Marketing, Technology, Human Resource Management and Finance make this issue very attractive and worthy to be read.

So, enjoy your reading and be a part of the change.

Dr. Anil Vashisht
Chief Editor (AJM)

* * *

ROLE OF INSTITUTIONS IN MANAGING SOCIAL SECTOR: A PERSPECTIVE ON EDUCATION IN GUJARAT

¹Dr. Yogesh C. Joshi, ²Dr. Soumendra Dash

ABSTRACT

The paper discusses the role of quality institutions in the development and progress of the social sector. A case of the education sector in Gujarat is considered for driving home the point that good institutions can help produce more efficient results for the economy in terms of faster economic development. The study concludes that, despite decent achievements, the quality and quantum of objectives achieved are still far from desirable levels and are well short of the gains which would have been made with good quality of institutions. Thus, it is further desirable to focus on taking initiatives for making institutions stronger for more efficient transformation of efforts into improving education quality and standards for economic development in India.

Keywords: Institutional Economics, Higher Education

INTRODUCTION

It is evident that all nations have made significant gains in achieving Millennium Development Goals (MDGs). However, most of the Asian underdeveloped nations still face tremendous challenges, like most of the developing world nations, in furthering goals of MDGs and Sustainable development goals (SDGs). The paper discusses the role of quality institutions in the development and progress of the social sector. A case of the education sector in Gujarat is considered for driving home the point that good institutions can help produce more efficient results for the economy in terms of faster economic development. It discusses the progress made in the education sector in one of the districts in the Indian state of Gujarat due to improved initiatives of government while implementing the education policy. Also, the paper discusses the present status of higher education relating to education of Business management in view of the need of good institutions for achieving faster economic development and improving the well being and welfare of the population. Thus a positive trigger in the form of government involvement has been studied and how gains in education sector have been made in the state.

THE IMPORTANCE OF GOOD

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INSTITUTIONS

The ultimate goal of every nation is development. When economies evolve, there is social and economic development of people. Modernization, Globalization, Deregulation, Privatization and Development are interrelated. There is correlation, but the causation runs in both the directions. One of the schools of thought that try to identify a factor that causes development is "Institutional Economics". The founders of this theory extended the neo classical theory and included Institutions as a means for attaining growth. Later a new perspective of Transaction Costs and Information Costs came in view and this branch of economics came to be known as "New Institutional Economics". Even the theory of economic development of 'Take - off' has stressed the need and emergence of institutional framework - political, social and economic institutions, which replicate success achieved in leading sector of the economy to other industries and sectors of the economy to give an ongoing character to the process of economic development.

Development (both Social and Economic) is critical for all nations. Even similar looking nations differ greatly in their economic, political and social development. Also neither History nor Geography makes countries economically sound. Otherwise countries which are blessed with huge crude oil reserves like Iraq would be amongst the developed part of the world. History and Geography are neither definitive nor destiny.

Since we know that neither Geography nor Regions define development, the question is then

what causes development. One of the disciplines which tries to answer this problem of inequality in development despite being similar (in terms of history, geography, culture or weather) is "*Institutional Economics*".

According to North (1990) "Institutions are rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction". Institutions are rules. Rules are means of economizing interaction (transactions). They are a major determinant of economic performance and a key factor in understanding the vast cross country differences in prosperity. Thorstein Veblen's essay *Why is Economics not an Evolutionary Science*, was a work which dwelt on Neo Classical Economics and supported "*Institutionalism*". According to Institutionalism, the relationship between the individual and the economy is not one way. Human preferences and motives are not entirely determined by individual cognition. Human preferences are shaped by institutions and institutions are the outcomes of individual behavior. Causation runs in both the directions.

Another economist commonly associated with the institutional school was John R. Commons, known for his labour research. He theorized that there are various groups in an economy and collectively they act within a system of continually evolving institutions and laws.

New institutional economics (NIE) is an economic perspective that attempts to extend economics by focusing on the social and legal norms and rules (which are institutions) that underlie economic activity and with analysis beyond earlier institutional economics and neoclassical economics. Neo-institutionalism recommends a strong State but limited in its functions. The role of the state is to guarantee efficiency in the functioning of the markets.

According to Coase (1997), Economists have never considered until recently the role that institutions play in the working of the economic system. In fact, institutions determine the way in which the economic system operates. The old institutionalists were concerned with *describing* institutions rather than with *analyzing* them, that's basically the difference between (old) Institutional Economics and NIE.

The idea of *Institutions* being one of the explanatory factors causing economic development dates back to the times of Adam

Smith where he talks about some relationship between Development and Institutions in his book "The Wealth of Nations" which was published in 1776. Institutions and Institutional Framework were always considered important but their causality to economic development was never established. Actually causality runs in both the directions. Economic Development leads to sound Institutions and it is vice versa too.

The term "Institutionalism" largely means that it is not past or richness of nations that causes development but it is their Institutional Development (sometimes based on very accidental circumstances) that have had enormous consequences on their economic and social growth. As mentioned earlier, there is correlation between institutional development and economic development but correlation does not mean causation here. The ultimate goal of each nation is "welfare" of its people. Social Development will happen once the goal of economic development is achieved. One reason why development community is fostering legal, financial, social, economic and judicial reform is the belief that beyond their intrinsic worth, such reforms will help improve their socioeconomic performance.

The recent **Global Competitiveness Index 2014-2015** published by **World Economic Forum** defines competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. The level of prosperity of an economy and the rate of return on an investment (and ultimately the growth rate) depends on the level of productivity.

The literature on Institutional Economics divides Institutions into *Formal Institutions* like Rule of Law, Property, Constitution and Contractual Rights, and *Informal Institutions* like Social and Economic Norms, and Transaction and Information costs of enforcement. New Institutional Economics as a discipline also makes distinction between "*Institutions*" and "*Institutional Environment*". Both are important for development to take place. The Institutional environment is determined by the legal and administrative framework within which individuals, firms, and governments interact and generate wealth. It is important that the Institutional Environment is fair and just. This is all the more critical during the recent situations of financial and economic crisis. Because of Globalization, now no country can remain isolated and the state has a bigger role to play at

International level to solidify the recovery. The attitude of the Government towards markets and its smooth functioning is critical for business development. Red tape, corruption, dishonesty, lack of trust in contracting, lack of transparency, poor or inadequate services (by public and private sector), and dependence of judiciary on the political system will all slow the process of economic development and hamper smooth functioning of economy.

PROMOTING EDUCATION

Overall education levels in terms of access, standards and its quality are important determinants of development in a country. The adoption of the United Nation's Millennium Development Goals (MDGs) outline a set of eight development goals, 18 targets and 48 measurable indicators to combat poverty, hunger, illiteracy, gender inequality, diseases and environmental degradation. This indicates a common resolve among all the member nations of the United Nations to overcome principal challenges faced by mankind in its efforts for economic development globally. With the deadline set at the end of 2015, the MDGs seek to ensure a time-bound accelerated pace of development in identified areas of immediate attention. In India as well, great efforts are being made to make a faster progress to achieve MDGs. The governments across countries have made extensive plans, programmes and implemented them aggressively to meet the deadline to achieve these goals. Various studies have documented success in efforts to achieve MDGs in India and South Asia and countries in other world economies (Joshi Yogesh C. 2006, and other studies). It is evident that with the spread of education positive effect in terms of improved achievements can be made in achieving various MDGs' as well as Sustainable development goals (SDGs). This is on account of positive relationship between educational achievements and various social and economic objectives.

The World Bank (2014) has reported that Gujarat has a body for coordination and quality improvement initiatives in higher education entitled the Gujarat Knowledge Consortium. Though not similar to the State Higher Education Councils in other states in terms of legal structure and functions, the Gujarat Knowledge Consortium is the main body apart from the State Higher Education Department that is involved in all higher education activities. The Knowledge Consortium has been established by the Higher

Education Department through an Executive Order as a body that mainly takes steps to advance higher education in the state. The Advisory Committee is a 49 member body consisting of representatives from Universities, expert members from education and reputed national institutions of Gujarat. The Consortium is headed by the Minister of Education (Chairman) and the Vice Chairman (Advisor to Minister of Education). The Consortium also has representation of the Vice Chancellors of 22 universities, Heads of Specialized Universities, Institutes of National Importance and research institutions (located in Gujarat). It also includes representation from the industry through Presidents of seven industrial/commercial associations from the state. The world Bank report stated that based on the findings of the interviews with multiple stakeholders, it was found that the Knowledge Consortium is merely a body to perform certain activities which ideally should be performed by either the State higher education department or by the institutions themselves. There seems to be a clear lack of clarity and understanding of the role that is expected of the Consortium. Therefore, there is a strong case for Gujarat Knowledge Consortium to revisit some of its aims and objectives which are at variance with the proposed objectives of the State higher education Council.

In order to assess improvement in education a case of Panchmahal district from Gujarat has been taken to stress improvements achieved and further, changing scenario in higher education in business management discipline in Gujarat has been considered to drive home the fact that good institutions are needed to further higher efficiency in the area of education in the state. Improved education standards and quality in the state will further aid in achieving MDGs and SDGs relating to social and economic objectives faster in the state.

Not merely education but quality education is a very important factor determining social, economic and political transformation. A well educated population, with skills, knowledge and attitude is essential for economic and social development in any country. In India as well education is the most potent tool for socioeconomic mobility and a key instrument for building an equitable and just society in accordance with Constitution of the country. It provides skill and competency for well-being in a society. Education strengthens all round capabilities among citizens, the tools needed to

fully participate in economic and governance processes. Recognising the importance of education in national development, the Twelfth Plan places an unprecedented focus on the expansion of higher education, on significantly improving the quality of education imparted and on ensuring that educational opportunities are available to all segments inhabiting all regions of the country in the society.

Accordingly, due to inherent importance of education, public spending on education increased considerably during the Eleventh five year Plan period in India. Education expenditure as a percentage of gross domestic product (GDP) rose from 3.3 per cent in 2004–05 to over 4 per cent in 2011–12. Per capita public expenditure on education increased from Rs. 888 in 2004–05 to Rs. 2,985 in 2011–12 (Twelfth Five year Plan, Social Sector).

The bulk of public spending on education is incurred by the State Governments, which increased by a robust rate of 19.6 per cent per year during the Eleventh Plan. Central spending on education increased even faster at 25 per cent per

education was incurred for elementary education, 25 per cent for secondary education and the balance 32 per cent for higher education. About half of the Central Government's expenditure was incurred for higher education and the remaining for elementary (39 per cent) and secondary (12 per cent) education. In the State sector, about 75 per cent of education expenditure is for school education, of which 44 per cent is on elementary education and 30 per cent on secondary education (Twelfth Five year Plan, Social Sector, GOI).

EDUCATION IN PANCHMAHAL DISTRICT OF GUJARAT:

As per Census 2011, out of total 26 districts of Gujarat state, Panchmahal was ranked 22nd in literacy rate. It is ranked 18th in male literacy and 24th in female literacy among the districts of the state. Thus, poor literacy among female contributes to overall poor ranking of Panchmahal compared to other districts in the state. As compared to increase in literacy rate among the males, there was more increased literacy rate among female. But still as compared to literacy rate among the females in the state,

Table 1: Literacy Status of Panchmahal District

Education Status	Panchmahal District		Gujarat State	
	2001	2011	2001	2011
Literacy Rate (per cent)	60.92	70.99	69.14	78.03
Male Literacy (per cent)	75.91	82.51	79.66	85.75
Female Literacy (per cent)	44.94	58.89	57.80	69.68
Gap (Male & Female)	30.97	23.62	21.86	16.07
Literates in nos.	10,25,835	14,40,805	2,98,27,750	4,10,93,358
Male Literates in nos.	6,59,346	8,58,054	17,833,273	2,34,74,873
Female Literates in nos.	3,66,489	5,85,751	1,19,94,477	1,76,18,485

Source: <http://www.census2011.co.in>

year during the same period. Aggregate public spending on education during the Eleventh Plan period is estimated at Rs. 12,44,797 crore for both the Centre and States taken together. Of this, 35 per cent was accounted for by Plan expenditure and 65 per cent by non-Plan expenditure. About 43 per cent of the public expenditure on

literacy rate among the female in Panchmahal district is found to be less. The literacy gap between male and females has decreased in 2011 compared to 2001 in Panchmahal but still it is considerably higher compared to average gap in state. It indicates less literacy among females in the district.

Table 2: Taluka wise Literacy Rate in Panchmahal: 2011 (in per cent)

Taluka	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Ghoghamba	70.99	45.09	58.26	--	--	--	70.99	45.09	58.26
Godhra	83.03	55.60	69.58	92.15	81.99	87.23	86.33	65.01	75.92
Halol	78.66	53.71	66.60	90.86	80.19	85.76	82.02	60.88	71.83
Jambughoda	76.47	51.02	64.00	--	--	--	76.47	51.02	64.00
Kadana	80.44	55.29	68.17	--	--	--	80.44	55.29	68.17
Kalol	84.45	59.70	72.51	93.21	81.22	87.39	85.78	63.01	74.79
Khanpur	89.59	55.07	68.08	--	--	--	89.59	55.07	68.08
Lunawada	85.02	61.19	73.41	93.19	83.32	88.43	86.23	64.39	75.60
Morva	81.84	54.07	68.10	--	--	--	81.84	54.07	68.10
Santrampur	81.18	58.78	70.23	91.98	78.03	84.99	91.58	78.03	84.99
Shehera	83.05	55.80	69.77	91.43	70.49	81.31	83.62	56.78	70.55
Panchmahal	80.89	55.24	68.36	92.05	80.87	86.65	82.51	58.89	70.99

Source: Population Census -20011

Note: Box without data shows no-urban population in those Talukas

The above table 2 presents taluka wise literacy rate among male and female population of rural and urban population in Panchmahal in 2011. It can be seen from the table that rural literacy rate is remarkably less than urban areas. The literacy rate among the females is almost half as compared to male literacy in rural areas. However, in urban areas literacy gap between male and female is less compared to rural areas.

rural and urban areas of the district. Education being a strong determinant of human development and empowerment it is imperative to focus on the spread of literacy in rural talukas and especially among female population in the district. Thus, there is a need for reducing literacy disparities among rural and urban and male and female in the district by further strengthening important initiatives like mission mode and

Table 3: Enrolment at Government and Private Schools (2011-12) (numbers)

School Category	Total Enrolment		Rural Enrolment	
	Government	Private	Government	Private
Primary Only	67,311	5,030	65,010	2,913
Primary + Upper Primary	275,844	35,147	2,56,419	8,787
Upper Primary only	675	3,307	510	1,879

Source: District Elementary Education Report Card 2011-12, NUEPA.

There are six talukas which have only urban population and among them literacy rate is more than 90 per cent for male and among female population literacy rate is 75 to 80 per cent, approximately. There are only three talukas having literacy rate more than 70 per cent, namely Kalol (72.51), Lunawada (73.41) and Santrampur (70.23). Thus, there is a noticeable gap in literacy rate among different talukas as well as between

flagship programmes related to education among population.

The table 3 indicates data on Enrolment in Government and Private Schools in the year 2011-12. A perusal of table 3 reveals that a majority of students are enrolled in government schools both in urban and rural areas. Private schools have a relatively small presence and the government schools cater to the needs of providing school

Table 4: Gross Enrolment Ratio and Net Enrolment Ratio (2009-10 to 2011-12)

Enrolment Indicators	2009-10	2010-11	2011-12
Gross Enrolment Ratio (Pri.)	132.20	130.10	N.A.
Net Enrolment Ratio (Pri.)	100.00	87.80	N.A.
Gross Enrolment Ratio (U. Pri.)	67.40	76.10	N.A.
Net Enrolment Ratio (U.Pri.)	51.30	48.90	N.A.

Source: District Elementary Education Report Card 2011-12, NUEPA.

Table 6: Number of Government and Private Schools (2011-12)

School Category	Total Schools		Rural Schools	
	Government	Private	Government	Private
Primary Only	1,150 (95.59%)	53 (4.41%)	1,125 (93.52%)	36 (2.99%)
Primary + Upper Primary	1,271 (92.03%)	110 (7.97%)	1,211 (87.69%)	43 (3.11%)
Primary + Upper Primary + Secondary and Higher Secondary	0	0	0	0
Upper Primary only	07 (24.14%)	22 (75.86%)	04 (13.79%)	14 (48.28%)
Upper Primary+ Secondary and Higher Secondary	0	0	0	0

Source: District Elementary Education Report Card, 2011-12, NUEPA; % are from total schools.

Table 7: Year wise detail of Primary & Higher Educational Institutes at Panchmahal District (in numbers)

Year	Primary Schools	Secondary Schools	Higher secondary Schools	College	others	Total
2001-02	2151	280	116	0	2	2549
2003-04	2181	327	76	17	2	2603
2005-06	2276	298	109	17	2	2702
2006-07	2321	304	109	17	2	2736
2007-08	2344	309	129	24	2	2806
2008-09	2187	307	146	26	2	2668
2009-10	2370	300	141	26	2	2839
2011-12	2608	311	149	26	2	3096

Source: District Statistic Outline, District Statistical Office, Panchmahal, Godhra 2011-12.

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primary level in the district. It clearly shows that net enrolment is considerably lower in both primary as well as upper primary schools in the district. It indicates that a lot of efforts are required for universalisation of primary and upper primary education in the district.

Table 5 shows data on enrolment among SC, ST and OBC population in primary and upper primary classes. A perusal of table 2.7 indicates that girl enrolment in SC, ST and OBC are lower than overall enrolment of students among SC, ST and OBC.

Table 5: SC, ST& OBC Enrolment (2011-12)

Enrolment Indicators	Primary	U. Primary
% SC Enrolment	3.70	3.10
% SC Girls to SC enrolment	46.70	47.20
% ST enrolment	34.60	31.20
% ST Girls to ST enrolment	47.90	48.90
% of OBS enrolment	52.90	54.60
% OBS Girls to OBC enrolment	47.60	47.60

Source: District Elementary Education Report Card 2011-12, NUEPA.

ACCESS TO EDUCATION

Various indicators like total number of primary schools, secondary schools higher secondary, colleges, other educational institutes, number of villages without schools and total number of students at all levels of education give the status regarding availability and accessibility of education and related infrastructure in the district.

Table 6 provides data on number of government and private schools during 2011-12 in the district. Table 6 shows that government schools constitute majority of schools in the district, while private schools are very less compared to government schools in the district. Obviously, government schools are more in number as the district is a rural district and urban areas are very less.

It can be seen from table 7 that primary schools have increased from 2151 to 2608 during the last ten years. Even the number of secondary schools increased in the last ten years in Panchmahal district. However, Panchmahal district still needs more number of colleges, including Colleges of Arts, Commerce, Science, Education, Industrial Training etc.

Table 8 provides data on the number of SC and ST students in the primary schools in Panchmahal district. Table 8 shows that in case of Scheduled tribe students and Scheduled caste students, there is a little gap among girls and boys student numbers. As compared to boys less number of girls students are enrolled.

It is instrumental in determining creation and adoption of new technology by the country. Research and innovation are directly related to the quality of higher education in the country. Thus, higher education and its quality is a reflection of the nature of a society and its capabilities.

Table 8: Number of SC and ST students in Primary School 2010-2012

Comparison	Primary					
	Scheduled caste students (in Nos.)			Scheduled tribe students (in Nos.)		
	Boys	Girls	Total	Boys	Girls	Total
2010-2011	7129	6946	14075	68324	64916	133240
Panchmahal	50.65%	49.35%	100%	51%	49%	100%
2011-2012	5410	4749	10159	49585	45520	95105
Panchmahal	53.25%	46.75%	100%	52.13%	47.87%	100%

Source: Statistical Abstract of Gujarat State, 2010, 2011, 2012.

Thus, it is clear from table 1 to table 8 that with more focused policies and accountable institutional support in the Panchmahal district in Gujarat state of India has made excellent strides in education achievements. However, greater efficiency in improving education spread to 100% population and improving standards are further required to meet required standards in education to need of the economy. The responsible government, in particular the local government initiatives, have led to faster achievement in education related indicators in the district. It is worth emphasizing that Panchmahal district is one of the backward districts in the state of Gujarat. Further it can be seen from tables above that with better quality institutions responsible for implementation of policy and managing education sector greater achievements were possible.

HIGHER EDUCATION

Higher education is critical for developing a modern economy, a just society and a vibrant polity. Higher education allows people to acquire specialized skills to undertake technical and professional task for the purpose of nation building. It equips young people with skills relevant to take up any assignment relevant in the economy and the opportunity for social mobility. It provides people already in employment to negotiate rapidly evolving career requirements. It inculcates responsibility among citizens who value a democratic and pluralistic society. Thus, the nation creates a pool of quality human capital to meet the country's needs and shapes its future.

Despite considerable progress during the Eleventh Plan, less than one-fifth of the estimated 120 million potential students are enrolled in higher education institutions in India, which is well below the world average of 26 per cent. Wide disparities exist in enrolment percentages among the States and between urban and rural areas while disadvantaged sections of society and women have significantly lower enrolments than the national average. The pressure to increase access to affordable education is steadily increasing with the number of eligible students set to double by 2020 (XII plan, Higher education).

The Twelfth five year plans objectives are in continuation of the efforts made during the Eleventh Plan and focus on the 'Three Es' – expansion, equity and excellence. However, the Plan proposes a paradigm change in the way these goals are to be achieved – through three new principles. First, an overriding emphasis will be given to quality – as further expansion without quality improvement would be counter-productive for the future development of India. Second, the Plan strives to diversify higher education opportunities, not only to meet needs of employers, but also to offer a wide range of paths to success for students. India is required to develop world-class quality research universities as well as teaching institutions to impart key vocational and generic skills in a timely manner to meet rapidly changing labour market needs and economic needs. Third, this excellence in diversity will be implemented through governance reforms, to enable institutions to have

the autonomy to develop distinctive strengths, while being held accountable for ensuring quality. Hence, the Twelfth Plan adopts a holistic approach to the issues of expansion, equity and excellence to enable and accommodate larger number of students, providing them diverse choices of subjects, levels and institutions while ensuring a minimum standard of academic quality and providing the opportunity to secure higher education to all sections of society, particularly the disadvantaged in urban and rural areas alike.

These objectives provide for guiding the development of all three segments of higher education: Central institutions, which account for 2.6 per cent of the total enrolment; State institutions which account for 38.5 per cent of enrolment; and private institutions that cater to the remaining students (XII Plan, Higher Education, Social Sectors). All three segments have to succeed in order to fulfill the needs of the economy in the coming decades. This can be done only by creating additional capacity and ensuring equal access opportunities. All three segments are to be provided with enabling environment and facilities to ensure quality of teaching-learning, attain excellence in research, and contribute to economic development.

The challenges faced in the area of higher education are many, however they have to be faced and overcome. According to the data given in the plan private institutions account for 64 per cent of the total number of institutions in higher education and 59 per cent of enrolment compared to 43 per cent and 33 per cent respectively around 2002. The Government has also given the required thrust to the sector in its Five Year Plans. During the Eleventh Plan period (2007-2012), India achieved a Gross Enrolments Ratio (GER) of 17.9 per cent, up from 12.3 per cent at the beginning of the Plan period.

In India the higher education system faces challenges which can be presented and classified in three categories. The challenges emerge from objectives itself, namely expansion, excellence and equity while providing for higher education in the country. According to the data, India's Gross Enrolment Ratio of 16 per cent was much below the world average of 27 per cent, as well as that of other emerging countries such as China 26 per cent and Brazil 36 per cent in 2010. On the other hand achieving excellence and quality is severely hampered due to faculty shortage - there is 40 per cent and 35 per cent shortage of faculty

in state and central universities, respectively while a majority of private institutions have a shortage of requisite number of faculty and this shortage is more acute in terms of senior faculty. The number of accredited institutions - 62 per cent of universities and 90 per cent of colleges were average or below average in 2010, on the basis of their NAAC accreditation. Further low citation impact - India's relative citation impact is half the world average. On the front of **equity as well** there is wide disparity in the GER of higher education across states and the Gross Attendance Ratio (GAR) in urban and rural areas, and gender- and community-wise. Inter-state disparity is evident with 47.9 per cent in Delhi vs. 9 per cent in Assam. Urban-rural divide exist to the tune of 30 per cent in urban areas vs. 11.1 per cent in rural areas. Differences across communities are prevalent as well to the extent of 14.8 per cent for OBCs, 11.6 per cent for SCs, 7.7 per cent for STs and 9.6 per cent for Muslims. Gender disparity is also evident with 15.2 per cent for females vs. 19 per cent for males.

India has one of the largest higher education systems in the world, with 25.9 million students enrolled in more than 45,000 degree and diploma institutions in the country at the beginning of the 12th plan period. It has also witnessed particularly high growth during the last decade, with enrolment of students increasing at a CAGR of 10.8 per cent and institutions at a CAGR of 9 per cent. The Government intends to achieve enrolment of 35.9 million students in higher education institutions, with a GER of 25.2 per cent, by the end of the Twelfth Five Year Plan period through these multiple forms of institutions including research, teaching and vocation-focused ones.

The private sector institutions have a positive and crucial role to play as they will be instrumental in successful achievement of these outcomes through the creation of knowledge networks, research and innovation centers, corporate-backed institutions, and support for faculty development.

BUSINESS MANAGEMENT EDUCATION IN GUJARAT: CHANGING SCENARIO

Gujarat has the privilege of the fact that Indian Institute of Management in Ahmedabad is a leading institution in the country. It has to an extent impacted the management education in the state. Despite this, the standard of management education in the state has to do a lot to counter

challenges and meet objectives of 12th plan of higher education. Besides, IIMA there are a few more nationally recognised institutions which exist in Gujarat. The paper discusses the scenario relating to the majority of institutions imparting management education in the state. These are the institutions which cater mainly, to the students from Gujarat and can be categorised as state players in provision of management education in the state. These state players include Universities of Government, private universities set up during the past five years and other colleges now affiliated to Gujarat Technological University. Besides these institutions offering management education, a few new colleges have a presence as well, who started operating in the state during the last few years, which include some colleges which have national presence and are now expanding to Gujarat as well. It is worth remembering that FDI in higher education is not permitted till now. It is expected that sooner or later it will be permitted as well, leading to the entry of foreign educational institutes in the state and the country. The colleges and institutes offering post graduate education started increasing in the beginning of the last decade in the state of Gujarat like many other states in the country. Till that time IIMs and universities were mainly offering MBA degree to the students. Of course there were other renowned institutions who were offering such degrees and diplomas in the country. However,

in Gujarat only a few other institutions had started to offer management education during last years of previous century. Coupled with mushrooming of management institutes offering masters degree there was multiple fold increase in the private colleges feeding these by starting BBA degree to a large number of aspiring students as well.

The number of such other institutes and colleges increased to almost 150 by the year 2010-11. Out of these colleges, though the number of Government University departments remained the same i.e. six, while the number of private colleges and private universities increased in the state substantially during this period. The government of Gujarat has setup a centralised committee for conduct of admission process to various MBA colleges under its jurisdiction called Admission Committee for Professional Courses (ACPC) formed by the state government after 2008-09. The following table provides data on changes in a number of colleges and institutes during previous years in the state of Gujarat among the colleges and institutes under consideration, whose admission process is done through ACPC. The number of seats available for admission in Gujarat in various districts and category of seats under grant in aid and self finance in Gujarat is given in table below:

It is clear from the table 9 that the number of

Table 9: District wise Seats in Colleges and Institutes (Nos. GIA/SFI)

S. No.	City Name	2008-09		2014-15		2015-16	
		Intake	No. of Colleges	Intake	No. of Colleges	Intake	No. of Colleges
1	Ahmedabad	810	9	2135	16	1895	18
2	Amreli	60	1	240	2	240	2
3	Anand	180	3	580	6	615	6
4	Bharuch	60	1	150	2	120	2
5	Bhavnagar	60	1	360	3	360	3
6	Gandhinagar	330	4	1080	10	960	9
7	Himatnagar	-	-	240	2	240	2
8	Jamnagar	120	2	240	2	240	2
9	Junagadh	60	1	420	4	420	5
10	Kachchh	-	-	240	2	120	2
11	Kalol	60	1	420	4	420	4
12	Kheda	120	2	180	2	180	2
13	Navasri	-	-	180	2	120	2
14	Patan	240	3	240	2	360	3
15	Porbandar	-	-	120	1	120	1
16	Rajkot	630	7	2130	16	1830	16
17	Surat	360	6	1120	7	900	8
18	Surendranagar	-	-	180	3	180	3
19	Vadodara	160	3	1200	7	920	8
20	Valsad	120	1	240	3	180	2
	Total	3370	45	11695	96	10420	100

Source: ACPC admission Brochure, 2014-16 and for Brochure for MBA admission Sardar Patel University, 2008-09; GIA is grant in aid colleges and SFI is self financed colleges.

colleges and institutes for providing MBA degree and number of seats available for admission are declining in the state of Gujarat. During this period the government of India also introduced Common Management Admission Test (CMAT) and ACPC started admitting students based on CMAT merit of students.

Due to the large number of seats available compared to admission seekers it has been observed that the number of colleges and institutes have been decreasing since last few years. Further, it has been observed that there are some institutes who have started offering more seats for admission in some of the districts. This has led to the concentration of colleges and institutes in and around large cities and in and around urban areas in the state (ACPC brochure 2014-15 and 2015-16). However, it is also clear that the majority of colleges and institutes are self financed. Thus the government is promoting management education through private sector only. This has its own inherent danger as the government will not be able to control quality as well as malpractices which some of the institutions may be tempted to indulge in. Another new development observed is that some of the nationally known colleges and institutes have come to Gujarat and have started offering MBA degree. Thus, there is entry of private national institutes in the state of Gujarat leading to increased competition.

Table 10: List of Participating Institutes (Mba)

Year	GIA Institute	SFI INSTITUTES
2015-16	9	99
2014-15	9	108
2013-14	9	113

Source: ACPC Brochure of Admission to MBA/MCA 2015-16, 2014-15 and 2013-14.

During 2015-16, twelve (12) MBA colleges closed down while four new colleges were opened. In MCA, two colleges were closed down while eight new colleges have opened for admission (Source: June 14, 2015, The Times of India, Gujarat Common Entrance Test for MBA, MCA begins today).

As a result of more and more seats available and increased competition among existing colleges and institutes and new entrants from other states many students are not appearing in CMAT examination seeking admission directly in private colleges and universities offering MBA degrees and diplomas. This is how ACPC is gradually losing its relevance as many of the private players

do not stick to the date schedule for admission as suggested by ACPC and admit students by booking their seats in advance by accepting part of the fee in the form of booking payments. Many of them also accept and keep original documents of the students. Besides this indirect competition is also faced by colleges and institutions in Gujarat from such colleges in other states which lure students through advertisements and entering into some sort of tie ups with increasing number of coaching institutions and classes. Many such private colleges are promoted and recommended to students at these coaching classes, which may be substandard and tend to exploit students. Thus, the provision of management education in the state of Gujarat is undergoing a continuous evolution. This evolution may not be successful in achieving targets of 12th five plan related to higher education as of now, as industry and corporate often complain of poor quality of output from institutions of higher education in the country. Besides the existing higher education institutions in the state of Gujarat the quality of school education, which provides input to higher education, need to be considered as well. Three indicators related to school education which are of concern are physical access, supplementary services and access and ability to use computers and the internet. In Gujarat as well these are of real concern. This year the result of students in 10th and 12th is poor and only around 55 per cent of students have been able to pass and will be seeking admission to higher education. The poor results have been widely attributed to installation of CCTVs in examination rooms, thereby adversely affecting the performance of students. Obviously, school and pre-school education is very important for ensuring that students perform well during their higher education as well.

CONCLUSIONS

India being an underdeveloped nation, obviously suffers from lack of quality institutions in general. In the education sector as well, in general a variety of shortcomings need to be taken care of which can be attributed to quality of institutions. The decision making, quality of human capital and its scarcity, poor quality of relevant data and its collection or lack of it, etc. affects achievements in the education sector. Gradual withdrawal of government and poor management and regulation of private self - financed institutions in education sector are also responsible for objectives relating to education being partially

accomplished. Thus, despite decent achievements, the quality and quantum of objectives achieved are still far from desirable levels and are well short of the gains which would have been made with good quality of institutions. Thus, it is further desirable to focus on taking initiatives for making institutions stronger for more efficient transformation of efforts into improving education quality and standards for economic development in India.

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LABOUR REFORMS/ LABOUR LEGISLATION IN THE CHURNING PROCESS

(A Chronology of Initiatives undertaken by the Government and the Reactions
of Trade Unions and Employers towards the same)

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ABSTRACT

Labour reforms have a key role to play in improving the business environment in India. Acknowledging this fact, the union government is actively and aggressively discussing, drafting and engaging with labour groups to address their concerns with respect to Labour reforms. Since assuming of power in 2014, the present NDA government has taken many initiatives in this direction. A brief account of these initiatives will help comprehend the whole discourse and sides taken up by various stakeholders on Labour reforms.

Unfortunately, labour laws and industrial relations in our country have been based on the assumption that the interests of employees and employers are adversarial. There is a general feeling that the employers, exceptions apart, in our country are exploitative and, therefore, it is the trade unions that have to protect the interest of workers. With this type of confrontation between the employees and employers we cannot expect any 'labour reforms' in the right sense of the term.

It is good that the government is holding consultations with all parties before proceeding with the reform process and now it is up to the trade unions to rise above the narrow politics to facilitate the ease of doing business that would lead to the creation of a cordial business environment in India.

Keywords: Labour Reform, Labour Legislation.

Although the talk of labour reforms had started during the regime of UPA government but with the assuming of powers by the NDA government in 2014, many initiatives have already been taken/ are being taken in this direction. A brief account, in a *chronological order*, of the initiatives/ dialogues with the unions and employers/ actions taken by the Government with regard to labour reforms are as follows:

Changes proposed in the Factories Act, 1948 and reaction of Trade Unions -

Just days before the 2014-15 Union Budget, the government on 7th July, 2014 said that it plans to amend the archaic Factories Act, 1948 - the first move in more than a decade to revamp labour laws. Most governments have avoided labour reforms for fear of a backlash from the politically powerful labour lobby.¹ The proposed major amendments would include *relaxing restrictions on night duty for women in factories subject to certain conditions and increase in the limit of overtime to 100 hours (existing 50 hours) in a quarter.*² However, the trade unions have opposed the above proposal. The

unions also claim that the move to double overtime hours will give more liberty to employers. The amendments would also include provision of protective equipment for safety of workers and more precautions against fumes and gases. Besides, the Central Government would be empowered to make rules, a departure from the current practice where States frame the rules.

A.K. Padmanabhan, President of CITU, opined that the final version of the amendments should be discussed with the trade unions. There should be no unilateral move.

Proposed Changes in the 'Inspector Raj', 'Submission of Returns' -

In an advisory to all ministries, aimed at checking fishing expeditions by inspectors, the department of industrial policy and promotion (DIPP) has said that *no inspection of business premises and factories should be done unless it is approved by the head of the department.*

It has also asked all ministries to shift to a system of self-certification of adherence to norms by all companies, barring those engaged in activities regarded as "hazardous" or involving "risk".

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Ministries have been told that *all returns should be filed online through a unified form* and a checklist of required compliances placed on the ministry / department website. They have also been asked to replace all registers that are required to be maintained by businesses with a single electronic register.³

Proposed Amendments in 3 Labour Laws -

The ministry of labour and employment will soon seek Cabinet approval for amendments to three archaic labour laws, kick-starting a long-pending revamp of labour market rules with the aim of benefitting workers and increasing productivity.

The ministry is finalising *changes to the Child Labour Act of 1986, the Minimum Wage Act of 1948 and the Apprenticeship Act of 1961*. The amendments are being finalised by incorporating the views of various stakeholders. The Minister of State for Labour and Employment said, "Government is actively considering amendments to various labour laws. The inter-ministerial/public/tripartite consultations is in progress."

As part of the amendments proposed to the Minimum Wage Act, the ministry will set a *national floor for minimum wages for workers across professions*, resulting in a significant jump in salaries for workers in the unorganised sector. The minimum wages would be revised *every five years* by the Centre in accordance with the NSSCO's Consumer Expenditure Survey. It would also be revised every six months by State governments in accordance with the Consumer Price Index.

In the Child Labour (Prohibition and Regulation) Act, 1986, the proposed amendments will *bar children between 14 to 18 years from taking up hazardous occupations such as mining related jobs*. At present, children under 14 years can work except in prohibited sectors such as domestic work, automobile workshops, bidi making, carpet weaving, handloom and powerloom industry, and mines. The move is significant as child labour accounts for nearly 8.5% of the country's 312 million-strong workforce. Of these, 43.53 lakh children are between 5 and 14 years of age, as per the Census 2011.

The government's emphasis on *skill development will also lead to amendment to the Apprenticeship Act* over the next one month, in line with the announcement made by finance minister Arun

Jaitley in his budget speech. The key changes proposed include dropping the clause that mandates imprisonment of company directors who fail to implement the Apprenticeship Act of 1961 and doing away with an amendment proposed by the UPA mandating employers to absorb at least half of its apprentices in regular jobs, besides adding 500 new trades and vocations under the scheme, including skills for services sectors like IT-enabled services.⁴ (See Exhibit - 1)

EXHIBIT-1: Sensible Proposals on Labour Reform: The Apprenticeship Act calls for change

The government plans to amend three labour laws: on minimum wages, apprenticeship and child labour. This is welcome. India's labour laws must be aligned with the needs of the 21st century. These laws must protect workers' interests, sure, but also give employers the leeway to adjust to market needs. The outdated apprenticeship law is one reason why India has only 3,00,000 formal apprentices, while Germany has six million. Arbitrary rules on how many apprentices and in what ratio to the workforce, etc, hamper skill acquisition by young people rather than protect them. The licence raj on nationwide permissions for national employers makes no sense and should also be scrapped.

Apprenticeships are not jobs. The government should desist from any change in the law that will force employers to absorb apprentices. A pragmatic way is for employers to formulate their own hiring policies. The training period varies from six months to four years now. A maximum training period of three years, as proposed by an inter-ministerial group, seems sound, for both employers and apprentices. Employers who violate the law should face fines rather than prison terms. Stipends for apprentices are too low, and should be raised. However; the entire cost need not be borne by the employer: the state can chip in, if it is serious about skill development and job creation. The point is to have a robust law that will help greatly expand formal apprenticeship as part of a flexible market for skills.

Amendments proposed to the Minimum Wages Act - such as setting a floor for minimum wages across professions, revision every five years based on NSSO's Consumption Expenditure Survey - will raise salaries of workers in the unorganised sector and is, therefore, welcome. The amendment to the Child Labour Act to bar children between 14 and 18 years from taking up hazardous occupations is in order. But at a more fundamental level, the political class should intervene at the grass-roots to change the socioeconomic foundations to send children to school, rather than to work.

The Economic Times, July 25, 2014, p. 14.

On the Apprentices Act, unions feel the new government has not made provisions to monitor breaches by employers.⁵

Unveiling of a String of labour reforms in Employees Provident Fund and Misc. Provisions Act, 1952 and Inspection of Factories -

On 16th October, 2014, Prime Minister Narendra Modi unveiled a string of labour reforms aimed at making rules simpler and employee-friendly, removing arbitrary inspections at factories, reducing cumbersome paperwork and making India more investor-friendly.

Provident fund (PF) accounts have been made portable, enabling employees to maintain a single PF account - called a Universal Account Number (UAN) - even when they switch jobs. Modi said Rs. 27,000 crore of PF money was currently lying unclaimed with the government and he wanted to return it to those it belonged to.

A new labour inspection scheme seeks to *eliminate India's infamous 'inspector raj' and make processes more transparent and accountable.* Under it, a computer lottery will be used to pick factories that will be inspected and officials will need to upload a report within 72 hours.⁶

He also launched a *unified web portal for easier compliance of labour rules* for industry through a common window and a single form replacing the earlier 16 forms.⁷

Industry leaders welcomed the reforms. "Simplification of procedures has been a long-standing concern for industry," said Chandrajit Banerjee, Director General, Confederation of Indian Industry.

Industrialists cite India's complex labour rules as a major hurdle that keeps away large-scale private investments in what should otherwise be a massive, attractive market. (For Government Rings in Labour Reforms **See Exhibit-2**)

EXHIBIT-2: Government Rings in Labour Reforms

PM Narendra Modi announces several measures to prevent harassment of officials & extend social security benefits to labourers.

WHAT ARE THESE MEASURES?

1. SHRAM SUVIDHA PORTAL:

- **Around 7 lakh** units will be allotted a unique labour identification no. for online registration
- **Units can now** file self-certified & single online return for 16 labour laws
- **Portal will be** operative in EPFO, ESIC, DGMS, & CLC.

2. UNIVERSAL ACCOUNT NUMBER:

- **Over 4 crore EPFO** subscribers will have direct access to their EPF accounts
- **It will allow** portability of social security benefits across jobs
- UAN will be seeded with bank accounts & Aadhar for financial inclusion.

3. LABOUR INSPECTION SCHEME:

- **Inspections will no** longer be discretionary
- **They will be** based on a computer generated list
- **Only serious matters** to be covered under mandatory inspection
- **Inspection reports have** to be uploaded within 72 hrs

4. RASHTIYA SWASTHYA BIMA YOJANA:

- **Aam Aadmi Bima** Yojana & National Old Age Pension Scheme to be converged on RSBY smart card
- **Nearly 93% workers** in unorganised sector will now get wellness check

Proposal of classifying all the existing 44 labour laws into Five Labour Codes

The government plans to push through labour reforms by revamping existing laws into five broad codes dealing with key issues, as recommended by a panel more than a decade ago, to introduce uniformity of terms and definitions and remove anomalies.

All the existing 44 laws will be reclassified into these categories, marking another step in the series of labour reforms kick-started by the BJP government aimed at redefining them and bringing about greater clarity.

Approval of Bill to amend the Labour Laws Act, 1988 - The Rajya Sabha on November 25, 2014 approved the bill to amend the Labour Laws Act, 1988, which will *simplify the procedures of filing returns for small firms.*

As part of the amendment to the Labour Laws (Exemption from furnishing returns and maintaining registers by certain establishments) Act, 1988, the ministry of labour & employment

has proposed that *companies with 10-40 employees will now be exempt from provisions under various labour laws that mandate them to furnish and file returns on various aspects as against establishments with up to 19 employees.*

The unions say the proposal to increase the threshold for compliance with the Labour Laws Act to 40 employees from 19 should have been made gradually and not at one go.⁸

Besides, the ministry has proposed to extend the coverage of the Principal Act from 9 Schedules Acts to 16 Schedules Acts, which means that small firms can now *use a unified compliance format from nine to 16.* The amendments would also allow small firms to maintain two registers as against three till now besides enabling records and registers in computer, floppy, diskette or on any other electronic media as well as file it through e-mail.

Rajya Sabha's Nod to Apprenticeship Amendment Bill

On November 26, 2014, the Rajya Sabha passed the Apprenticeship Amendment Bill with a voice vote paying way for industry to take on the task of imparting skills to millions of youth entering the labour workforce every year without much fear. The bill which has already been passed in the Lok Sabha during the last session, will now go for the assent of the President after which the proposed amendments would be notified. In 2013-14, just 2.11 lakh apprentices were appointed in industry out of a potential identified capacity of 3.6 lakh seats – numbers that are miniscule for a workforce that is now growing by 12 million a year with most of them having no employable skills. To put that in perspective, Germany has 3 million, Japan 10 million and China has 20 million apprentices who pick up critical employment skills through a hands-on approach.⁹

Labour Minister Urges Agitating Trade Unions for Consensus on Reforms

Labour Minister on November 26, 2014 asked trade unions in the country to help build a consensus on labour reforms, saying the government will not carry out any reform “at the cost of the working class”.

The minister's appeal comes ahead of a nationwide protest planned by major trade unions on September 2, 2015 to protest against a series of labour reforms initiated by the Narendra Modi government. The Minister asked trade

unions to cooperate with the government and create consensus over three key amendments.¹⁰

In his first news conference after taking over as the labour minister, Dattatreya said his *government will focus on providing social security cover to the unorganised workers,* which constitute 93% of the country's workforce.¹¹

Stage Set for Rollout of Apprenticeship Rules -

The labour ministry has set the ball rolling on changing the outdated apprenticeship rules after amendment to the Apprenticeship Act, 1961 was notified in December 2014 (**See Exhibit - 3**). A Working Group constituted by labour ministry for framing draft apprenticeship rules, in its meeting held on January 12, has prepared draft recommendations on the proposed amendments in Apprenticeship Rules, 1992 and guidelines of Third Party Agencies (TPA), to be finalised after incorporating the views of the stakeholders, in consultation with the Central Apprenticeship Council.¹²

EXHIBIT 16-3: Proposed Draft Rules after amendment to the Apprenticeship Act, 1961 were notified in December 2014

The rules will allow establishment of specific apprenticeship training instead of trade specific training and less stringent penalty for employers who fail to comply with the rules.

According to the draft rules, each establishment shall engage apprentices in a band of 2.5% to 10% of the total strength of the establishment including contractual staff and only employers having six or more workers shall be eligible to engage apprentices.

Under the earlier provisions, an employer had to reserve 50% of regular jobs for apprentices they train.

Besides, firms would now be able to formulate their own policies for recruiting trained apprentices and companies having operation in more than four states can now approach the Centre for apprentices rather than each state that they operate in.

Labour ministry has sought public comments on draft rules required to implement the recently amended Apprentices Act, 1961, that allows employers to fix the hours of work and leave as per their discretion or policy.

Parliament has passed the Apprentices (Amendment) Bill, 2014.

“Labour ministry has taken quick steps to implement the amended Apprentices Act. Draft recommendations for rules under the Act have been placed on website for

public comments. Comments can be sent by March 2, 2015," a labour ministry statement said.

According to the statement, these amendments have been made with the objective of expanding the apprenticeship opportunities for youth.

"While non-engineering graduates and diploma holders have been made eligible for apprenticeship, a portal is being set up to make all approvals transparent and time bound," it said, adding that the apprenticeship can be taken up in new occupations also.

The Economic Times, Feb 14, 2015, p.15

Union Cabinet's Approval to Changes in Child Labour (Prohibition & Regulation) Act, 1986 -

On 13th May, 2015, the Union Cabinet on Wednesday approved amendments to the Child Labour (Prohibition & Regulation) Act, 1986, which will *pave the way for children below 14 years to work in family enterprises* and as artists in audio-visual entertainment industry after school or during vacations¹³ (See Exhibit - 4).

EXHIBIT-4: Changes approved by the Union Cabinet in the Child Labour (Prohibition & Regulation) Act, 1986

The changes approved banning adolescents between 14 and 18 years from working in hazardous occupation and doubling the penalty in case of contravention of the Act.

The amendments seek to align the age of prohibition of employment to age under the Right of Children to Free and Compulsory Education Act, 2009, which enjoins the state to ensure free and compulsory education to all children in the age group of 6 to 14 years.

The Child Labour (Prohibition & Regulation) Act (CLPR Act) 1986 prohibits employment of a child in 18 occupations and 65 processes and regulates the conditions of working of children in other occupations and processes including domestic work, automobile workshops, bidi-making, carpet weaving, handloom and power loom industries and mines.

"Further, CLPR Act is not in conformity with the International Labour Organisation (ILO) Conventions 138 and 182, which provide for minimum age of entry into employment and prohibition of employment of persons below 18 years, in work which is likely to harm health, safety and morals," the statement said. The proposed changes raised the penalty for employing any child or adolescent in contravention of the Act to Rs. 50,000 from Rs. 20,000 and imprisonment for six months to two years, up from three months to a year.

- *The Economic Times, May 14, 2014*

Barring these exceptions, the Child Labour (Prohibition & Regulation) Amendment Bill, 2012 has proposed a complete *ban on employment of children below 14 years in all occupation and processes*, an official statement said. The bill will now be presented in the Rajya Sabha during the monsoon session.

Flexible Laws for Hiring Contractor Workers -

The government is proposing *relaxed set of labour laws for hiring of contract workers with greater flexibility to companies* and a proposal on this may soon be taken to the Cabinet. "The proposal is ready and can be presented in the Cabinet very soon. And after that the related bill can be presented in the upcoming monsoon session of Parliament," a labour ministry official said. The government is seeing reforms as a key to create jobs and boost investment.¹⁴

Factories' Social Audit -

The government is *mulling social audit* of all factories to check whether workers are getting conducive working conditions, continuing with its strategy of extracting benefits for employees as part of strategy to build support for labour reforms. The social audit will include *safety norms for factories*. There is no provision of social audits by the government under the existing legislation related to employment in the factories. Hence, prescribing quality norms and conducting social audits could be a stumbling block for employers.¹⁵

"Prescribing norms for air and water quality for factories will unnecessarily put additional cost burden on the employer, as workers will anyway be exposed to contaminated air and water when they walk out of the factory premises. India has a workforce of 397.4 million people, of which just 49.7 million are employed in the formal sector; while 347.7 million are in the informal sector, often deprived of safety and security measures, which in turn impact physical and mental well-being over a period of time.¹⁶

Trade Unions' Plan of Strike Against NDA Government's recent moves to amend various labour laws -

The *Central unions decided to launch a nationwide protest against government's move to dilute labour laws* and the decision to go on strike to protest against it was to be taken in the convention on May 26, 2015. Besides BMS, the central trade

unions which would participate in the convention include Indian National Trade Union Congress, All India Trade Union Congress, Hind Mazdoor Sabha, Centre of Indian Trade Unions, All India United Trade Union Centre, All India Central Council of Trade Unions, Trade Union Coordination Committee (TUCC), United Trade Union Congress (UTUC), Self-Employed Women's Association of India (SEWA) and Labour Progressive Federation (LPF). According to the Secretary, All India Trade Union Congress, "The government's desperation to please corporate is evident as they are rushing through bills like Industrial Relations Code, Small Factories and Employees' Provident Fund, in the name of ease of doing business and boosting 'Make in India'".¹⁷

Contract Workers May Get Regular Wages -

The labour ministry is re-examining its proposal to bring wages of contract workers on a par with those of regular workers. It may cost government more than Rs. 10,000 crores annually as contract labour accounts for 55% of public sector jobs and 45% of private sector jobs in our country.

Increase in the Minimum Daily Wage -

The government has increased minimum wage across the country to Rs. 160 a day from Rs. 137 with effect from July 2015. Instructions have been sent to all chief ministers and lieutenant governors to take necessary steps to fix minimum rates of wages in respect of all scheduled employments in states and union territories not below the revised level.¹⁸

Small Factories Bill to be Pushed Through -

The government planned to introduce the Small Factories Bill in the monsoon session of Parliament that would make life easy for firms employing less than 40 people.

The small factories bill seeks to exempt units employing less than 40 workers from 14 labour laws, alongwith combining provisions of various labour laws at one place. It also envisages rules for wages, overtime hours, social security and appointment of factory inspectors in such small units. The amendment proposes to club allowances with wages for the purpose of deduction of provident fund, a provision that can reduce the take-home pay of workers, while increasing the corpus of retirement savings. It also allows employees to choose between Employees' Provident Fund Scheme

and New Pension Scheme (NPS). However, Code on Industrial Relations Bill 2015, which allows companies employing up to 300 workers to lay off staff without seeking official sanction, may not be introduced in the coming session.

Trade unions have opposed the contentious provisions of the bill forcing the government to form a committee of four central Union ministers to hold dialogues with the stakeholders.¹⁹

Labour Code on Industrial Relations to consolidate three Central legislations into comprehensive framework -

The Labour Code on Industrial Relations, the draft of which was published for public comments in April, hopes to consolidate three central legislations into a comprehensive framework. (For employers' and trade unions' views/perceptions about the government's moves and labour reforms, see Exhibits- 5 and 6 respectively).

EXHIBIT-5: A leading Employer's views on amendments to labour laws

"There is general consensus that amendments to the labour laws are required to make India a more attractive country for investments, and to enable manufacturing here to become globally competitive; a necessary condition for Make in India," says RC Bhargava, chairman of Maruti Suzuki, India's largest carmaker. "However, amendments to the labour laws do require consultations with the trade unions, and the government cannot bypass this process. It is always good to carry(along) stake holders in any process of reform."

The Economic Times, July 14, 2015, p. 18.

EXHIBIT-6: Perception of Trade Union Leaders about the Government's move to Labour Reforms

"The government was trying to push everything through unilaterally," says Baij Nath Rai, president of Bharatiya Mazdoor Sangh, India's largest trade union and ideological ally of the ruling BJP. Meanwhile, the Centre for Trade Unions had filed a complaint with the International Labour Organisation (ILO) against the move of (Government of India) to reduce inspections at workplaces.

The Economic Times, July 14, 2015, p.18

Government of India's Assurance to ILO -

Following the complaint lodged by CITU with the ILO against the Government's move to reduce inspections at workplaces, the issue came up for scrutiny before the committee of experts at the annual ILO conference in Geneva in June. Labour minister Bandaru Dattatreya assured the ILO that India had no intentions of by passing its conventions (For ILO's reaction, see Exhibit - 7).

EXHIBIT-7: ILO's reactions to the complaint, lodged by CITU, regarding inspectors

The ILO's provisional report states, "The (Indian) government reiterates its commitment to the obligations contained in the convention (C-81) that workplaces shall be inspected as often and as thoroughly as necessary. There is no intent either to dilute this principle in theory or practice, or to relax the enforcement of the rule of law.

According to labour ministry, the earlier envisaged random inspections will not do. The Ministry is now planning to have *intelligence based inspections*. The intelligence mostly will be based on filings by companies and employees. Inspection is a major bone of contention between industry and government. The inspection set-up in the country is severely understaffed, underpaid and ill-equipped.

What Government Wants vs. What Unions Want?

What the Government wants and what the Unions want is shown in Exhibit - 8

EXHIBIT-8: What Government Wants vs. What Unions Want?

What Government Wants

Small factories law By pass 14 labour laws, Less inspections, self-certification from employers.

Labour Code on Industrial relations consolidating three central laws.

Maharashtra wants to allow factories with less than 300 workers to lay off/shut down without prior permission

Labour Code on Wages consolidating four laws.

What Unions Want

Disagree with definition of small. Do not want exemption from laws. Want frequent, thorough inspections.

Disagree with new norms for association, registration.

Want government to retain prior permission.

Want minimum wages to be raised to Rs. 15,000 with indexation.

The Economic Times, July 14, 2015. p. 18

Central Unions decision to go on Strike September 2, 2015 against Government's move to go ahead with labour reforms

Prime Minister Narendra Modi's first meeting with trade union leaders failed to make any headway as the trade unions alleged that the interaction didn't result into any firm commitment from the PM. The trade union leaders later told HT that they are *going ahead with their general strike on September 2*.²⁰ This could make it difficult for the BJP-led government to get some key labour legislations passed in the upcoming monsoon session of Parliament as trade unions are opposing reforms.

No looking Back on Labour Reforms

The government is determined to go ahead with labour reforms. After the conclusion of the 46th Indian Labour Conference on 21st July, 2015 (See Exhibit-9), the Government appeared to be committed to the consultations with stakeholders but, it said, that *resistance from any one group would not halt the pace of labour reforms initiated by it (NDA Government)*. The present scenario could, therefore, further strain the government's ties with the trade unions which have been criticising the BJP-led NDA government over its unilateral approach to amending labour laws in the country. The four Bills lined up for introduction are the Employees Provident Fund and Miscellaneous (Amendment) Bill, Payment of Bonus (Amendment) Bill, Small Factories Bill and the Child Labour (Prohibition and Regulation) Amendment Bill.

EXHIBIT-9: Key Recommendations of the 46th Indian Labour Conference (July 20 - 21, 2015)

- **IMPLEMENT** recommendations of the last three ILCs with periodic review.
- **REDUCE THRESHOLD** coverage under EPFO and ESIC from 20 to 10.
- **PROVIDE SOCIAL** security cover to those in the unorganised sector.

- **EPF PENSION** to be linked with price index to take into account inflation.
- **ANY LABOUR** law amendments should consider rights and welfare of workers.

The Union Cabinet has already approved the Child Labour Bill while the remaining Bills will have to get Cabinet clearance before being tabled in the House.

The government has had two rounds of stakeholder consultations on the Small Factories Bill as well as the Employees Provident Fund and Miscellaneous (Amendment) Bill and they are being finalised for Cabinet approval.

The EPF amendment Bill is likely to be taken to Cabinet by the first week of August, while the other Bills are likely to get approval before August 10.

Trade unions have voiced concern on the Small Factories Bill and the EPF amendment Bill, saying the former takes away the rights of the workers gathered over the last 60 years. Under the Small Factories Bill, the labour ministry wants to exempt factories deploying fewer than 40 workers from complying with 14 central labour laws, including the Industrial Disputes Act.²¹ If approved, the Bill will also allow the doubling of overtime hours from 50 a quarter to 100 and from 75 hours to 125 hours in cases of emergencies.

As per the EPF Amendment, the government has proposed to make the National Pension System (NPS) an alternative to the EPF and allow small factories to deduct 9% of salary instead of the current 12% for mandatory provident fund compliance.

“NPS has several flaws, but no one is talking about them. Everybody wants to put poor workers’ money in the stock market or make NPS an alternative. Here, the government’s intention is doubtful” said DL Sachdeva, national secretary of the All-Indian Trade Union Congress.

Under the Child Labour Amendment Bill, the government will impose stricter punishment on those employing children below the age of 14, but will allow children to “help” families in non-hazardous enterprises.

The changes in the Payment of Bonus Act would raise the salary limit for getting a bonus from Rs. 10,000 per month to Rs. 19,000, and are at an advanced stage with a draft Cabinet note being moved earlier this

month for comments from ministries, senior labour ministry official.

Separately, the government is initiating stakeholder consultations to *amend the Maternity Benefits Act of 1961* and the *Payment of Gratuity Act of 1972*.²²

Currently, companies are legally required to grant 12 weeks of maternity leave to employees though several leading employers offer additional time off and other benefits (See Exhibit – 10).

EXHIBIT-10: Example of Maternity Leave in some of the Organisations

For instance, Accenture offers five months off to new mothers while Flipkart offers 24 weeks paid leave. Citibank also offers a crèche allowance to new mothers, as do some other multinational firms and investment banks. Norway based Telenor Group has adopted a six month paid maternity leave policy as a minimum standard globally across its 13 markets, including INDIA.*

* The Economic Times, September 30, 2015, p.20

The Ministry of Women and Child Development has been pursuing this with us extensively as it is primarily responsible for women’s welfare, so the ministry is framing a proposal to kick off talks with employers and trade unions on *enhancing the maternity leave to 24 weeks*.

One option being considered is to limit the enhanced maternity leave to two children and an employee having a third child would be granted 12 weeks off, in line with the present norm.

Reduction in 5-year eligibility

Similar tripartite discussions are also being launched on amending the gratuity law to do away with the requirement that employees serve at least five years in a single workplace to be eligible for the benefit.

Employee representatives have been seeking a *reduction in the five-year continuous service clause to qualify for gratuity* and the social security committee of the Indian Labour Conference had endorsed the idea in May 2013.

The possibility of reducing the five-year eligibility for gratuity benefits is being examined. However, this requirement would be redundant if gratuity is allowed to be transferred from one job to

another. So both the options, official are being looked into.²³

The Payment of Bonus Act of 1965, expected to be the first of the three laws for which amendments will come up for the Cabinet's consideration, sets two numerical ceilings for limiting bonus payouts to workers.

All employees earning up to Rs. 10,000 a month are eligible for a minimum bonus of 8.33% of their annual salary and a maximum of 20%. This ceiling takes into account any productivity-linked bonus that employers may offer.

The Rs. 10,000 salary cut-off is only used for eligibility purposes and actual bonus payments are linked to a separate 'calculation ceiling'. Bonus payments for anyone earning more than Rs. 3,500 a month are made assuming his or her salary is Rs. 3,500 per month. Both these thresholds were last revised in 2006. The proposed changes, in brief, are shown in **Exhibit - 11**.

EXHIBIT-11: Proposed Changes

MATERNITY LEAVE

- Current - 12 weeks.
- Proposed - 24 weeks

BONUS LIMITED TO THOSE EARNING

- Current - Rs. 10,000
- Proposed - Rs. 19,000

BONUS CALCULATION CEILING

- Current - Rs. 3,500/- per month
- Proposed - Rs. 6,600/- per month

GRATUITY PAYABLE AFTER

- ❖ Current - 5 years of continuous service
- ❖ Proposed - 5 years cap to be slashed; gratuity to be portable with job changes

Bonus payments to be doubled, gratuity to be made portable

The Economic Times, July 22, 2015, p.1

Government Shield for Domestic Servants - The government is equally concerned about the lot of workers in the unorganized sector and initiating steps as indicated in **Exhibit - 12**.

EXHIBIT-12: National Policy for Domestic Workers

- All domestic helps to be hired through placement agencies
- Direct hiring to be treated as bonded labour

- Employer will have to pay for social security
- Both parties will have to adhere to code of standard practices
- Salary will be equivalent or higher than minimum wages
- Formal pact mandatory
- Employee will be entitled to a weekly off, maternity leave & 30 days of paid leave in a year.

Boost for Formal Employment

3 CRORE DOMESTIC WORKERS WILL BENEFIT	EMPLOYEES would get all their basic rights
VIOLATION OF provisions would be addressed at appellate authority	IT WILL HELP to move towards organized workforce

- The Economic Times, August 6, 2015, p.12

Construction Labourers' Eligibility to Avail Benefits may be Relaxed -

The labour ministry is likely to soon propose certain steps for the benefit of construction workers as indicated in **Exhibits - 13 & 14**.

Exhibit-13: Link PF A/cs to Aadhaar Cards

A lower minimum work period for availing social security benefits makes sense. But more importantly, what's required is ready portability of employee provident fund accounts across employers and geographies. It would make no sense to simply reduce the work period and have a huge and rising number of untraced accounts as a consequence. Instead, we need to revamp the delivery mechanism so that workers have active accounts, even as they change jobs and place of work. Hence, the need for modern electronic accounts linked to Aadhaar cards for unique identification.

- The Economic Times, August 19, 2015, p.13

EXHIBIT-14: Relaxation in Rules to enable Construction Workers to avail Social Security sops

The labour minister may soon propose to reduce to a third the minimum of work days a construction worker is required to clock to avail social security benefits under the Building and Other Construction Workers Act.

The measure will be a bonanza for over 25 million building and construction workers in the country, most of whom are part of the unorganized sector.

The ministry is revisiting the law that will make construction workers eligible for social security benefits under the Employees' Provident Fund Organisation and the Employees' State Insurance Corporation by working for 30 days instead of 90 days as stipulated under the Act. The ministry is making the necessary changes to the Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996, to widen the scope of its implementation and simplify it so as to remove all difficulties pertaining to registration of the workers under the Act. The draft amendment will soon be put in the public domain for stakeholder consultation. As per other changes mooted to the Act, henceforth, the worker will have to simply declare on affidavit that he/she is a construction worker and get himself enrolled under the Act using the Aadhaar Number. Besides, the worker will not be required to pay any amount to the registrar and even the annual registration will no longer be required.

Once the worker is enrolled he will be given a universal account number based on which he can be traced anywhere in India, keeping in mind the migrant nature of work he is engaged into. The government is of the view that building and other construction workers are one of the most vulnerable segments of the unorganized sector workforce in the country, enduring uncertain working hours and temporary nature of the work.

- *The Economic Times*, August 19, 2015, p.13

Fixing of Wage of Domestic Helps at Rs.9000/- per month

A draft note on the policy for domestic workers was submitted to the labour minister which has the *provision for fixing wages for domestic workers at Rs.9000 per month, besides provisions against sexual harassment and bonded labour, and recommends compulsory leave for 15 days a year as also maternity leave.*

Under this new policy the workers will also be given the right to pursue education, a safe working environment, grievance redressal mechanism and a mandatory contribution from the employer towards social security.

While workers will have the right to form groups and unions, employers will have the same right to engage in collective bargaining.²⁴

Steps Taken by State Governments

Since labour is a concurrent subject, some State governments, like Rajasthan and Madhya Pradesh, have initiated many labour reforms. For

example, *Rajasthan* took the lead in bringing about dramatic changes to Central labour laws and *initiated reforms with amendments to three key laws – the Industrial Disputes Act, the Factories Act of 1948 and the Contract Labour (Regulation and Abolition) Act.* Following Rajasthan, there are efforts now by other States for similar labour reforms.²⁵ With the concerted effort towards *removing the culture of inspector raj*, the State Government is *outsourcing inspections* and approvals by the Labour Department to third-party agencies. Labour inspection restricted to *one inspection in a year.*²⁶

Madhya Pradesh has introduced Self-Certification-cum-Voluntary Compliance Scheme (VCS) to exempt industries from multiple inspections, returns and registers. Again, the State of *Madhya Pradesh* has started *Unified returns and registers under 13 Labour Laws.*

The State of *West Bengal* has introduced *Simplified Labour Compliance* with extended time of operations, third party inspection and e-registrations.²⁷

However, the non-cooperative attitude of the trade unions is creating a lot of problems facing opposition from the BMS, the Maharashtra government has been unable to move forward with an amendment to the Industrial Disputes Act that would allow industrial units with less than 300 staff to shut down and lay off workers without asking the government. The state was following the example of Rajasthan which rammed through such changes last year despite protests.

Summing up

Though the intentions of Government of India towards labour reforms are quite obvious and it is extremely keen to bring about labour reforms its main objective being to attract foreign investment in the country. However, it should also not be forgotten that with the high cost of education and healthcare, and with no well-paying permanent jobs to back up, the vaunted talent pool would shrink in the next generation. The employment-oriented policies in independent India generated this skill pool. So, the pre-occupation with sham labour reforms targeted at lowering permanent employment and diluting labour rights would be suicidal in the long run. On the other hand, Central Federations of the workers' unions are quite adamant and united together for opposing the government moves. The unions feel that the

proposals of the Governments have been designed with anything but the workers in mind. Their feeling is that they have been ignored while formulating the proposal by the Government. Hence, 11 national trade unions jointly dug into their heels with a charter of a dozen demands, including higher minimum wages, universal social security and no unilateral amendments to labour laws. They even observed a general strike on September 2, 2015. Opposition political parties too are having a tough stand against the government. CITU has already complained in this regard to the ILO. The ILO has also asked the government to provide data required under Convention 81, something India had not done for the past couple of years.

However, all stakeholders agree that the system needs to change but not the way the Prime Minister's Office (PMO) wishes. The PMO wanted everything done quickly. It was not transparent. But now they are correcting it.²⁸

Change will be slow. The government has sent the draft industrial relations (IR) and the wage code to the ILO for technical suggestions. The organisation has suggested revisions to the IR code that runs to 57 pages. It would still need to go through tripartite consultations - between workers, employers and government. Lack of consultation has led to intense protest in States as well.

Both trade unions and employers need to understand that in globally competitive industrial world, they can no longer afford to be adversaries. Trade unions will have to appreciate that workers can achieve their real interest on a sustainable basis only if Indian industry grows and prospers. Simultaneously, the employers will have to shoulder the responsibility for creating conditions for workers to realize this.

Unfortunately, labour laws and industrial relations in our country have been based on the assumption that the interests of employees and employers are adversarial. There is a general feeling that the employers, exceptions apart, in our country are exploitative and, therefore, it is the trade unions that have to protect the interest of workers.²⁹ With this type of confrontation between the employees and employers we cannot expect any 'labour reforms' in the right sense of the term.

It is good that the government has now softened and is holding consultations with all parties, but the process would be lengthy and consequently

reforms are likely to be delayed. Since labour is on the concurrent list of subjects under the Constitution, the Government's strategy was initially to encourage States such as Rajasthan and Madhya Pradesh to take the lead in reforming the Industrial Disputes Act and other contentious items of legislation. The Centre is now looking to take on a lead role rather than wait for more States to follow suit. Though some unions like the BMS say that they will not allow changes hostile to their interest, others are not so hopeful. "Ultimately they will get what they want. They are just doing it (consultation) for appearances. But we have to keep protesting," says DL Sachdeva, general secretary of All India Trade Union Congress.

The labour reforms will have to materialize but the process will be slow. In the meantime, the concerned stakeholder(s) should find out the answers to the following questions:

- i) Does any civilized nation envisage flexible labour markets sans functional social security?
- ii) Do trade unions believe manufacturing can thrive with rigid labour laws at odds with the dynamics of contemporary production?
- iii) But does being in accord with the dynamics of globalisation production mean workers with no toilet breaks, no security of employment and no right to improve their lot?

The challenge is to find answers to such questions that find the right balance between capital and labour.

Labour voices have been silenced over the years, trade unions have been sterilized. But without a vibrant, well-paid workforce, India will not have the domestic demand to fuel its 13 billion people economy. Deprived workers are a drag in the present, and in the future.³⁰ It is time the Centre took a holistic view and the trade unions rose above narrow politics.

FOOTNOTES

See Sharma R.C., "Re-visiting Labour Legislation and Relevant Rules", *Haryana Recorder*, Vol.6, No.6, June 2015, pp.44-45

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The Economic Times, May 5, 2015.

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Ceen Kempier, Senior Specialist on labour Standards with the International Labour Organisation (ILO), see *The Economic Times*, July 14, 2015, p.1

Sharma, R.C., "Integrating the interest of employers and workers - the only way for ensuring appreciable industrial growth and generating employment", *GIA Bulletin*, July 2015, pp.7-8.

See, *The Economic Times*, July 27, 2015

INFLUENCE OF IN-STORE FACTORS ON IMPULSE BUYING

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ABSTRACT

Buying behaviour of each and every consumer is different and mostly driven by personal and social characteristics. It not only for fulfils the needs of individuals but it urges desire, needs and motivations. Arousal of needs and wants may be physiological, cognitive or emotionally rooted. The need fulfilling behaviour of a consumer could be based on logic and fact. Or at times it could be unreasonable, irrational and impulsive. Consumer's impulse buying attitude is mostly set by cognitive and non-cognitive leanings and experiences. This present research has tried to understand divergence in attitude of consumer groups on the basis of five marketing variables namely: Price factor, Trial factor, Staff Attitude, Visual merchandising and Convenience & Store images on impulse purchase tendency grouped through demographic variables- Gender, Education and Age. A self-administered questionnaire is prepared and a total of 67 University students as respondents are interviewed with it. Using SPSS tool, collected data is tabulated, coded analysed and ANOVA is applied to study the variance in attitude of respondents. It is found that the attitude of consumer groups has no significant relationship.

Key words: Consumer attitude, Impulsive buying, In-store shopping environment (Price factor, Trial factor, Staff attitude, Visual merchandising and Convenience & Store images).

INTRODUCTION

Peter & Olson, 1999, found that there is a strong relationship between college education and income level or purchasing power. In general it has been observed that the purchasing needs of Males and Females are different and they have different attitudes towards shopping. Male consumers mostly see and think before buying, but women "try to shop each and everything till they drop" (Flat World Knowledge). Kollat and Willett (1967) stated that usually purchasing tendency of women is more in comparison to men and in fact women enjoy shopping. Rook and Hoch (1985) found that females are more impulsive. From these findings it can be explained that higher percentage of products are purchased on unplanned basis by Women. With the variance of economic behaviour of consumer at different stages of life, changes in a country's age, the structural changes can have significant effects on its economic performance. A certain composition of the country's population is shifting towards the age group of 25-55, which means more working population with immense purchasing power. Impulse buying is a rapid convincing, hedonically compound purchase behaviour in which the quickness of the impulse

purchase decision precludes any thoughtful, intentional contemplation of alternatives (Kacen, 2002). Findings of early researches (Bellenger *et al.* 1978) have shown that impulse buying accounts for substantial sales across a broad range of product categories.

PURPOSE OF RESEARCH

In the present study, the purpose of the researcher is to check and understand the influence of Demographic variables (Gender, Education, and Age) on attitude towards impulse buying of university students at Bilaspur city. Researchers will check the influence of these variables on the basis of findings and add to the existing theories, on the basis of marketing variables. This research work will assist retail companies in making business strategies for increasing their sales. It can also help the retail consumers to understand their buying behaviour.

LITERATURE REVIEW

Literature review has been carried out to identify the previous research and directions related to the present topic. Stern (1962), argued that impulse buying largely depends on resources such as money, time, physical and mental effort. A person's moods could also influence their impulse buying. Hoch and Lowenstein (1991) studied that there is a tendency for consumers to buy impulsively when they are hedonistic and enjoy shopping. Rook and Gardner (1993) defined impulse buying as an unplanned behaviour

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involving quick decision-making and tendency for immediate acquisition of the product. Impulse buying is a pervasive aspect of consumers' behaviours and a focal point for strategic marketing plans (Rook, 1987). Rook and Gardner (1993) defined impulse buying as an unplanned behaviour involving quick decision-making and tendency for immediate acquisition of the product. Rook and Fisher (1995) defined impulsive buying as a consumer's tendency to buy spontaneously, unreflectively, immediately and kinetically. Environmental regulations have differential effect on impulse buying behaviours. Beatty and Ferrell (1998) described that Impulse buying refers to immediate purchases which are without any pre-shopping objective either to purchase the specific product category or to fulfil a specific need. Bayley and Nancarrow (1998) defined impulse buying as a "sudden, compelling, hedonically complex buying behaviour in which the rapidity of an impulse decision process precludes thoughtful and deliberate consideration of alternative information and choices."

Rook and Fisher (1995) also defined impulsive buying as a consumer's tendency to buy spontaneously, unreflectively, immediately and kinetically. Different buying situations lead to different impulse buying behaviours. Impulse buying is a pervasive aspect of consumers' behaviours and a focal point for strategic marketing plans (Rook, 1987). Beatty and Ferrell (1998) described that Impulse buying refers to immediate purchases which are without any pre-shopping objective either to purchase the specific product category or to fulfil a specific need. Bayley and Nancarrow (1998) defined impulse buying as a "sudden, compelling, hedonically complex buying behaviour in which the rapidity of an impulse decision process precludes thoughtful and deliberate consideration of alternative information and choices." Kacen and Lee (2002) stated that impulsive buying behaviour are more arousing and irresistible but less deliberative when compared to planned purchasing behaviour.

Fox *et al.*, (2004) examined the effect of demographics on format choice. They found that the size of household, income and educational level influence consumers' format choices. Banerjee and Saha.(2012) found that **Gender** does not impact the frequency of shopping. Also gender has no effect on Impulse buying behaviour of consumers. Studies of the Grocery industry indicate that 60 to 70 percent of

purchases by both genders are unplanned (Underhill, 1999). Kollat and Willett (1967) suggest that Impulse buying behaviour of females is more than that of males and also younger person are more likely to shop impulsively than older persons.

Wood (1998) found a non-linear relationship between age and impulsive buying in his United States adult sample. The relationship suggests that impulsive buying increases slightly from age 18 to 39, and declines thereafter.

Bratko, et al., (2007); Gutierrez,(2004) found that impulse buying is not associated with education. However Wood (1998) stated in his research that there is a relationship with education wherein he put forward that education has a significant association with education.

Offering an item on sale or at a promotional price encouraged slightly more impulse purchases compared to non-promotionally priced goods (Williams and Dardis 1972). The availability of money has been shown to drive impulse purchases (Beatty and Ferrell, 1998). According to Shilpa & Amit (2012), pricing of products has an impact on deriving consumer perception and the extent to which perception is influenced and derived from the nature of consumer behaviour. Priti Salvi (2013) said that the discount and price off scheme induced the customers to visit store and influenced their purchase decision. Price induced impulsive buying can be explained by the mental accounting activity concept Janakiraman et al. (2006).

Blattberg Robert & Scott Neslin (1990) have stated the benefits of free trial premium. They found that such activity enhances the value of a product and adds to the benefits. Blackwell et al (2001) identified that price discounts play a significant role in influencing consumer product trial behaviour which indirectly attracts new consumer.

Visual merchandising can be best defined as "everything the customer sees, both exterior and interior that creates a positive image of a business and result in attention, interest, desire and action on the part of the customer" (Bastow-Shoop *et al.* 1991).Abbrat and Goodey (1990) defined Impulse purchase in terms of visual merchandising as, impulsive purchasing as a reason made in shopping malls to obtain goods outside prior scheme - to obtain them because the goods have been designed in a way in the mall to attract and

appeal to customers, people end up buying them impulsively. Visual merchandising ranges from window display to include forum display and floor merchandising along with promotion signage (Mills *et al.* 1995). Bread and milk, for instance, will most likely be displayed at the two most opposite ends of the store which will force the consumer past a host of products encouraging impulsive buying en route to the other essential products (Terrazas, 2006).

Banerjee and Saha.(2012) stated that, “**The attitude** and perception of customers towards impulse buying is largely shaped by the factors of visual merchandising and sensory cues of sight”. Consumers enjoy shopping more without the presence of an overbearing salesperson although they do, however appreciate when a salesperson is nearby and helpful Jones (1999). Tendai and Crispen (2009) in their research found the behaviour of shop staff emerged as the second most important factor after price in influencing consumers’ decisions. Staff training by retailers might be essential in ensuring that shop assistants strike a balance between being persuasive and helpful to shoppers and avoid being over bearing as was suggested by Jones (1999).

Arons (1961) defined store image as complex of meanings and relation that make consumers distinguish the store from others. Thus, store image is an overall attitude of a consumer to the store, its attributes mean various things, and each store has a relative location in the consumer’s mind. Zinkhan (2006),stated that various indicators (e.g., service, product selection, quality) have strong relationship with shoppers’ store choice, whereas others (e.g., store attitude, store image) are important antecedents of shopping frequency. (Reichheld, 1993; 2001; Jones & Sasser, 1995;Heskett, Jones, Loveman, Sasser, & Schlesinger,1994) have examined the relationship between store loyalty and long-term performance of a firm.

OBJECTIVE

To study the role of Price, Visual merchandising, Staff attitude, Store image and Trial facility on impulse buying of respondents with respect to their demographic profile such as Gender, Education and Age.

RESEARCH METHODOLOGY

This is a descriptive research involving quantitative analysis for drawing inferences. Data

were collected through questionnaire from the UG, PG and Ph.D. students studying at Guru Ghasidas Vishwavidyalaya, Bilaspur,(C.G.). Data is collected from students at common facilities of the University such as Library, Canteen Lab etc. Overall, 67students participated in this particular survey in which most of the respondents (65.7%) were between the age of 20 to 25.The questionnaire has been divided in two parts. The first part consists of demographic data Age (with class interval of five years in which lower range is 15 years and upper range is above 35: Since in this university most of the students get admission at the age of 17 to 18 years and some Ph.D. students are of the age of more than 35 years, on the basis of age, interval has been decided), Gender (Male (36), Female (31)) and Education {UG (20), PG (26) and Ph.D (21)} of respondents. The second part consists of questions related to the measure of attitude towards the factors mentioned in objectives influencing impulse buying. Total 14 items are used for collecting data on three factors mentioned above. To measure {attitude of the respondents on each variable,5-point Likert scale, ranging from strongly agree =1to strongly disagree=5,isused. After collecting the complete questionnaires, data are coded (Male-1, Femele-2), Undergraduate-1, Post graduate-2 Ph.D.-3 and Age interval 15-20=1(3), 20-25=2 (44), 25-30=3(16), 30-35=4 (3) and above 35=5 (1), and then entered into SPSS data sheet for analysis.

FINDINGS AND DISCUSSION

ANOVA test is applied to measure the attitude of the university students on impulse buying behaviour.

Ho₁-There is no significant difference in influence of Price factor on attitude towards impulse buying of male and female students.

Analysis- The outcome of the ANOVA analysis from table no.1 (A) between the gender Male and Female as categorical variable has significance value (p) 0.59, which is greater than 0.05. Hence we fail to reject the null hypothesis H₀₁ as stated above. Therefore converse may be inferred that male and female respondents show similar influence of price factor on attitude towards impulse buying. Dr.Surekha Rana, Jyoti Tirthani (2012) hypothesized a positive relationship between gender (female) and impulse buying tendency is not supported. The relationship though as predicted is positive but it is not significant.

H₀₂-There is no significant difference in influence of Price factor on attitude towards impulse buying of students at different education levels.

Analysis- The ANOVA results of this research show that there is no major association at 5% significance level between Education and impulse buying behaviour as the p-value is greater than 0.05, from (table no 1(B)). Hence H₀₂ cannot be rejected and concludes that there is no significant relationship between these variables.

H₀₃-There is no significant difference in influence of discount and offers on attitude towards impulse buying of students of different age groups.

Analysis- The outcome of the ANOVA analysis from table no.1(C) shows that the Age factor of students have p-value 0.891 which denotes that there is no significant relationship with impulse buying behaviour as the $p > 0.05$. Hence the H₀₃ cannot be rejected.

H₀₄-There is no significant difference in influence of Convenience and Store image on attitude towards impulse buying of male and female students.

Analysis- The independent variable male and female students show the p-value 0.662 from table no 2(A), which indicates that there is no significant relationship with impulse buying behaviour. Hence the Null hypothesis H₀₄ cannot be rejected.

H₀₅-There is no significant difference in influence of Convenience and Store image on attitude towards impulse buying of students at different educational levels.

Analysis- The outcome of the ANOVA test from table no 2(B), shows that different educational level of students scored the p-value which 0.683 denotes that there is no significant relationship with impulse buying behaviour as the $p > 0.05$. Hence we cannot reject the null hypothesis. Dr.Surekha Rana, Jyoti Tirthani (2012), hypothesized a negative relationship between education and impulsive behaviour of consumers. It means that less educated customers are more impulsive in taking their buying decisions than the more educated.

H₀₆- There is no significant difference in influence of Convenience and Store image on attitude towards impulse buying of students of different age groups.

Analysis- According to the result from table no 2(C), attitude towards reference factor on impulse buying of different education level of students have p- which 0.784, denotes that it has no significant impact on attitude of different educational level of students on impulse buying behaviour of respondents towards impulse buying at 5% significant level. Hence, the result of this research shows that the education level of students has no strong influences with the respondents' impulse purchase. Hence H₀₆ is accepted.

H₀₇-There is no significant difference in influence of Staff attitude on attitude towards impulse buying of male and female students.

Analysis- As shown in table no 3(A), influence of staff attitude on attitude towards impulse buying of male and female students has significance value (p) 0.208 which is greater than 0.05. It denotes that this factor has not a significant relationship with the impulse buying behaviour. On the basis of findings we fail to reject the assumed hypothesis H₀₇.

H₀₈- There is no significant difference in influence of Staff attitude on attitude towards impulse buying of students at different education levels.

Analysis- From table no 3(B), influence of staff attitude on attitude towards impulse buying of the education level of students which has a significance value (p) 0.607, which is greater than 0.05. On the basis of findings we fail to reject the assumed hypothesis H₀₈. It denotes that there is no any significant relationship between the attitude of male and female students on impulse buying behaviour.

H₀₉- There is no significant difference in influence of Staff attitude on attitude towards impulse buying of students of different age groups.

Analysis- According to the result from table no 3(C), influence of staff attitude on attitude towards impulse buying of different age group of students have p-value 0.349, which denotes that it has no significant impact on attitude of different education level of students on impulse buying

behaviour of respondents towards impulse buying at 5% significance level. Hence the result of this research shows that the different Age group of students have no strong influences with the respondents' impulse purchase. Hence H_{09} is accepted.

H_{010} -There is no significant difference in influence of Trial factor on attitude towards impulse buying of male and female students.

Analysis-The outcome of the ANOVA analysis from table no.4 (A) between the gender Male and Female as categorical variable has significance value (p) 0.358 which is greater than 0.05. Hence we fail to reject the null hypothesis H_{010} as stated above. Therefore converse may be inferred that male and female respondents show that there is similar influence of Trial factor on attitude towards impulse buying.

H_{011} -There is no significant difference in influence of Trial factor on attitude towards impulse buying of students at different education levels.

Analysis- The ANOVA results of this research show that there is no major association at 5% significance level between Education and impulse buying behaviour as the p-value (.758) is greater than 0.05, from table no 4(B). Hence H_{011} cannot be rejected and concludes that there is no significant relationship between these variables.

H_{012} - There is no significant difference in influence of Trial factor on attitude towards impulse buying of students of different age groups.

Analysis-According to the result from table no 4(C), attitude towards reference factor on impulse buying of different education level of students have p-value 0.689, which denotes that it has no significant impact on attitude of different education level of students on impulse buying behaviour of respondents towards impulse buying at 5% significant level. Hence, the result of this research shows that the different age group of students have no strong influences with the respondents' impulse purchase. Hence H_{012} is accepted.

H_{013} -There is no significant difference in influence of Visual merchandising on attitude towards impulse buying of male and female students.

Analysis- As shown in table no 5(A), influence of Visual Merchandising on attitude towards impulse buying of male and female students have significance value (p) 0.474 which is greater than 0.05. It denotes that this factor has not a significant relationship with the impulse buying behaviour. On the basis of findings we fail to reject the assumed hypothesis H_{013} .

H_{014} - There is no significant difference in influence of Visual Merchandising on attitude towards impulse buying of students at different education levels.

Analysis-From table no 5(B), influence of Visual Merchandising on attitude towards impulse buying of the education level of students which has a significance value (p) 0.942, which is greater than 0.05. On the basis of findings we fail to reject the assumed hypothesis H_{014} . It denotes that there is no significant relationship with the impulse buying behaviour.

H_{015} - There is no significant difference in influence of Visual Merchandising on attitude towards impulse buying of students of different age groups.

Analysis-According to the result from table no 5(C), influence of Visual Merchandising on attitude towards impulse buying of different age groups of students has p-value 0.879, which denotes that it has no significant impact on attitude of different Age group of students on impulse buying behaviour of respondents towards impulse buying at 5% significance level. Hence the result of this research shows that the Age group of students has no strong influences with the respondents' impulse purchase. Hence H_{015} is accepted.

CONCLUSION AND SUGGESTIONS

This research reveals the role of Price factor, Trial factor, Staff Attitude, Visual merchandising and Convenience & Store images on impulse buying of respondents with respect to their demographic profile such as Gender, Education and Age. At university level education does not play an important role in the process of framing the marketing strategies by the retailers. On the basis of the above findings, the researcher concludes that there is no significant difference in attitude of university students with respect to Gender, Age and Education.

Table no-1(A)

ANOVA with Gender					
AVG_PF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.436	1	1.436	3.680	.059
Within Groups	25.360	65	.390		
Total	26.796	66			

Table no-1(B)

ANOVA with Education					
AVG_PF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.406	3	.135	.323	.809
Within Groups	26.390	63	.419		
Total	26.796	66			

Table no-1(C) :

ANOVA with Age					
AVG_PF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.473	4	.118	.279	.891
Within Groups	26.323	62	.425		
Total	26.796	66			

Table no-2(A)

ANOVA with Gender					
AVG_CSI					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.714	1	.714	.193	.662
Within Groups	239.762	65	3.689		
Total	240.476	66			

Table no-2(B)

ANOVA with Education					
AVG_CSI					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.549	4	1.637	.434	.683
Within Groups	233.926	62	3.773		
Total	240.476	66			

Table no-2(C)

ANOVA with Age					
AVG_CSI					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.605	3	1.868	.501	.784
Within Groups	234.871	63	3.728		
Total	240.476	66			

Table no-3(A)

ANOVA with Gender					
AVG_SA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.169	1	1.169	1.614	.208
Within Groups	47.083	65	.724		
Total	48.252	66			

Table no-3(B)

ANOVA with Education					
AVG_SA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.375	3	.458	.616	.607
Within Groups	46.877	63	.744		
Total	48.252	66			

Table no-3(C)

ANOVA with Age					
AVG_SA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.290	4	.823	1.134	.349
Within Groups	44.962	62	.725		
Total	48.252	66			

Table no-4(A)

ANOVA with Gender					
AVG_TF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.507	1	2.507	.858	.358
Within Groups	190.033	65	2.924		
Total	192.541	66			

Table no-4(B)

ANOVA with Education					
AVG_TF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.537	3	1.179	.393	.758
Within Groups	189.004	63	3.000		
Total	192.541	66			

Table no-4(C)

ANOVA with Age					
AVG_TF					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.763	4	1.691	.564	.689
Within Groups	185.778	62	2.996		
Total	192.541	66			

Table no-5(A)

ANOVA with Gender					
AVG_VM					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.524	1	.524	.518	.474
Within Groups	65.774	65	1.012		
Total	66.299	66			

Table no-5(B)

ANOVA with Education					
AVG_VM					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.405	3	.135	.129	.942
Within Groups	65.893	63	1.046		
Total	66.299	66			

Table no-5(C)

ANOVA with Age					
AVG_VM					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.245	4	.311	.297	.879
Within Groups	65.053	62	1.049		
Total	66.299	66			

PF - Price factor

TF- Trial factor

SA-Staff Attitude

VM- Visual merchandising

CS-Convenience & store images

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UNDERSTANDING IMPACT OF E-SERVICE QUALITY ON CUSTOMER SATISFACTION IN E-TAILING SERVICES

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ABSTRACT

The terms “Electronic Commerce”, “Internet marketing” and “On-line Shopping” are now commonly used by business executives and consumers around the world as, businesses are recognising the potential opportunities for commerce in the on-line business environment (Karakaya and Charlton, 2001). E-tailing services are the most discussed issue in the Internet literature (e.g., Goldsmith and Bridges, 2000; Rao, 1999; Wang and Head, 2007). As information technology develops, the frequency of human–computer interactions increases, which makes trust between users and websites an important issue (Johnson, Bardhi & Dunn, 2008). Ajzen (1988) separated trust in technology into trusting beliefs and trusting intentions. According to Internet World Statistics, India has the third largest number of internet users in the world after China and USA despite having a low internet penetration rate of just 8.5 percent. The objective of this paper is to investigate the effect of e-tailing service quality and trust on e-shopping behaviour. E-tailing services can act as a potential trigger of e-shopping among consumers. Thus, we aimed to explore how e-service quality affects consumer satisfaction with e-tailing services.

Key words: E-service Quality, Customer Satisfaction

INTRODUCTION

The growth of worldwide internet commerce has been mainly due to the demand of customers who are technologically savvy and informed about products and services. Consequently, the competition has increased rampantly among Internet companies. Internet is considered a mass medium that provides the consumer with purchase characteristics like no other medium. Certain characteristics are making it more convenient for consumer, compared to the traditional way of shopping, such as the ability to view and purchase the product 24X7, visualize their needs with products, and discuss products with other consumers. According to Yoo & Donthu (2001) Internet shopping sites can be defined as the web sites of retail outlets where customers can browse, evaluate, order, buy a product or a service. Electronic service quality has a strategic implication for business attempting to deal with customers in the electronic marketplace. Based on the study by Zeithaml et al., (2000), service quality delivery online is an important strategy for success. The perceived service quality includes guarantees, customized services and

stages of a customer’s interactions with Internet website. In other words, it is the level to which Internet website enables effective and efficient purchasing, shopping and delivery (Zeithaml et al., 2000). The significance of e-service delivery is acknowledged in the business world. Among the reasons for the increase of these services over the Internet is the fact that it is much easier for customers to make a comparison between varying service offerings in contrast to traditional ways (Santos, 2003). Companies increasingly rely more on online services because they are more convenient, interactive, have lower costs and offer a high degree of customization and personalization to their customers (Park and Baek, 2007). Its importance in the e-commerce context has been demonstrated by statistics cited in the work of Cheung and Lee (2005), which showed that 80% of the highly satisfied online consumers would shop again within two months, while 90% would recommend the Internet shops they use to others. The objective of the research is to investigate the effect of e-service quality on customer’s satisfaction in e-tailing services.

E-SQ MEASUREMENT INSTRUMENT

The dominating and most widely utilized scale for the assessment of service quality is SERVQUAL, developed by Parasuraman et al. (1985). It has 97 items in a total of 10 dimensions of service quality (Parasuraman et al., 1985). The dimensions comprise tangibles that include physical facilities, functional appeal and

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employee appearance; reliability that includes the ability to conduct promised service in an accurate manner and in a trustworthy way; assurance including personnel recognition that encourages user confidence and trust; and, lastly, empathy that includes care provision and paying individual attention to customers. From that time, the five service quality dimensions have become the basis for universal service quality measurement (Yang and Jun, 2002). Parasuraman et al., (2005) defined e-service quality and proposed a new method for its measurement, which is E-S-QUAL. The measurement consists of four dimensions with 22 items. These dimensions are fulfillment, efficiency, privacy and system availability. Accompanying this main scale is a subscale referred to as E-RecS-Qual, formulated for customers facing issues while using online services. This subscale comprises three dimensions of responsiveness, compensation and contract and has 11 items. Two scales have undergone reliability and validity tests and shown good psychometric characteristics. Later, Parasuraman et al., (2005) tested it in online shopping contexts. The efficiency dimension is concerned with the ease of speed and access and utilization of the site. It is referred to as the capability of the customers to use the site, find their products of choice and all the associated information with minimal effort. Meanwhile the system availability dimension relates to the technical function of the site and is related to the technical functioning and the level to which the site is available and functioning properly. E-S-QUAL is commonly used in online service quality studies. Kim et al., (2006) made use of it to measure online e-service quality measure to determine the main factors contributing to clients' satisfaction. The E-S-QUAL may be utilized along with E-RecS-QUAL scale, which measures the quality of recovery service offered by the site. The E-RecS-QUAL scale has the dimensions of responsiveness, compensation and contact to deal with customer issues or inquiries (Mekovec et al., 2007). This method is the basis of the e- services quality evaluation approaches

METHODOLOGY

Survey approach has been widely used in marketing research to obtain raw data from large groups of people (Cooper and Schindler, 2013). We investigated the literature to identify valid measures for this study. A scale has been constructed and adopted to measure the e-service quality dimensions. In order to meet the objectives of the study, primary data is collected

using the questionnaire method. The questionnaire is divided in to two parts: Part - I consisted of the questions related to demographics and awareness about internet shopping and E-Tailing. Parts II of the questionnaire consisted of selected variables like- efficiency, website design, responsiveness, fulfillment, privacy and satisfaction. These variables are further divided into 28 variables which are directly related to e-service quality and satisfaction level. The variables have been measured on a 5 point Likert scale. The sample size taken for the study constituted 100 respondents. Convenience sampling technique has been used for data collection wherein the sample is chosen from the population in random proportion of the various age groups present in the population.

DATA ANALYSIS AND INTERPRETATION

The data is collected from 100 respondents. The response rate was 90 percent. The incomplete/inappropriate responses are rejected to get higher precision value in results. After collection of the data, the reliability of the research instrument is tested by using Cronbach's alpha and factor analysis, using SPSS 19.0 version.

Table 1
Factor Loading and Reliability Test for Variables

S. No.	Statements	Factor Loading	Cronbach's Alpha
Efficiency			
1.	The e-retailer website makes it easy to find what I need	0.708	0.886
2.	It makes it easy to get anywhere on the e-retailer website	0.806	
3.	It enables me to complete a transaction quickly on the e-retailer website	0.887	
4.	Information at the e-retailer website is well organized	0.786	
5.	It loads its pages fast	0.679	
6.	The e-retailer website is simple to use	0.896	
7.	This site is well organized	0.873	
Website design			
8.	The information on the site is attractively displayed	0.812	0.711
9.	The information on the site is well organized	0.763	

S. No.	Statements	Factor Loading	Cronbach's Alpha
10.	The information on the site is easy to understand and follow	0.679	
11.	The site layout and colors are appealing (fascinating)	0.764	
Responsiveness			
12.	E-retailer provides me with convenient options for returning items	0.679	0.775
13.	E-retailer website handles product returns well	0.784	
14.	E-retailer website offers a meaningful warrantee	0.783	
15.	E-retailer website tells me what to do if my transaction is not processed	0.676	
16.	E-retailer website takes care of problems promptly	0.637	
Fulfillment			
17.	E-retailer website delivers orders when promised	0.887	0.689
18.	E-retailer website makes items available for delivery within a suitable time frame	0.882	
19.	E-retailer website has in stock the items the company claims to have	0.772	
20.	E-retailer website makes accurate promises about delivery of products	0.688	
21.	E-retailer website quickly delivers what I order	0.752	
Privacy			
22.	E-retailer website protects information about my Web-shopping	0.689	0.871
23.	E-retailer website does not share my personal information with others	0.713	
24.	E-retailer website protects information about my credit card/debit card	0.785	
Satisfaction			
25.	I am satisfied with my previous online shopping experience	0.888	0.885
26.	Online shopping is a pleasant experience	0.768	
27.	E-tailing services are enjoyable	0.739	
28.	Overall, I am satisfied with my e-tailing service experience	0.801	
Total Variance Explained- 69.5 %			

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std Error of Estimate
1	.677a	0.524	0.315	0.22181

Regression Linear equation defined from Table 8 is $Y = 1.365 + 0.23X$ is influenced by other factors.

Table 3: Model Summary

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	5% Confidence Interval	
(Constant	B	Std Error	Beta			-0.055	3.022
a)	1.365	0.655	0.545	2.011	0.044	0.021	0.811
X	0.230	0.211		2.122	0.051		

a. Dependent Variable: Y

DISCUSSION

The e-service quality items were exposed to an explanatory factor analysis. The analysis of the items was carried out on the data set from the responses. It showed a two-factor solution. The two-factor solution explained 69.5% of the variance. Procedures of principal component and varimax were utilized to determine the dimensions of orthogonal factor. The latent criterion of 1.0 was used for factor extraction while factor loadings of 0.40 were used for item inclusion (Hair et al., 1995). Determination Coefficient is used to measure the influence of independent variable x (e-service quality) to the dependent variable y (customer satisfaction). The result shows that the service quality has an influence of 52.4% on the customer satisfaction. Hence, We can conclude that e-service quality has significant impact on the satisfaction of user in e-tailing services.

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BOOK REVIEW

INVESTMENT BANKING (Concepts, Analysis and Cases)

Pratap Giri S.

[Pub: McGraw Hill Education (India) Private Limited, New Delhi, 2013, pp. 660]

The book is primarily a work in core investment banking, in the Indian context, coupled with perspectives on global investment banking, to provide holistic learning of the subject. The book assumes added significance because investment banking, as a branch of financial services, has never been of higher importance than at present due to deepening and global integration of financial markets and fast-paced transformation and complexities in corporate landscape.

Financial markets, security markets and capital markets, industry structure, business profile of full service investment banking, global and Indian investment banking paradigm, primary market securities issuances and business evaluations etc. have been given a very critical and in-depth treatment in the first part of the book which makes these complex topics easily understandable. Similarly, the second part of the book which deals with core investment banking, has stressed a great deal on issues like underwriting, services rendered in domestic issue management, buybacks and de-listing, global security issuances, mergers and acquisitions, buyouts, divestures, corporate restructuring, private equity and placement, etc. A number of tables, exhibits, work-out problems, case studies and exhibits are another notable feature to be

taken note of while assessing the real worth of the book. It goes to the credit of the book under review that it basically endeavours on bringing a holistic perspective to financial discussions by examining the applicable substantive law and delegated legislation without delving into procedures and compliance matters. It would have, however, added to the value of the book if some primary issues of jurisprudence had also been tackled.

On the whole, the book makes an interesting reading despite its dealing with complex issues. The lucid style, appropriate use of technical terms and end-of-book problems with their answers mentioned in the Appendix at the end of the book which prompt a reader to test his understanding, are also sparkling feathers in the cap of the book. The author has indeed taken great pains in attempting such a huge task and appears to have done full justice to the subject.

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