

20th International Conference on IT Applications and Management

Co-creation and Innovation: Reinventing Industry with Emerging Technologies

June 27 - 30, 2018



Supported by:

Korea Database Society
Korea Database Agency



20th International Conference on IT Applications and Management

Co-creation and Innovation: Reinventing Industry with emerging technologies

June 27 ~ 30, 2018

Host and venue: Kindai University, Osaka, Japan

Supported by Korea Data Strategy Society

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**CO-CREATION AND INNOVATION:
REINVENTING INDUSTRY WITH EMERGING TECHNOLOGIES
JUNE 27 ~ 30, 2018**

Host and venue: Kindai University, Osaka, Japan

Co-host: Korea Data Strategy Society, International ITAM Society

[PROGRAM]

Pre-Conference Symposium and Field Trip

June 27, WEDNESDAY	Delegates Arrive Reception and Social Interaction
June 28, THURSDAY	Industry Tour (09:00~16:00) Kobe Steel Industry Cluster and Ifuku Steel Company. Future of Asia Symposium (16:00~17:30) Venue: Practical Science Hall of Kindai University Chair: Namjae Cho - Conceptualization of Bao: Comparing Reciprocity in the West and Bao in the Chinese Cultural Context (Oliver H M Yau & Simone Cheng) - Tourist Behavior: A Literature Review (Dev Tripathi, Santosh Rangnekar) - Transformational Leadership towards Development: With reference to Trivendra Singh Rawat (Anup Kumar)
June 29, FRIDAY	Cultural and Historic Place Tour (09:00~20:00) Kyoto Historic City (optional)

Conference Plenary and Technical Sessions (June 30, SATURDAY)

Time	Program
8:00~9:00	Registration
9:00~10:30	Inauguration Session (Blossom Café 3F) Opening Announcement -- Sang Jun Kim (Chair of Organizing Committee, Kindai Univ.) Greeting Welcoming Remarks - Hiroyoki Inaba (Director of the Business School, Kindai Univ.) Greetings - Gyungmin Kim (Conference General Chair, Ewha U., Korea) - Namjae Cho (Chair of International ITAM Society, Hanyang U. Korea) Software and Award Donation Ceremonial Keynote Speech: ABENOMICS: Its Success and Failure Katsuji Okachi (Professor Emeritus, Ryukoke University)

Time	Track A	Track B	Track C
	Session A1 Technology and Governance Chair: Sarika Amatya	Session B1 Tourism Industry Transformation Chair: Naohisa Kakutani	Session C1 Analyzing Digital Media Effects Chair: Yanki Hartijasti
11:00 ~12:30	ICT and E-governance Co-creation for Better Public Service Delivery - Mahesh Maharjan Perception of Nepalese Government Employee towards IT Contribution for their Efficiency - Sateesh Kumar Ojha A Study of the Preferred Cognitive Style of Individuals and Team Diversity Using Kirton's Adaption –Innovation Assessment And Its Relationship To Snyder's Hope Theory - Kanes K Rajah	An Analysis on Unique Selling Point of Multinational Hotels in Kathmandu - Sanjaya Jha Tourist Structure of Health and Wellness Tourism in Japan - Issei Iwasaki Study Related to Factors Causing Foreign Tourists from Taiwan to Select Okinawa - Naohisa Kakutani Jatayu Restaurant in vulture Conservation of Nepal and Community Based Tourism : Challenges and opportunities - Chanda Neupane	Motivation in Using Social Media among Indonesian and Filipino Multigenerational Travelers - Yanki Hartijasti, N. Cho Media's Framing Effect in Cases Related to Social Issue - Soobin Cho, J. Whang Identify Theories and Models of Technology Acceptance and Information Systems Success for Measuring Open and Distance Learning in Nepal: Literature Review - Pradeep Bastola Usage of Electronic Communications by Young Entrepreneurs Businesses in Nepal - Ajay Khadka
12:30~1:30	Lunch		
	Session A2: Sustainability Management Chair: Pratima Pradhan	Session B2 Entrepreneurship Chair: Ji-Hee Kim	Session C2: ICT Applications Chair: Weihui Dai
1:30 ~3:00	Transparency is the Important Element for NGOs Operational Management in Context of Current Federal Nepal - Sarika Amatya Protecting the Environment by Maintaining Forests Through the Reduction of Property Taxes Southern Wakayama Prefecture as an Example - Masayuki Maruyama Climate Change, Livelihood and Adaptation Practices: A Study of People at Lamabagar VDC, Dolakha - Pradeep Bhusal Eco-tourism and Sustainability: Opportunities and Challenges in Nepal - Dinesh Basnet Significance of Training on Food, Food Safety, Hygiene and Sanitation - Shree Prasad Bhattacharai	Experiential Entrepreneurship Teaching Methods: 'Bug Reports' and 'Too Cools' to Improve Creative, Innovative, and Technological Abilities - Ji-Hee Kim A study on effects of preparations of the factors that affect satisfaction of the successor of family firms - NamjaeCho, Ji-HeeKim and GiseobYu Status and Characteristics of Tourism Development of Olle Road in Jeju Island - Eunju Ryu Word of Mouth Effect on Online K-Beauty Sales - Mei Na Liu and Gyoo Gun Lim	Information System Security Innovation Based on Mimetic Isomorphism - Myeonggil Choi, Min Sun Kim, Nack-Phil Sung Reversible Data Hiding using Randomized CIT Encryption Scheme - Jeong Mo Yang, Chien-Chang Chen, Chih-ChienWang The Activity-Oriented Usability Model of Software - Seokha Koh and You-Jeong Koh Distance Learning in Higher Education: A Journey from Traditional Methods to Virtual Environments. - Yashodham Tripathi
3:00~3:30	Coffee Break		

	Session A3 Performance Management Chair: Bernard Lee	Session B3 Business Analysis Chair: Kondo, Yuji	Session C3 Business Transformation Chair: Mahesh Maharjan
3:30 ~5:00	Higher-order Goals, Self-efficacy and Trust-in-leader as Moderators of Transformational Leadership Performance: The Case of Multi-level Marketing Organizations - Bernard Lee and Anthony Tsui Shu Chuen Importance of knowledge and knowledge sharing within the hospitality organizations - Roopesh Shrestha	Quadratic Effects of Hedonism and Uniqueness on Global Luxury brand Purchase - Stella, So Lai Man and Oliver, Yau Hon Ming Tourism and Consumer Behavior-Investigation Report about The Souvenir in Osaka City - Kondo, Yuji Alcohol Control Policy and Marketing Corporate Social Responsibility of Alcohol Industry in Nepal - Yeak Narayan Sharma Re-Use of data in Nepalese Labor Migrant Industry - Pratima Pradhan	Contractor Selection Method for construction work and its effect in Nepal - Bishnu Prasad Khanal Factors Influencing Individual Investors to Invest in Nepalese Capital Market. - Bivab Neupane Factors Influencing Credit Risk Management at Saving and Credit Cooperative Societies - Sudarshan Giri Conflicts in Education: A Perspective to Internalize Education - Ramhari Silwal
5:00 ~5:30	Valedictory Session		
	1) Announcement of the Next Conference -Namjae Cho (Chairman of International ITAM Society) -Kanes K. Rajah (CEPD London, U.K.) 2) Closing Address - Sang Jun Kim (General Chair of the Conference, Kindai University)		
6:00~9:00	Banquet		



International ITAM Society



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Information System Security Innovation Based on Mimetic Isomorphism

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Abstract

This study aims to understand the interactions between external pressures and organizational factors in the course of information system security (ISS) innovation for e-government within institution theory. This study developed a research model elucidating the effects of mimetic isomorphism on legitimacy, and the relationships between legitimacy and organizational ISS effectiveness for e-government. Additionally, this study investigated the roles of organizational supports and cynicism in ISS effectiveness. A survey was conducted on 489 civil servants working for the Korean national government, and the data was analyzed using the partial least squares method.

Keywords: Information system security for e-government, Mimetic isomorphism, Legitimacy, Innovation supports, Organizational cynicism, Resistance.

1. Introduction

Most governments around the world have been using information technology (IT) as a tool to improve public service and citizen satisfaction, as well as efficient communication and interactions with their citizens, constituents, and public administration organizations (Irani et al., 2007; Zheung et al., 2013). Electronic government (e-government), defined as “utilizing the Internet and the World-Wide-Web for delivering government information and services to citizens” (UN and ASPA, 2002, p. 1), has recently become a new support system for public governance (Zheung et al., 2013). As security issues have become the third most important barrier to e-government, after the lack of financial resources and technologies (Coursey and Norris 2008), most governments have been confronted with the task of successful and continuous ISS innovation within their organizations. Moreover, ISS has received much attention since the late 1990s, and the issues surrounding ISS have been increasing (Boss et al., 2009). ISS can be defined as the “encompassing systems and procedures designed to protect an organization’s information assets from disclosure to any person or entity not authorized to have access to that information” (Hill and Pemberton, 1995, p.15), and its innovation is a continuous organizational process.

The diffusion of e-government has accelerated since the 1990s alongside the intensification of information society, and successful e-government initiatives and

systems have been both benchmarked and imitated (Eom, 2012). Eom (2012) indicated the difference between the adoption of successful e-government initiatives and their implementation. Although it has been witnessed that governments have been frequently adopting innovative programs and strategies through mimetic isomorphism (they have been imitating other organizations’ successful programs and strategies), their implementation of these programs and strategies may not necessarily be successful (Albury, 2005; Jun and Weare, 2010). Thus, the adoption of innovative programs by governments may require more than technical changes. Moreover, governments’ ISS innovation, based on mimetic isomorphism, requires legitimacy, systematic supports for changes, and standard settings based on the confidence of organizational members. Governments’ ISS innovation entails those profound and efficacious changes and organizational supports. Further, the importance of applying institution theory as a framework of investigating ISS has been suggested (Hu et al., 2007).

This study attempted to illuminate the factors affecting organizational changes for ISS innovation through the case of the Korean national government, which had enacted the Framework Act on Informatization Promotion in 1996 to promote e-government (Eom, 2012). It focused on mimetic isomorphism and legitimacy, and the relationships between the legitimacy and organizational ISS effectiveness, while investigating the roles of

organizational supports and cynicism in ISS effectiveness. Accordingly, this study attempted to elucidate the interrelationships between external pressures and internal organizational factors.

2. Literature review

2.1. Theoretical framework

ISS research has taken four approaches, including functionalist, interpretive, radical humanist, and radical structuralist; the functionalist paradigm has played a major role in ISS research (Dhillon and Backhouse, 2001). Björck (2004) and Hu et al. (2007) stressed the importance of using institution theory to investigate ISS in the organizational context. Moreover, Hu et al. (2007) argued that “a more coherent socio-organizational framework is required to explain why managers and users behave in certain ways and how their beliefs and attitudes toward information systems security are developed and, perhaps more importantly, how they can be influenced and changed” (p. 155). Institution theory has recently been applied as a theoretical framework of information systems and IT (Currie and Swanson, 2009; Eom, 2012; Orlikowski and Barley, 2001). The importance of using institution theory in illuminating the complexities of e-government, involving organizational factors, as well as political and policy-making processes intertwined with technical rational, has been suggested (Orlikowski and Barley, 2001).

2.2. Mimetic isomorphism related to ISS innovation

Institution theory considers isomorphism a central, but multi-dimensional, concept (DiMaggio and Powell, 1983). As organizations involve externally legitimated measures and requisites, isomorphism embraces the effects of organizations’ external environments on how they are structured (Lawton et al., 2000). Accordingly, isomorphism incorporates the organizational changes forced by external environments (Lawton et al., 2000). DiMaggio and Powell (1983; 1991b) and Scott (1995) suggested three types of isomorphism resulting in the conformity to external pressures, including coercive isomorphism (organizational changes are forced by political influence and legitimacy), normative isomorphism (organizational changes are based on professional or expert influence), and mimetic isomorphism (organizations mimic other successful organizations in the field). Leiter (2005) summarized that the reasoning behind isomorphism is that “domination and dependency, uncertainty and professionalization increase

the likelihood of isomorphism” (p. 5).

Mimetic isomorphism is useful when uncertainty becomes an issue, which requires considerable search costs (Ashworth et al., 2007; Hu et al., 2007; Levitt and March, 1988) and utilizes institutional rules as substitutes for technical rules (Haveman, 1993). Moreover, March (1981) argued that mimetic isomorphism is derived from the obligatory action that reflects the automatic adoption of institutionalized actions by social actors. Mimetic isomorphism involves adopting the successful, rational, and prudent strategies or practices (Haveman, 1993) used in similar organizations. Organizational changes derived from mimetic isomorphism tend to be diffused in an epidemic way (Ashworth et al., 2007; March, 1981). Regarding ISS innovation as technology innovation in an organization, mimetic isomorphism involves uncertainty as a powerful source that promotes imitation (Currie, 2012). The uncertainty indicates that, when organizational members do not clearly understand organizational technologies, such as ISS, with ambiguous goals and symbolic uncertainty, they model themselves after other organizational technology innovation policies and practices (Currie, 2012).

Mimetic changes have been well-documented, and previous studies found the civil service reform of municipal governments based on mimetic isomorphism (Knoke, 1982; Tolbert et al., 1985) and mimetic influences in the local UK governments (Ashworth et al., 2007). In addition, although direct studies on IT mimicry were very rare, imitating the IT of pioneer organizations was found, especially in the banking and airline industries (Teo et al., 2003). Moreover, empirical evidence of mimicry behaviors, including Electronic Data Interchange (EDI) adoption (Teo et al., 2003), decision-making with regard to the IT budget (Hu and Quan, 2006), and website adoption (Flanagin, 2000), are found. Hsu (2009) also found that the competitive mimetic influence resulted in obtaining ISS certification in the financial sector.

2.3. Legitimacy of ISS innovation

DiMaggio and Powell (1983) highlighted the link of isomorphism to legitimacy, and institutional isomorphism emphasized the importance of legitimacy (Lodge and Wegrich, 2005). Moreover, institution theory has established a well-accepted proposition that institutional environments influence organizational legitimacy, including structure, culture, norms, and actions (e.g., Haveman, 1993; Tolbert and Zucker, 1983). Further,

Heugens and Lander (2009) argued that isomorphism led to an organization's symbolic performance, which, to some extent, may produce positive social evaluations that are usually linked to legitimacy. Suchman (1995) elucidated the role of legitimacy as "an anchor-point of a vastly expanded theoretical apparatus addressing the normative and cognitive forces that constrain, construct, and empower organizational actors" (p. 571), and defined it as "the generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate" (p. 573–4).

Isomorphism related to different attributes or levels may lead to different types of legitimacy (Westphal et al., 1997). Kaganer et al. (2010) identified four main forms of legitimacy, based on institutional bases and legitimation mechanisms, including cognitive, pragmatic, normative, and regulative legitimacy. Though their forms of legitimacy are useful to develop strategies for IT innovation, this study focuses on sources of legitimacy in the course of investigating ISS innovation. There are three types of legitimacy including individual legitimacy stems from high authorities, individual legitimacy based on accepted social structures, and organizational legitimacy derived from the prevalent cultural values of organizations (Woodward et al., 1996). As mimetic isomorphism at the organizational level may lead to organizational legitimacy, this study uses organizational legitimacy as its central construct.

2.4. Organizational cynicism

Organizational cynicism has been identified as a prevalent phenomenon in organizations (Atwater et al., 2000; Dean et al., 1998; Vance et al., 1995), and recently received growing attention in research on organizational changes (Bergström et al., 2014; Brown and Cregan, 2008). Dean et al. (1998) defined organizational cynicism as "a negative attitude toward one's employing organization, comprising three dimensions: (1) a belief that the organization lacks integrity; (2) negative affect toward the organization; and (3) tendencies to disparaging and critical behaviors toward the organization that are consistent with these beliefs and affect" (p. 345). Dean et al.'s (1998) definition is based on the conceptualization of organizational cynicism as an attitude toward the organization. Stanley et al. (2005) defined the characteristic of cynicism as "disbelief in the motives of others" (p. 452), and identified three types of cynicism; change-specific cynicism, as "a disbelief of management's stated or implied motives for a specific

organizational change" (p. 436); management cynicism, as "a disbelief in management's stated or implied motives for decisions or actions in general" (p. 436); and dispositional cynicism, as "a disbelief in the stated or implied motives of people in general for their decisions or actions" (p. 436). This study focused on change-specific cynicism because it dealt with organizational change for ISS innovation, and management cynicism because it is very difficult to ignore the interaction effects between employees' disbelief in a specific organizational change and their general disbelief.

2.5. Organizational innovation support

From the perspective of an organization, innovation is defined as the introduction of a new product, service, process, technology, policy, structure, or administrative system (Daft, 1978; Damanpour, 1991; Tarafdar and Ragu-Nathan). Innovation intends to create change to ensure adaptive behavior in the organization, and change the organization so that it maintains or improves its level of effectiveness (Damanpour and Schneiderw, 2006). Based on this definition, ISS activities can be considered a type of innovation.

The innovation of information systems directly influences and reshapes organizations only where IT and services have an impact on the business processes and products. This innovation, employed in an organization, can be considered crucial to its competitive survival and success (Swanson, 1994). The innovation of information systems delivers a new information product or service, a new information technology, or a new administrative arrangement. Moreover, the innovation of information systems may be further characterized in terms of certain fundamental technology. Most of the innovation will involve both information technological and work organizational features (Swanson, 1994). ISS can be considered as an administrative innovation (Hsu et al, 2012). The innovation for ISS also introduces the changes in employees' work routine, organizational structure, and organizational processes.

2.6. Resistance

Resistance is particularly evident during times of technical or organizational change for the purposes of productivity and changing the organization (Palmer, 1996; Westley, 1990; Zaltman and Duncan, 1977).

Resistance is an interaction between the system being implemented and its context of use (Markus, 1983). A group of employees tends to use a system if its adoption

seems to strengthen their position of power. If the adoption results in their loss of power, they will resist (DeSanctis and Courtney, 1983; Jiang et al., 2000; Krovi, 1993). From the perspective of equity theory, individuals first assess change in their equity status by the system, and then compare it to that of their organization. Based on this comparison with others in their reference group, they resist if they perceive inequity (Joshi, 1991). Moreover, resistance is explained as a response to threats that an individual associates with a new system. Employees experience a causal attrition from the implementation of a new information system, which leads to outcome and efficacy expectancies; the negative expectancies lead to user resistance (Martinko et al., 1996). A process model of resistance to information systems implementation has been proposed, based on the dimensions of initial conditions, interactions, threats, and behaviors, with respect to the subject and object of resistance (Lapointe and Rivard, 2005). Previous studies also identify external (i.e., lack of management support) (Hirschheim and Newman, 1988; Krovi, 1993; Martinko et al., 1996) and internal (i.e., efficacy (Martinko et al., 1996) controls as reasons for resistance.

2.7. *ISS effectiveness*

From a sequential qualitative-quantitative methodological approach, user training, security culture, policy relevance, and policy enforcement are suggested to measure the ISS effectiveness (Knapp et al., 2007). Here, ISS effectiveness can be considered as the extent to which the goals and objectives of the ISS program are achieved, the information is sufficiently protected, and the program is effective, as well as the overall functions of ISS.

The effectiveness of the ISS depends on the way the security contents are addressed in the policy, and how the content is communicated to users (Hone and Eloff, 2002). Moreover, the effectiveness is increased when ISS is adopted by employees in practical actions (Thomson and von Solms, 2006). At the organizational level, the nature of organizations plays an important role in the successful implementation and adoption of the security policy (Karyda et al., 2005). The success criterion is the organizational legitimacy at which employees follow a code of best practice or culture, and comply with security policy. Although the ISS guidelines are of a prescriptive nature and imperative, users often fail to apply them as intended (Albrechtsen, 2007; Siponen, 2000). To improve the effectiveness and awareness of people to ISS, tacit

knowledge and unconscious consciousness should be improved (Schneier, 2000, Thomson and von Solms, 2006; Ward and Smith, 2002).

3. Research hypotheses

It is possible that national governments attempt to mimic overseas governments that appear to be highly influential, visible, and prestigious. ISS innovation of e-government may involve not only technological changes, but also practical and structural changes, as well as power-relationship changes (Jun and Weare, 2010), which entails a legitimacy issue and organizational innovation supports. The organizational supports for ISS innovation lead to organizational changes because finance, technologies, strategies (Meyer and Goes, 1988; Nelson and Kletke, 1990), and social structures (Hsu et al., 2012) are adjusted and restructured in the course of this innovation.

Thus, this study hypothesizes that:

- (H1) Mimetic isomorphism toward ISS predicts organizational supports for ISS innovation.
- (H2) Mimetic isomorphism toward ISS predicts legitimacy of ISS.
- (H3) Mimetic isomorphism toward ISS negatively influences organizational cynicism toward ISS.
- (H4) Legitimacy positively affects ISS effectiveness.
- (H5) Organizational cynicism toward ISS negatively affects legitimacy of ISS.
- (H6) Organizational cynicism toward ISS negatively affects ISS effectiveness.
- (H7) Organizational innovation support positively influences ISS effectiveness.
- (H8) Organizational innovation support positively influences organizational legitimacy.
- (H9) Resistance negatively moderates the relationship between organizational innovation support and ISS effectiveness.
- (H10) Resistance negatively moderates the relationship between organizational legitimacy and ISS effectiveness.
- (H11) Resistance negatively moderates the relationship between cynicism and ISS effectiveness.

4. Methods

Structural equation modeling (SEM) was used to validate the research model. SEM makes it possible to analyze the relationship and strength between constructs. The partial least squares (PLS) technique is adopted to estimate the model (Chin, 1998). A self-administered questionnaire was created to collect opinions about ISS.

5. Conclusion

Since the mid-1990s, ISS innovation has received growing attention (Boss et al., 2009) in the context of e-government acceleration. Institution theory has been regarded as a useful theoretical framework to understand institutional environments, organizational changes and dynamics, and innovation processes in the organizational context (Björck, 2004; Hu et al., 2007; Orlikowski and Barley, 2001). However, ISS research using institution theory is a relatively recent trend. Although resistance to organizational changes for ISS innovation should be identified as an important issue, only few studies investigate the issue (Eom, 2012). This study attempted to elucidate the interrelationships between the external influences on ISS innovation of the Korean national government and organizational positive and negative factors, in the course of ISS innovation processes, within the framework of institution theory. Moreover, it revealed the moderating effects of individual resistance.

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Conceptualization of Bao: Reciprocity in a Chinese Cultural Context

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Abstract

This conceptual paper provides a new way of looking at reciprocity from an oriental perspective. It starts interpreting reciprocity in terms of economic and sociological perspectives with five dimensions: value, unit, form, timing and target of repayment, as usually examined in the West. Thinking that this interpretation is not exact, the authors suggest an oriental way of interpreting reciprocity which they call it, 'bao', adding a new religious interpretation. Further, they compare and contrast the meaning of the five dimensions in the Chinese cultural context with that in the West, resulting in different marketing implications. Finally, the implications of the findings are discussed with limitations of the study.

Keywords: *bao, reciprocity, Confucianism, psychology, scale, marketing implications*

Introduction

The concept of reciprocity is widely used in Western societies where it is used to explain how a social interaction commences. Gouldner (1960) was the first scholar to introduce the concept of reciprocity, which means the bi-directional exchange of valued resources between individuals (Tilden & Gaylen, 1987). Cheng (2017) further interpreted reciprocity from two perspectives: psychological perspective in terms of economic exchange theory and equity theory and sociological perspective in terms of social exchange theory and the theory of indebtedness. However, it has been a misconception that the concept of reciprocity is universal across countries and cultures. Gouldner (1960) concurred that reciprocal norms are present in most societies, but differ in terms of their constitution, location in the value system, mode of manifestation and impact on relationships and behaviours. For instance, there are fairly strict rules of exchange in Japan, which determine who should give a gift to whom and under what conditions (Kamo, 1988), while such exchange rules are much less formalised in the United States (Antonucci, 1990). Other than the differences in the labelling and pronunciation of the word, the conceptualisation of reciprocity is somewhat varied between the East and West because of cultural differences. In marketing, Yau (1986) included reciprocity as an important cultural value which shapes Chinese consumption behaviour. Along the same line, Yau, Chan & Lau (2003) considered reciprocity as a crucial factor in gift-giving in Chinese community. Building B2B and B2C relationships, Yau and his associates (Yau et. al) put

reciprocity as one of the four components of relationship marketing orientation (RMO). However, the concept of reciprocity has never been fully conceptualised in the Chinese context. Although the development of RMO, to some extent, was rooted in the Chinese culture, the subscale of reciprocity, which consists of four items, suffers from some possible deficiencies. First, four items were not able to explain the concept as reciprocity tends to be sophisticated. Second, no possible dimensions of the concept were examined and discussed. Third, the subscale was not operationalised in the Chinese context according to its items.

As such, the objectives of this paper are threefolds. First, this paper posits the idea to fully conceptualise reciprocity (bao) by examining its interpretation from various disciplines and second, it looks into possible latent dimensions in a Chinese culture context. Third, we design marketing implications for each of these dimensions. Achieving these objectives serves to lead to the development of a scale for bao in the future so that the scale can be used to enable research projects pivoting around the concept of reciprocity in various cultural settings. Research on bao can also be carried out to include other marketing constructs, for examples, service/ product involvement, and intention to purchase.

Being qualitative in nature, this paper is organized in several sections. We will first interpret Bao from the psychological, sociological and religious perspectives. Then as a result, we delineate it into five formative dimensions with marketing implications and heavy emphasis on the Chinese context

Conceptualisation of Bao in a Chinese Social Context

Reciprocity in Chinese is commonly called bao (Lee & Dawes, 2005). The earliest Chinese translation of reciprocity was pao (Yau, 1994) according to the Webster's English-Pinyin-system and has been used in Taiwan as well as in the Ching Dynasty (Tandy 2000). In recent years, reciprocity is commonly translated as bao (e.g., Chen & Chen 2004) accordingly to the Romanisation pinyin after 1949. Despite the spelling in English being varied, the meaning in Chinese remains the same. The word bao as a verb has a wide range of meanings, including "to report", "to respond", "to repay", "to retaliate" and "to reattribute" (Chen & Chen, 2004). Despite its multiple meanings and its complexity, bao centres on notions of response and return (Westwood, Chan, & Linstead, 2004). The central thesis of bao is that whenever an individual receives favours from any person, he or she is obligated to return the favours to the creditor (Hwang, 1987). Those who have received favours but do not repay are considered to have "no credibility", "no conscience", and to be "mean" and they will 'lose face' (Lee & Dawes, 2005). Unlike the Western concept, bao not only entails a positive aspect, but also a negative aspect. Bao is not only limited to the return of favours, conversely, it also bears the implication of "revenge". When somebody does harm to an individual, he or she is supposed to return the vengeance to the giver.

The Chinese viewpoint of bao can be explained from three different perspectives: sociological, psychological, and religious. Figure 1 depicts the interpretations of bao, the details of which are as follows.

Sociological Interpretation in term of The Gratitude Theory

Gratitude is a positive emotion that flows from the perception that one has benefited from the costly, intentional and voluntary actions of another person (McCullough, Kilpatrick, Emmons, & Larson, 2001). Gratitude is a morally beneficial emotional state that encourages reciprocal kindness. According to the Gratitude Theory, when an

individual feels gratitude towards a benefactor, he or she wants to recognise and appreciate the efforts of that benefactor and regard one's time and energy as valuable but not take his or her efforts for granted by engaging in a particular act, such as sending a thank you card, buying chocolates or inviting him or her for dinner. Bao is done out of gratitude. When an individual does good things for someone else, the other person is obligated to respond with acts of gratitude. Gratitude Theory explains the motives of bao and is widely used in marketing in Chinese communities.

Gratitude differs from obligation and indebtedness. Obligation feels negative and uncomfortable whereas gratitude is usually associated with contentment and well-being (McCullough, Kilpatrick, Emmons, & Larson, 2001). Both indebtedness and gratitude are self-oriented, but indebtedness is done out of a need to discharge debts and reduce stress brought about by indebtedness, while gratitude is done out of appreciation for the efforts of the benefactor.

Psychological Perspective in terms of Equity Theory

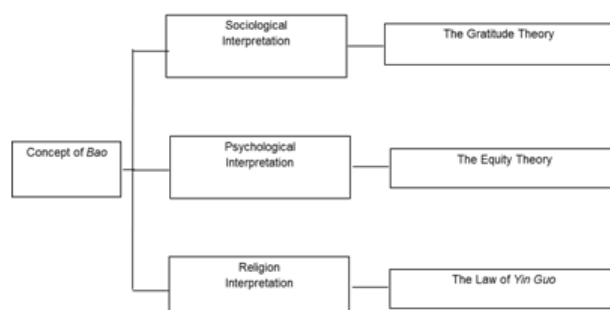
Equity Theory is a workplace management theory, explaining relational satisfaction in terms of perceptions of fair or unfair distribution of resources within interpersonal relationships. It is postulated that employees seek to maintain equity between the input that they bring to a job and the outcome that they receive from it (Adams, 1965). When individuals who perceive themselves as either under-rewarded or over-rewarded will experience distress and this distress leads to efforts to restore equity within the relationship. According to the theory, equity is measured by comparing the ratio of contributions and benefits of each person within the relationship (Adam, 1965).

The motivation of bao is based on the equity perception. Individuals would like to maintain a balance with others. If the balance between individuals cannot be maintained, the relationship may come to an end because the ones who are under-rewarded feel that the situation is unfair and humiliating for them. Similarly, the one who is over-benefited may tend to return what he or she received in order restore equity between the relationships, otherwise he or she may feel a sense of cognitive distortion. However, this equity "calculation" is solely anchored in an equity "perception" and not derived from an actual economic value; the calculation, moreover, is not constrained by any time frame.

Religious Interpretation in terms of The Law of Yin Guo

From a religious perspective, bao can be explained by the law of yin guo in Buddhism. Yin (因) can be interpreted as the factors or causes that give rise to an outcome or event; guo (果) is the outcome or event that arises from causes (Tang, 1998). Yin guo is seen as a kind of circulating fate associated with cause and outcome. A cause leads to an outcome; the outcome may, in return, become the cause of the outcome of another event.

Figure 1. The Chinese Interpretation of Bao



Influenced by the belief of yin guo, Chinese believe that bao, regardless of favours or hatred, reward or punishment, should be as certain as a cause-and-effect relationship (Yang, 1957). A popular Chinese proverb best describes the belief of the Chinese - “One with a kind heart will be rewarded by a good outcome. Accordingly, bao prescribed that individuals should not owe others any favours.

Conceptualisation of Bao and its formative Constituents

The existing literature offers no concrete ideas about bao. There is also the lack of a framework to distinguish Chinese bao from the Western concept of reciprocity. Yang (1995) specified five basic ‘rules’ of bao under Chinese circumstances:

- when offered a favour, we should accept it;
- when a favour is given, we are obligated to return it.
- when asked for a favour, we should comply (at least in part).
- We should attempt to return a favour promptly.
- We should wait for a favour to be returned, and not request its return.

However, these rules are not dissimilar to Western notions presented by Gouldner and others (Westwood, Chan, & Linstead, 2004). They seem confusing when mixing the characteristics of bao together with the Western concept of reciprocity. Explicitly, these rules are too general and cannot highlight the distinctiveness and richness of the Chinese concept of bao. However, they provide a base to form a universal framework, which appropriately accommodates reciprocal behaviours in different cultures or societies. Like components of a car, the five formative constituents, which spin the framework of reciprocity are: the value of the exchange, the form of repayment, the repayment period, the repayment entity, and the unit of the subject to repay. To make things simple, two types of reciprocal behaviour may be generated according to the framework and depicted in Table 2. Type one tends to describe behaviors in the Western culture while Type two seems to elucidate oriental reciprocity.

Table 1. Types and Constituent Components of Reciprocity

	Value	Timing	Entity	Form	Units of Subject
Type I	Symmetric	Immediate repayment	Direct repayment	Specific	Individual
Type II	Asymmetric	Timely repayment	Indirect repayment	Generalized	Collective

The Value of Exchanges The value of exchanges is generally seen from an economic perspective, putting

much emphasis on the economic fairness of the exchange between two parties. This is not always true in the Chinese culture as the Chinese concept of bao emphasises an asymmetrical repayment. One reason that favour asymmetry in repayment is bond building. Lebra (1976) said that bao is distinguished from pure economic exchange in that sometimes its significance lies in the creation or maintenance of a social relationship rather than in the transfer of goods from hand to hand. Chinese view symmetric repayment as a closure to the existing relationships (Yang, 1957; Chen & Chen, 2004). By contrast, if one returns a favour with a favour of even higher value, the original benefactor may become a debtor because of the over-benefit. Therefore, Hampden-Turner and Trompenaars (1997, p. 179) deduced that both parties will try to continually return more in a system of escalating favours so that the relationship can be further extended. This explains why Chinese prefer imbalanced exchanges.

One underlying factor that supports asymmetry in repayment is the feeling of indebtedness. As explained by the theory of indebtedness, people feel discomfort when they owe others. As such, repaying more than one has have received will discharge the feeling of indebtedness and regain comfort.

Timing of Repayment The timing of repayment refers to the best time that repayment should be made to return a favour to a benefactor. On the basis of the Indebtedness Theory, repayment should be made as soon as the rewards are received to reduce the discomfort caused by indebtedness. However, from an equity perspective, repayment should wait until the benefactor is in a corresponding situation so that a comparable favour could be made in return to the benefactor. Therefore, we see that the timing of repayment can be divided into two types: immediate repayment and timely repayment.

There are two reasons for emphasising timely repayment. First, to repay a debt at the best time when the benefactor is in need of help. This can be explained by the orientation of repayment advocated by Chen and Chen (2004) who classified reciprocity into two types: self-oriented and other-oriented reciprocity. The former is grounded by one’s desire to relieve oneself of indebtedness burdens by returning a favour with no consideration of its value or need to the receiver, while the latter is largely prompted by one’s gratitude toward the benefactor, to repay especially when the benefactor is in need of help.

Another explanation for the preference of timely repayment is based on the Social Capital theory, which see the offer of favours to someone as the accumulation of social capital, enabling us to enlist another’s help in the future. In such a way, the benefactor, in general, is not looking for immediate repayment but rather desires to build up his or her credit for future use. This explains why Chinese do not expected immediate repayment but

to wait the time when the benefactor needs something that the debtor has the ability to give.

Similarly, Lebra (1976) regards long-lasting debts as a kind of social insurance to be cashed in during a crisis. Chinese often consider favours done for others as “insurance protection” for which handsome returns are expected when it is needed most. Based on the concept of insurance, favours rendered at present are largely for protection in the future.

There are some exceptional cases. The response or return in social relations in some cases is immediate when the exchange involves conventional things or issues (Lebra, 1976). Many gift favours are answered by an immediate return gift so that the initial receiver will not remain a debtor too long and incur interest on their debt. For instance, the exchange of gifts during the New Year is almost immediate. A cash gift called ‘lai see’ (red packet) is exchanged simultaneously. Chinese usually wait for the same life-cycle event to repay a benefit. For example, cash gift received for one’s birthday ceremony will be returned when the creditor’s next birthday arrives. However, in many cases, it is difficult or even impossible for the recipient to wait for the same life-cycle event or emergency to happen for the initial giver (Lebra, 1976). Funerals, celebrations surrounding professional advancement or other similar events are good examples. Consequently, on some occasions, immediate repayment can be made.

Forms of Repayment The form of repayment is referred to as a means to return favours already received. It may be classified into four types according to a schema formed by two dimensions: its nature and styles as shown in Table 3. The nature of repayment is classified into positive and negative nature, that is, to repay with kindness or to revenge toward the hatred. The styles of repayment are to return by hatred and to return by kindness respectively. Spanned by these two dimensions, a quadrant schema consisting of the following four cells is shown in Table 2:

Cell A: To seek revenge of hatred by hatred

Cell B: To return hatred with kindness;

Cell C: To return kindness with hatred; and

Cell D. To repay kindness with kindness.

Style of Bao 報	Nature of Bao 報	
	Negative nature 報仇 Revenge of hatred	Positive nature 報恩 Repayment of kindness
仇 Hatred	以眼還眼 To revenge the hatred by hatred	恩將仇報 To return the kindness by hatred
恩 Kindness	以德報怨 To return the hatred by kindness	以恩報恩 To repay the kindness by kindness

Table 2. The four quadrants of Styles and Nature of Bao
Cell A refers to the use of a ‘hatred style’ to repay hatred received. Cell B is the use of a kindness style to repay the hatred one has received. Cell C refers to the employment of a hatred approach to repay kindness which has been accepted. Finally, Cell D makes use of a kindness approach to repay same kindness received.

The second typology divides the form of repayment into two according to the occasion and situation. They are specific reciprocity and generalised reciprocity. Some reciprocal exchanges are specific to an occasion or situation. Therefore, the form of repayment is associated with specific, well defined events. In contrast, some exchanges are not limited to any occasion. This is referred as generalised reciprocity, which is a generalised benevolence that is not limited to a specific occasion, nor is it economically calculable or repayable (Lebra, 1976).

Specific reciprocity is best exemplified by conventional gift-giving, which is associated with specific, well-defined occasions that call for celebrations, condolences, or the ritual expression of gratitude or good will (Lebra, 1976). On each of these different occasions, a specific form of repayment is often already well prescribed by cultural traditions. These different types of occasions pertain to life cycles, calendrical cycles, emergencies and special events. Though the occasions are diverse and the gift-givers may vary from case to case, the occasions are consistently well defined and associated with particular ceremonies. For instance, the most important occasions in life that call for gift-giving are birth, marriage and death. During these events, feasts are the typical form of repayment for visitors’ gifts and condolences. One can also wait for the same life-cycle event experienced by the initial givers which can be returned with the same favour to the giver. During gift-giving occasions regulated by the calendar such as the Chinese New Year festival and the Mid-autumn festival, recipients generally return gifts with similar forms of gifts, ranging from cash and special presents in well-designed red and gold envelopes during Chinese New Year and boxes of moon-cakes for the Mid-autumn festival. In the case of an emergency, such as a serious illness, fire, major robbery or certain special events, including opening a new business and buying a new house, the recipient will wait for the same events or emergencies to happen to the initial giver and then return with the same form of favour.

Generalised reciprocity focuses on generalised benevolence. When the benevolence is coupled with an offer of non-economic value such as love, respect and pride, Lebra (1976) regarded this as generalised benevolence. As mentioned in this section on page 99, some forms of benevolence are economically incalculable and unrepayable, like a situation when one saves the life of another drowning in the sea accidentally. As this benevolence can hardly be repaid, people may

remain indebted forever during an entire life. Therefore, generalised reciprocity emphasises the benefactor's overall attitudes and pattern of action rather than the value of the object given or to a certain act. A permanent debtor is supposed not to forget the benevolence and wait for a time when the benefactor truly needs him or her. In that case, the form of repayment is non-specific. It is heavily subject to the needs of the benefactor on that particular time. The form of repayment can range from material goods such as traditional gifts or intangible acts such as love and empathy, as well as concrete vestures like giving work to a jobless person. This explains why generalised reciprocity is associated with generalised benevolence.

Given the unrepayability of generalised benevolence, complementary repayment is the common form of repayment. This includes compliance, submission or loyalty to the benefactor. Owing to the unrepayability of the benevolence, the debtor tends to use the whole of his lifetime to support his or her benefactor in order to show one's gratitude. Therefore, generalised reciprocity always involves one's entire life (Lebra, 1976). The recipients, on the one hand, remember the benevolence received and wait for the opportunity when help is needed. On the other hand, sometimes a chance for repayment may come at a point in one's life when a status reversal has taken place between the benefactor and the recipient. For example, when a mother becomes helpless and frail in old age, the son or daughter, who used to be a debtor, may provide total care to the mother to repay her benevolence. Hence, generalised reciprocity does not stipulate the form of repayment but depends highly on the needs of the benefactor at a particular point in time.

The Entity of Repayment The Western sense of reciprocity, suggested by Gouldner (1960) emphasizes bilateral exchanges. However, Chinese bao is more complex. It may also involve a triad of exchanges rather than just being limited to dyadic exchanges between two parties (Lebra, 1976). Therefore, the entity of repayment can be classified into direct repayment and indirect repayment. Direct repayment requires the repayment of favours to the original benefactor, while indirect repayment involves the repayment of the debt that may pass through a third or even fourth party. If A is the benefactor of B, B is on credit to C. A can then try to influence C through B. Therefore, B becomes the intermediary that interlinks the two parties A and C.

The extensive connection networks of Chinese have given rise to the popularity of indirect repayment in Chinese societies. Though people in Western countries also possess social ties, their connection networks are not as far-reaching as the Chinese. Furthermore, Chinese have a tendency for interdependence whereas people in Western countries prefer self-sufficiency. This makes indirect repayment more prevalent in Chinese societies than in the West.

One of the major operating mechanisms of indirect repayment involves a third party which may become the final benefactor if the favour is not repaid to the original giver. The debt of a person can be transferred to a third person, so the debt is eventually repaid by that person. Or favours can be transferred when a debt is not repaid to the original giver. Lebra (1976) regarded this kind of repayment as transitive reciprocity.

The transferability of bao is not restricted to a lateral transfer. Alternatively, it can also be a linear transfer. In the family, based on the principle of bao, all things, including rewards and punishments, curses and blessings are all transferable within a family context (Lebra, 1976).

Unit of Subject Unit of subject refers to the basic unit involved in the repayment process. There are two types of units: individual and collective. When the exchange involves a dyadic interaction between two parties, the person who received a favour returns the benefit to the benefactor directly and personally. The repayment unit involved in this reciprocal relationship is individual. By contrast, if the repayment requires all members of a group to help those in need, the repayment units become collective.

The unit of action is for a group rather than by an individual in a Chinese context. Chinese are socially oriented (Yang, 1989). The most elementary unit for sharing a debt is the household (Lebra, 1976). When one receives benefits from another person, all members in the family are obligated to repay the favour. As mentioned in the section above, regardless of the reward or punishment, the entire family shares the honour or the sin. This socially oriented nature extends to the principle of bao as well. Bao requires all members of a group to provide favours to help those in need (Lee & Dawes; 2005). The responsibility of repayment is supposed to be shared by all members in the family. Similarly, if a person does a favour for someone, all members in the family become the benefactors of that person.

Summary

On the whole, bao is informal and unspecific. The intentions of bao are less likely to be well elucidated. The timing and the format of repayment, and the value of exchange are also not clearly specified. It is contingent upon the situation, that is, the needs of the benefactor. Nevertheless, the parameters of bao are guided by the nature and quality of the relationship between the parties (Westwood, Chan & Linstead, 2004). In general, the closer and more significant the relationship is, the greater the moral imperative attached to 'rule' compliance. Yang (1957) also noted that the contingency of the family and the reciprocations are more 'liberal' and less carefully accounted for or immediately returned. However, exchanges between lesser acquaintances may be subject to tighter controls and more accuracy accounting, expectations of value equivalence, and deferrals of a shorter duration.

Marketing Implications of Bao

There are possibly several meaningful marketing implications.

Firstly, in Chinese societies, symmetric exchanges are not widely endorsed except in the exchange of conventional gifts and cash values between acquaintances. If the transaction is entirely in material form, such as gift giving, symmetric repayment is made by duplicating the initial giving through counter-giving on a similar occasion and with a similar gift (Lebra, 1976). For example, presents of comparable value given on some occasions such as birthdays, weddings and funerals, are returned only when other similar occasions arise. In order to ensure a symmetric exchange between parties, it is not unusual to find Chinese keeping a record of the cash gifts or condolences received by each person at a wedding ceremony or funeral.

Secondly, being one of the four components of relationship marketing orientation as proposed by Yau et al. (2000a), bao has been served as a lubricant in building tight relationship in B2B and B2C contexts (Yau et al., 2000b). Developing trust in bao repayment, it is important to let customers feel that they are respected and taking advantage of the company which is making repayment.

Thirdly, in designing marketing strategies, making customers reciprocate becomes a crucial task. As Chinese tend to delay reciprocity to a later date, creating and providing opportunities for customers to reciprocate will reinforce their loyalty. An example to invite customers, suppliers or retailers to serve as company/brand ambassadors. Dealing with diversifying value of exchange is another issue. Loyal customers concern about receiving escalating benefits from the company as time goes on. For example, a company with club membership should consider seniority in its membership system so that customers can enjoy various ways of promoting from ordinary membership, to VIP membership and to senior VIP membership. As such, loyalty can grow with seniority.

Fourthly, as it may take a long time for members in the marketing system to bao, continuous communication with members in the system will speed up the cycle of payment. Examples include creating festival events, road shows and xxx lectures so that customers can participate freely to enjoy the hospitality of the company. Prince Jewellery Co. Ltd in Hong Kong encourages its VIP members to redeem VIP points they have accumulated for jewellery appreciation lectures with five-star meals while Grand Dawn Jewellery allows its customers to freely participate in DIY workshops.

Fifthly, as bao can be in many forms, a company can create various situations and let itself and its stakeholders to repay in various form. This would help developing tight relationship. Situations include repaying its customers

for their faith by giving away discounts on goods of high value and having the privilege to redeem particular promotion items.

Finally, but not the least, bao can be made not only to customers themselves, but also extended to their family members, colleagues and friends. For examples, to allow customers to bring their family members and friends to participate in marketing events organised or/and sponsored by the company, or to enjoy special discounts in promotion activities. As such, by gaining face among peers, customers tend to grow with loyalty with the company.

Conclusion

A review of the literature on the oriental concept of bao indicates that written resources are very limited and fragmented. Current studies on the indigenous Chinese concepts of bao are also rare. There is a lack of objective tools to explore the principle of bao and its impact on the behaviour of Chinese. This has prompted an urgent need for the development of a reliable means for measuring this concept.

Based on the similarities and differences between Western countries and Eastern societies, it is clear that the concept of bao deviates a great deal from the Western mind-set. The viewpoints on bao are also different in terms of the value of repayment, the timing to repay, the form and the entity of repayment, as well as the unit of the subject. Antonucci (1990) attributed the variation of its meaning and concept between Western societies and non-Western societies to be heavily influenced by culture.

Directions for Future research

Although this research study has provided relevant and interesting insights to the understanding of bao and its impacts on marketing, it is imperative to recognise limitations associated with this study. The conceptualisation of bao used in this study may be robust. However, a more rigorous conceptualisation and scale development process is needed to validate the concepts.

There are several things that we can do in the future. Firstly, bao may be regarded as an antecedent. It is possible that other constructs such as Hsiao and product involvement may serve as consequences, showing the predictive power of bao.

Secondly, in the Chinese context of bao, an unconfirmed proposition that the institutionalisation of parents to elderly homes is regarded as filial inadequacy is yet to be tested.

Thirdly, to compare and contrast the concept of bao and its counterpart, reciprocity, it is necessary to conduct empirical studies with at least two representative samples: one sample drawn from the Chinese population and one from Western countries such as the USA and the UK. As such, a more global concept of bao can be eventually drawn across various cultures.

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Reversible Data Hiding using Randomized CIT Encryption Scheme

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Abstract

A reversible image watermarking scheme recovers the original image after extracting the embedded watermarks. We propose a reversible data hiding method (RDH) that embeds the secret image into the target image through permutation strategy. Different from previous reversible data hiding methods, such as basic Prediction Error (PE) or Histogram Shifting (HS), this paper shows how to embed watermark image using randomized CIT encryption scheme. The proposed scheme reorders pixel in one block to fit the order of another block pixels. Through the usage of randomized image processing, the proposed scheme performs better than only using the conventional CIT encryption scheme. Experimental results show that the watermarked image has a similar visual effect to the target image but can perfect recover to the original image by using the CIT table.

Keywords: Reversible Data Hiding (RDH), Reversible Data Hiding in Encrypted Image (RDH-EI), Class Index Table (CIT), random

1. Introduction

Recently, hiding information into data is an interesting topic, especially on audio, video or image. Lots of Reversible Data Hiding (RDH) techniques have been reported in the past two decades and almost all recent RDH methods first generate PEs as the host sequence [5] with then reversibly embedding the message into the host sequence by modifying its histogram with methods like histogram shifting. Moreover, most of these methods can be viewed as a process of semantic lossless compression [6], in which some space is saved for embedding extra data.

In recent years, RDH in encrypted images (RDH-EI) has caught many researchers' attention. In RDH-EI, the original image is encrypted by content provider and the secret data is embedded by data hider with the data hider having no knowledge about the encrypted image.

Zhang [7] presented a RDH-EI scheme for by using 3 specific bit value on each pixels of a block. Hong et al. [8] then improved REH-EI by using better estimations and a

side match technique.

The main idea on EDH-EI is that receiver can obtain different contents (like secret data or original image) with different access rights. If an unauthorized access happens, the content owner encrypts his personal images before store them.

Inspired by the technique of image transformation proposed by Lee and Tsai [3], their method can transform the original image to a freely-selected target image with the same size, yielding a secret-fragment-visible mosaic image defined in [1]. However, the original image cannot be restored in a lossless way. Therefore, their scheme is not reversible.

Since the reversible data hiding technique studies perfect ways to recover original image after watermark extraction, this paper improves previous scheme to have a RDH-EI with better representation on watermarked image. By using a preprocessing on randomization, the watermarked image has a visually similar to target image and the original image can be perfectly recovery. Further

use of Class Index Table (CIT) acquires good results on watermarked images.

The paper is organized as follows. Section 2 briefly reviews important related CIT encryption work [2]. Section 3 introduces our proposed scheme, including image randomness, data embedding, and image recovery. Section 4 demonstrates our experimental results and analysis. Section 5 follows with concluding remarks.

2. Background Review

This section briefly reviews Zhang et al.'s work on RDH-EI. The CIT tables, adopted by transferring the semantic of the original image to the semantic of a target image. The original image can be perfectly recovery by using the CIT tables.

A CIT table denotes the t larger and $n-t$ smaller pixels in a block. Figure 1 shows a CIT encryption example of an 8 pixels' image block with $t=3$.

block pixels	1	2	3	4
	8	7	1	2
	6	5	4	3
	5	6	7	8

CIT	1	2	3	4
	1	1	0	0
	1	0	0	0
	5	6	7	8

Figure 1 – An example of an image block with its CIT table with $t = 3$.

The embedding process of using CIT table with t largest pixels selection on transferring an 8-pixel image block can be illustrated as follows.

1. Rearrange original block's t largest pixels in order to t largest pixels of target block
2. Rearrange remaining $8-t$ pixels in original block to fit the remaining positions of the target block.
3. Denote the positions of t larger pixels being 1 and the remaining pixels positions being 0.

Assume that the original block being $O = \{o_1, o_2, \dots, o_n\}$ and the target block being $T = \{t_1, t_2, \dots, t_n\}$, the usage of CIT tables is to transfer the positions of O to fit the order positions in T . Therefore, each pair of (O, T) has its transferring method by target block's CIT table. The usage of CIT tables can be taken as the indexes of larger t and smaller $n-t$ pixels in a n pixels' block. Therefore, the embedding process requires the original block and the CIT table of the target block. The recovery process can perfectly recover the original block by using the watermarked block and the CIT table of original block. Figure 2 shows an example of embedding process using

CIT tables, where CIT tables can be directly acquired from the block pixels.

original block	1	2	3	4
	8	7	1	2
	6	5	4	3
	5	6	7	8

target block	1	2	3	4
	3	5	9	8
	4	5	7	6
	5	6	7	8

watermarked block	1	2	3	4
	1	2	8	7
	3	4	6	5
	5	6	7	8

CIT	1	2	3	4
	1	1	0	0
	1	0	0	0
	5	6	7	8

CIT	1	2	3	4
	0	0	1	1
	0	0	1	0
	5	6	7	8

CIT	1	2	3	4
	0	0	1	1
	0	0	1	0
	5	6	7	8

Figure 2 – Embedding process of using CIT tables of $t = 3$.

The embedding process is applied to all non-overlapped partitioned blocks extracted from the original image and the target image. Therefore, the size of the original image and the target image should be consistent. After partitioning the original image into non-overlapped

blocks with size of n pixels, the block numbers $\frac{M \times N}{n}$ between the original image and the target will be paired match, in which $M \times N$ denotes the size of the original or the target image. Figure 3 shows experimental results of applying the CIT encryption RDH-EI to on the original image of Barbara and target image of the Casablanca. In Figure 3, we find that the watermarked image I_w looks like the original image I . The reason of the high similarity on I and I_w is the highly different on pixel distribution of blocks between of the two images. Figure 4 shows the watermarked image I_w in Figure 3. The most significant property on Figure 4 shows that the watermarked image I_w looks like the original image I with some noise information. The noise-like property exists in pixel redistribution strategy like CIT encryption method. From the image structure of two different images, using CIT encryption method can generate similar block pixels' order but not visually similar. Figure 4 shows this property significantly.

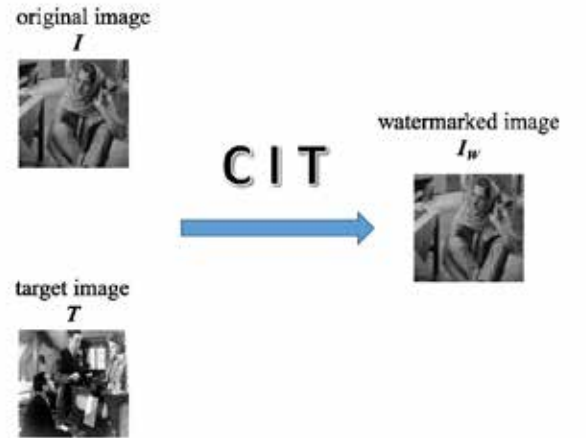


Figure 3 – Watermarked image acquisition from the original and target image.



Figure 4 – Watermarked image I_w in Figure 3.

3. Proposed Scheme

This section shows the presented embedding and recovery algorithms. The embedding algorithm embeds original image I into target image T to acquire watermarked image I_w . The recovery algorithm recovers the original image I from the watermarked image I_w and corresponding CIT table C . The proposed scheme adopts a random preprocessing to generate a better block pixel distribution. Therefore, three subsections, including, Image Randomness, Data Embedding and Image Recovery, are introduced in this section. The Image Randomness subsection generates standard pseudorandom block pixels for CIT matching. The Data Embedding subsection embeds original image I into target image T using CIT encryption scheme. The Image Recovery subsection recovers the original image I from the watermarked image I_w . The present embedding process can be illustrated as Figure 5.

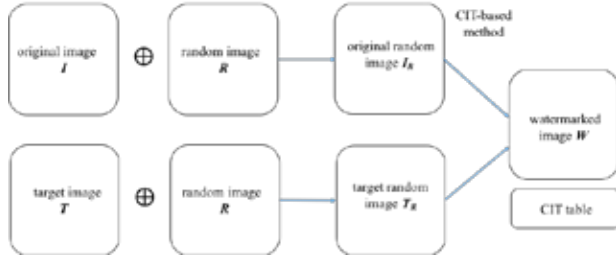


Figure 5 – The embedding processing.

Figure 6 shows the images used in our algorithm introduction, in which Figure 6(a) shows the original Barbara image, Figure 6(b) shows the target Casablanca image, and Figure 6(c) show the random image.

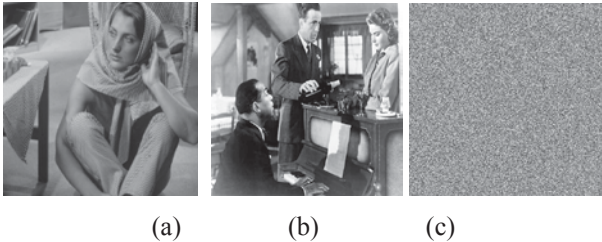


Figure 6 – (a) original image: Barbara, (b) target image: Casablanca, (c) random image.

3.1 Image Randomness

Assume that the original and the target images have the size of $M \times N$ with M and N being two coordinates. In the image randomness subsection, a random image R is generated with R_{ij} being an inter between 0 to 255, $0 \leq i \leq M-1$ and $0 \leq j \leq N-1$.

The random image R can be obtained from a user defined secret key k or like [9]. In the proposed scheme, we use

$$R = \text{randomgenerate}(k) \bmod 256 \quad (1)$$

Therefore, for the original image I and the target image T , they have to be applied to XOR calculation to acquired I_R and T_R , respectively. The XOR computation performs like [4] and is defined as Eq. (2),

$$\begin{aligned} I_R &\equiv I \oplus R \\ T_R &\equiv T \oplus R \end{aligned} \quad (2)$$

where $\oplus$ denotes exclusive-or operator and R is the random image generated in Eq. (1).

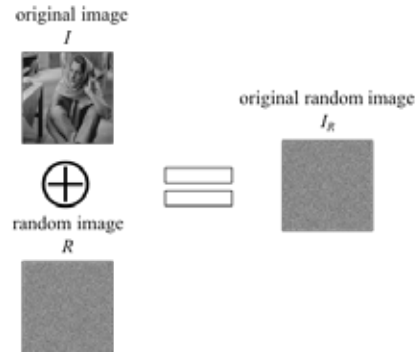


Figure 7 – Acquisition of the original random image I_R .

Figures 7 and 8 show the original random image I_R and target random image T_R acquired from Eqs. (1) and (2), respectively. In these two examples, we find the I_R and T_R all look like random images. In our analysis, further applying CIT encryption method on two random-like images performs better than only using images.

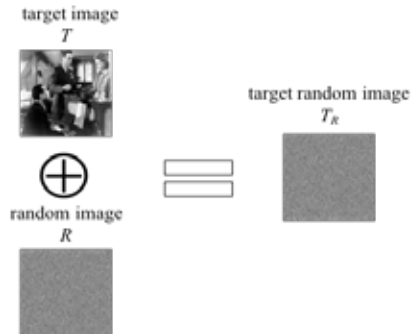


Figure 8 – Acquisition of the target random image T_R .

3.2 Data Embedding

This section shows the proposed embedding process and the computation results. By using the original random image I_R and target random image T_R to CIT encryption method, we acquire random-like watermarked image. By applying the XOR operation to the random image R and the random-like watermarked image W_R , the watermarked image W can be then acquired. Figure 9 shows the acquisition of the watermarked random image W_R , in which W_R is also random-like image.

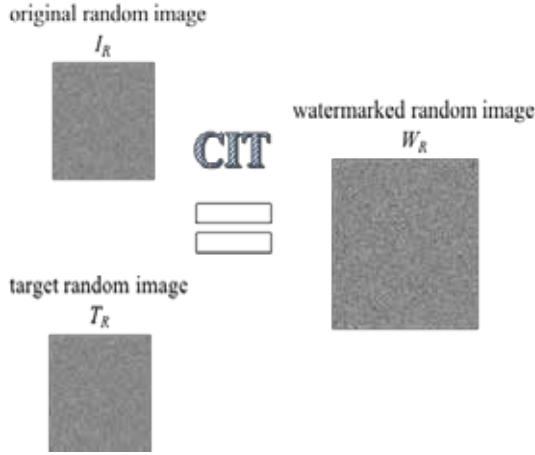


Figure 9 – The acquisition of watermarked random image W_R .

The last step of the embedding process is randomization. The watermarked image W is acquired from applying the watermark random image W_R and the random image R . Figure 10 shows the result and the watermarked image look like the target image. Comparing with the original CIT encryption method in Figure 3, the proposed scheme improves the visual similarity between the watermarked image W and the target image T .

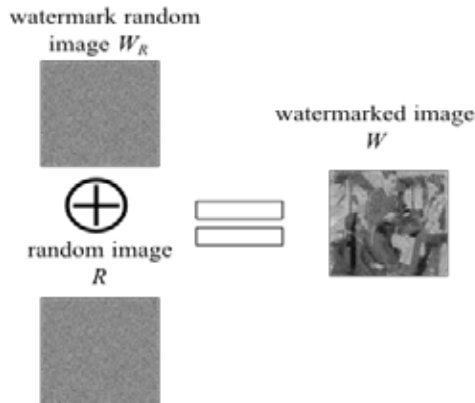


Figure 10 – Acquisition of watermark image W .

Moreover, the CIT table of the original image is needed for original image recovery. Therefore, using the watermarked image and the corresponding CIT table perfectly recover the original image. The image recovery process is explained at next section.

3.3 Image Recovery

Using the watermarked image W , secret key k and the corresponding CIT table, we can recover the original image. The presented image recovery process has the following three steps.

1. Applying XOR operation to the watermarked image W and the random image R acquires the watermark random image W_R .
2. Use CIT encryption method to transfer the W_R to the I_R .
3. Applying XOR operation to I_R and R acquires the recovered image I' .

In the recovery process, the random image R is generated from the secret key k by Eq. (1). Moreover, the recovered image I' is identical to the original image I .

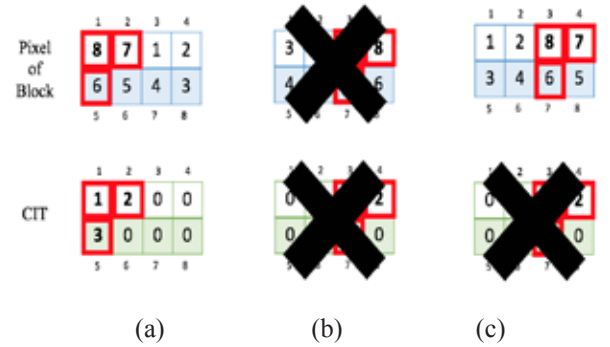


Figure 11 – Inverse processing of the CIT encryption method, (a)original random image. (b)target random block. (c) watermarked random block.

Figure 11 shows the inverse processing of using CIT encryption method. Using the watermarked random block and CIT table of the original random block, we can acquire the recovered original random image. After applying the XOR-operation to the recovered original random image and the random image R , the recovered image I' can be then obtained. Figure 12 shows the recovery process.

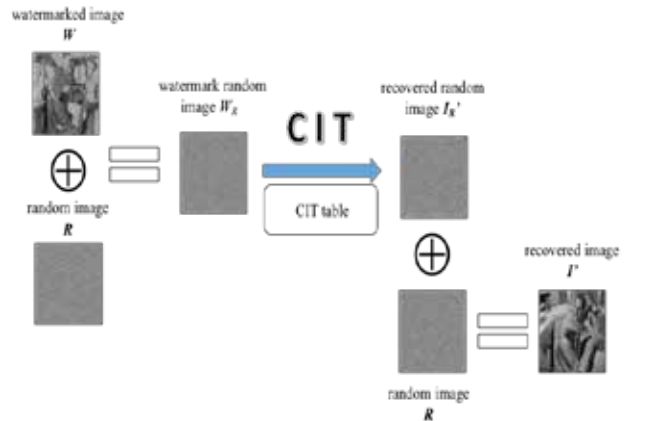


Figure 12 – The proposed image recovery process.

4. Experimental Results

This section demonstrates experimental results of the proposed RDH-EI scheme. Five 512×512 images are adopted as test images including Lena, Baboon, Barbara, Lake, and Ship. Figure 14 shows the CIT encrypted result of the original image Lena and the target image Casablanca.

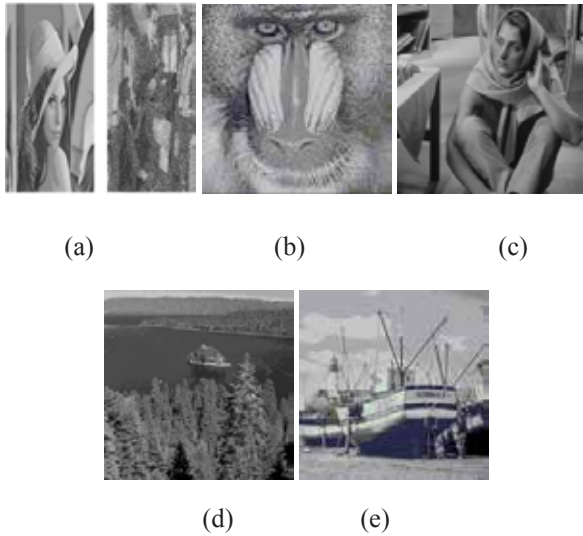


Figure 13 – Test image: (a) Lena, (b) Baboon, (c) Barbara, (d) Lake, and (e) Ship.

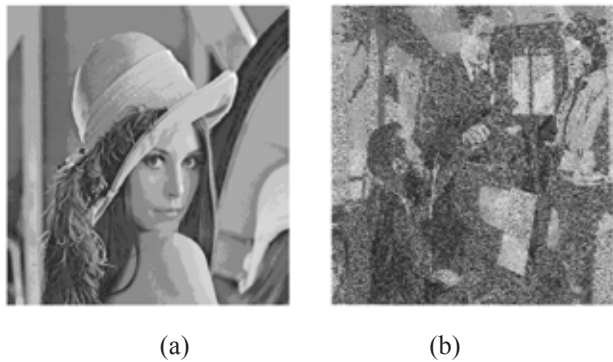


Figure 14 – Encrypting images by the CIT encryption method: (a) original image. (b) watermarked image.

From the experimental result shown in Figure 14, the watermarked image has a visually similar to the target image. Comparing with the CIT encryption only in Figure 4, the proposed randomized CIT encryption scheme has better watermarked image.

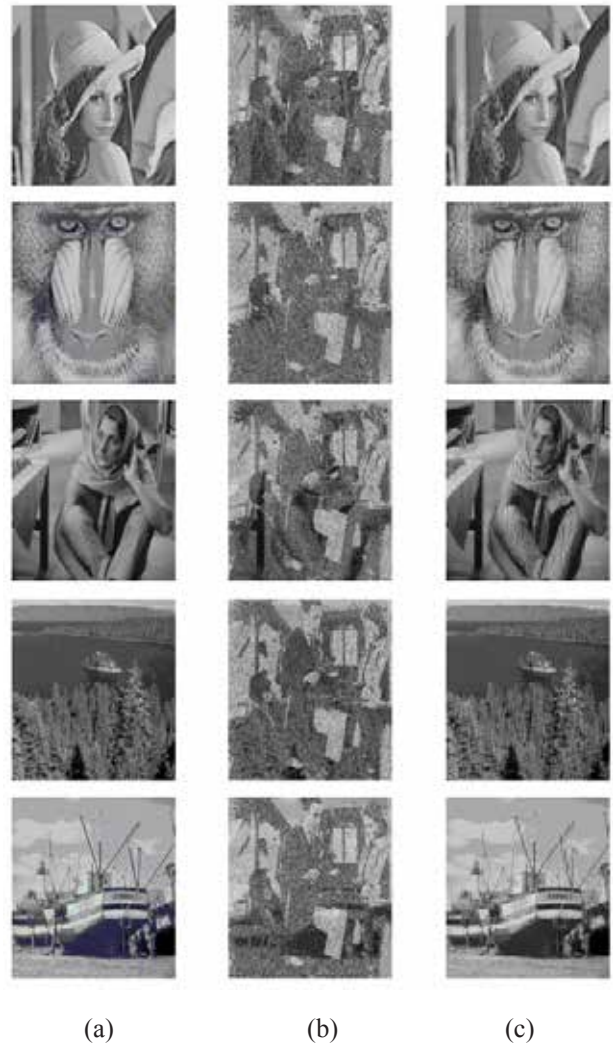


Figure 15 – Encrypting images by the CIT encryption scheme: (a) original image. (b) watermark image (with random processing). (c) watermark image (without random processing).

Moreover, Figure 15 demonstrates the CIT encryption scheme between with and without random processing. Figure 15(a) depict the original image and the target is the Casablanca image. Figure 15(b) show all the watermarked images of using the proposed randomized CIT encryption scheme and Figure 15(c) depict the watermarked images of using CIT encryption scheme only. Experimental results show that the proposed randomized CIT encryption scheme outperforms the conventional CIT scheme.

5. Conclusion

This paper improves the scheme of conventional CIT encryption scheme. Compare to previous works, this paper shows some significant properties. By CIT, we can transform the same sized original image and target image to acquire the watermarked image. The original image can be perfectly recovered using the watermarked imager

and corresponding CIT table. Moreover, the watermarked images in our proposed scheme perform closer to the target image. In the future, a block matching is required for acquiring better watermarked image.

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Transformational Leadership towards Development : With reference to Trivendra Singh Rawat

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Abstract

The purpose of this study is to analyze the Transformational Leadership style for development work in Himalayan region of Uttarakhand State of India. On 18th March 2017 Mr. Trivendra Singh Rawat became the 9th Chief Minister of the State and focusing on digital revolution for overall development of the state with zero tolerance against corruption. The study of Transformational Leadership, Development Work and Trivendra Singh Rawat is assessed in qualitative study. The data, which is obtained using personal interaction with Trivendra Singh Rawat, his family members, his peers, critics and officers of the state. A Leader is an agent of change, and transformational leadership is about raising the aspirations of followers and enthusing them to reach higher goal, beyond expectation, commitment, loyalty, satisfaction and performance.

Keywords: Transformational Leadership, Economic Growth, Employment and engagement, Agricultural Growth, Cluster Farming, Availability of House, Electricity, Water, Road, Air – Services, Information Strategy, Digital Convergence, Visualization, IT Industry

Introduction

Leaders are the key factor for any state for development. Leadership is the most influential and critical element of all development work in any state. It provides strategic direction critical for the growth and expansion of any state or country. In a fast moving growth environment globally, effective leadership is a prerequisite for achieving organizational goals. The setting of this paper is the high-trajectory Indian scenario, which is witnessing an extraordinary rate of change.

Kotter, J.P. (1988) believes that the growing competitive intensity and increasing complexity of state means that the need for leadership is greater than ever. It has been acclaimed that the effective leadership is one key element in the success of any country. Trivendra Singh Rawat, the Chief Minister of Uttarakhand State, is one such leader; his greatest contribution for Uttarakhand is not just in agricultural field as earlier Agriculture Minister but also on Information Technology showing the transformational leadership style. He has set an example of transformational leadership and has demonstrated - how transformation leadership can bring success to a state government. Uttarakhand state is being a Himalayan region, which is always at verge of earthquake, cloud bursting and facing other natural disasters. Coping with this turbulence is the

key to competitive success. The underline logic of this paper presentation is that since leaders are at the helm of affairs of any state, only they can successfully pilot the activities and followers by maneuvering adroitly through the shoals of change (Brown & Eisenhardt, 1997). The leader must work at getting large number of people in the group involved in the transformation process, failing which any attempts at transformation are likely to be greeted with cynicism and strong resistance from key constituents, which is bound to frustrate all attempts at change (Kanungo & Misra, 2004).

One of the most comprehensive leadership theories of organizational transformation is the theory of transformational and transactional leadership (Eisenbach, et al., 1999). Burns (1978) held that leadership could be broadly classified into two forms, transactional and transformational leadership. Transactional leadership occurs when one person takes the initiative in making contact with others for the exchange of valued things. The relationship does not go beyond this exchange of expected goods. Most of the earlier theories of leadership fall under transactional leadership because “they seem too narrow and simplistic to explain leaders in change agent roles” (Conger, 1999:147). Transformational leadership, on the other hand, focuses only on leading change.

Transformational leadership

The transformational leader “engages with other in such a way that the leaders and followers raise one another to higher levels of motivation and morality” (Burns, 1978:20). In transformational leadership, it is important that the leader should address the true needs of the followers and lead followers towards fulfillment of those needs.

The History of Transformational Leadership

Transformational leadership is one of the most contemporary theories today that connects leadership to inspiration. Transformational leadership focuses on the change and transformation of individuals through the influence of a leader. A good leader will influence followers to accomplish more than what is expected of them. Compared to other leadership theories, Transformational leadership examines emotions, values, ethics, standards and long-term goals. It also places a lot of emphasis on the motivation of followers.

The concept of transformational leadership was initially introduced by leadership expert and presidential biographer James McGregor Burns. According to Burns, transformational leadership can be seen when “leaders and followers make each other to advance to a higher level of moral and motivation.” Through the strength of their vision and personality, transformational leaders are able to inspire followers to change expectations, perceptions, and motivations to work towards common goals.

Later, researcher Bernard M. Bass expanded upon Burns’ original ideas to develop what is today referred to as Bass’ Transformational Leadership Theory. According to Bass, Transformational leaders, Bass suggested, garner trust, respect, and admiration from their followers.

Model of Transformational Leadership

Burns developed the 4 I’s which are Idealized influence, Inspirational Motivation, Intellectual Stimulation, and Individual consideration. The 4 I’s all relate to one common theme, which is to become a better person as a leader and inspire your followers to do the same.

The Components of Transformational Leadership

Bass suggested that there were four different components of transformational leadership that are as follows.

Intellectual Stimulation – Transformational leaders not only challenge the status quo; they also encourage creativity among followers. The leader encourages followers to explore new ways of doing things and new opportunities to learn.

Individualized Consideration– Transformational leadership also involves offering support and encouragement to individual followers. In order to foster supportive relationships, transformational leaders keep lines of communication open so that followers feel free to share ideas and so that leaders can offer direct recognition

of the unique contributions of each follower.

Inspirational Motivation - Transformational leaders have a clear vision that they are able to articulate to followers. These leaders are also able to help followers experience the same passion and motivation to fulfill these goals.

Idealized Influence – The transformational leader serves as a role model for followers. Because followers trust and respect the leaders, they emulate this individual and internalize his or her ideals.

According to Bass, transformational leadership encompasses several different aspects, including:

- o Emphasizing intrinsic motivation and positive development of followers.
- o Raising awareness of moral standards
- o Highlighting important priorities
- o Fostering higher moral maturity in followers
- o Creating an ethical climate (share values, high ethical standards)
- o Encouraging followers to look beyond self-interests to the common good
- o Promoting cooperation and harmony
- o Using authentic, consistent means
- o Using persuasive appeals based on reason
- o Providing individual coaching and mentoring for followers
- o Appealing to the ideals of followers
- o Allowing freedom of choice for followers

Transformational Leadership in the Context of Change

Ford and Ford (1994) held that leaders create change by providing a vision that is attractive to followers. Transformational leaders create followers by framing a vision for the future that appears to be reachable, attractive, and engaging. A transformational leader would be successful in getting a change plan implemented by intellectually stimulating the followers (Bass, 1985), motivating them to rethink old ways of doing business. This idea—that the transformational leader creates a culture that embraces change—is consistent with the extant change literature (Brown & Eisenhardt, 1997). Literature on both change and transformational leadership suggests that it is critical that the leader should be a change champion who can assemble and motivate a group with enough power to lead the change effort (Kotter, 1995). The change literature also suggests that leaders’ effective use of inducements and interventions that get people to change, works only if this change takes into consideration the underlying needs and values of followers (Brown & Eisenhardt, 1997; Eisenbach et al., 1999). These underlying needs and values can be addressed by understanding the follower’s cultural background. Kanungo and Jaeger (1990) said

that the term 'culture' means a system of shared meaning where members of the same culture have a common way of viewing events and objects, and therefore are likely to interpret and evaluate situations and management practices in a consistent fashion. Some studies have shown that dimensions of transformational leadership transcend culture and some other studies have shown culture to have profound effects on transformational leadership. The two opposing stands have been discussed next in this paper, from an Indian angle.

Universal Attributes of Transformational Leadership

Since the leadership phenomenon by itself is universal, it gives us enough ground to claim the universality argument in favor of transformational leadership (Bass, 1997). The Den Hartog et al. (1999) study demonstrated that some traits of leaders are generalizable across cultures and suggests that many transformational leadership attributes are universally endorsable. Bass and Steidlmeier (1999) contended that some central core attributes of transformational leadership are common to all cultures. A content analysis of biographies of charismatic leaders in developing countries done by Woycke (1990) has revealed that the characteristics displayed by them are in line with the broad four dimensions of transformational leadership as given by Bass (1988: 26-27). Conger, Kanungo, and associates (1988:105) quoted a study where it was found that transformational leader behaviour, followers' performance, and satisfaction were significantly correlated. The study was corroborated both in India and in USA. There is substantial evidence to show that in every country, leader prototypes have transformational characteristics (Bass, 1985: 154; House & Aditya, 1997; Lord and Emrich, 2001).

Similarly, studies on leadership with Indian samples have found that successful leaders in India possessed the qualities of transformational leaders (Dayal, 1999: 43-70). Researches on transformational leadership in India using the Multifactor Leadership Questionnaire (MLQ) have shown reasonable reliability (Banerji and Krishnan, 2000; Pillai, Scandura and Williams, 1999). On the other hand, data also indicates that within the broad framework, subtle differences in its operationalization exist across cultures (Bass, 1997; Den Hartog, et al., 1999). These studies show that societal culture has ramifications on organizational group processes like leadership. The main purpose of this study was to find the extent to which culture affects transformational leadership.

Influence of Culture on Transformational Leadership

Culture becomes important in leadership effectiveness because leadership is essentially a process of socialization. The influence of the leader will depend on the extent to which the leader is able to understand the true needs of the follower. Leadership theories are arraigned on grounds of being full of assumptions which are valid only for the West,

such as being individualistic rather than collectivistic; hedonistic rather than altruistic; emphasizing rights rather than duties; rationality rather than asceticism, religion, traditions, etc. (House and Aditya, 1997). Cross-cultural studies have shown that these assumptions are not shared by all the cultures of the world (Hofstede, 2001; Smith and Peterson, 2002). Though a particular leadership style has been seen to be highly effective in USA, whenever it has been imported in full to other countries, it was found that it did not deliver its potential and in fact, sometimes proved to be counterproductive (Pillai et al., 1999; Smith and Peterson, 2002). Uncritical transfer of management theories and techniques based on Western ideologies and value system has contributed in many ways to organizational inefficiencies and ineffectiveness in cultures such as India (Kanungo and Jaeger, 1990; Singh & Bhandarkar, 1988).

Bass (1997) accepted that though the formulation of transformational leadership is in a relatively universal manner, a leader might need to act in different ways within differing culture contexts, in order to be transformational. This is so because there are cultural differences in how the four components of transformational leader are manifested in behavior. An example of this is shown by the study conducted by Ardichvili and Gasparishvili (2001), which found that though transformational leadership was the most prevalent style of leadership in four former USSR countries under study, individualized consideration and charisma were reported to be least effective in increasing followers' performance. Another characteristic- the means of communicating a vision (which is one of the basic factors of transformational leadership)- was shown to be culturally contingent, ranging from use of exceptional public oratory skills in USA to quietly demonstrating exemplary personal service by people like Mother Teresa in India (Smith and Peterson, 2002). Bass and Steidlmeier (1999) contended that for transformational leadership to be authentic, it must incorporate a central core of moral values whose ordering and relative importance are culturally relative. Some authors have argued that developing countries such as India are most conducive for the emergence of transformational leadership (Kanungo and Misra, 2004; Khandwalla, 1990). They felt that only a transformational leader can address the apparently contradicting needs of ushering change, while addressing the unique cultural requirements. Singh and Bhandarkar (1990: 344) found that the success of change strategy of transformational leaders depended upon leaders' sensitivity to culture-specific complexities and nuances operating within their organizations.

Thus, we see that even though the general definition of transformational leadership is applicable globally, its effective operationalization is culturally contingent. As a result, there is a growing awareness of the need for a

better understanding of leadership theories specific to the culture and environment. The next section discusses Indian culture and its effect on the execution of transformational leader behaviors.

Socio- Economic Scenario of Uttarakhand State

The young state will complete 18 years this November but it has already seen eight chief ministers, and not more than one staying in power for a full five-year term. Political over-ambitions, intra party rivalry, shameless apparent corruption, inefficiency of the leaders, lack of effective resistance from the civil society and critical media reporting could be some of the possible reasons.

People were enthusiastic after the division of the state from Uttar Pradesh, expecting immense opportunities for livelihood and development in public and private sectors. But nothing much is achieved. Political instability and lack of political will for development caused more harm to the small state. Irony is rather than becoming a hub for sustainable development and economic prosperity, the state is today a ring for political fights and home to corrupt and greedy politicians.

The initial focus on economic development of the state led to establishment of economic zones in Pantnagar and Haridwar. But the endeavor was nipped in the bud as political nepotism prevailed and government land got distributed in the name of industrial development. This can be said to be the biggest illegal marketing of government land till date. Unemployment is at its peak today, yet the factories that were supposed to come up are nowhere to be seen.

Mining is another sector where political parties are extracting undue benefits. The state is rich in metallic and non-metallic minerals such as limestone and copper. But the geographical and seismic sensitivity does not make it very favorable to mining. However, the State government did not heed this sensitive ecological warning. The result is Uttarakhand today is seeing a scramble by mining companies and real estate sharks, which are using the material to construct in the delicate ecosystem leading to deadly landslides and floods. Revenue from alcoholic beverages is always attractive to every state government and Uttarakhand is nowhere behind in it. However, high alcohol consumption has made the valuable human resource of the state almost next-to-useless. Women in hills have always had a struggling life. Domestic violence and health issues causing added medical burden is another story, which needs a deeper exploration in itself.

Agreed that the hilly land is not very conducive to farming, but that does not give license to state governments to sell public land for reckless, ecologically unsound industrial projects, which are actually political give and take. This leads to non-distribution of the land to those who need it and can cultivate it.

The farmers can hardly do any agriculture and unlike

plainer states, they do not have the alternative of becoming a daily wage earner due to lack of opportunities. Migration is the last resort and as a result of the constant outflow, the hilly villages are almost emptied.

Coming to youth issues, lack of employment opportunities has been a longstanding problem. Lack of teachers in schools, inefficient education, rotten public health services and no career guidance in crucial years of life has made the young boys and girls defunct. The creamy layer among the youth migrates and hardly comes back to the home state, in fact choosing to settle in more prosperous southern or northern states. Voluntary and compulsory migration from state is a grave concern. There's migration, unemployment, women and child health, ecological disasters, depreciating tourism and dying traditional farming. These are the real "constitutional" problems of the state today and which need quick remedies, not electoral and legislature gimmicks.

Trivendra Singh Rawat (TSR) – The 9th Chief Minister of Uttarakhand State

Trivendra Singh Rawat (TSR) was born 20th December 1960 at village Khairasen of Pauri District of Uttarakhand. The village and the surrounding area were not connected to the concrete road and the village was situated in bank of East Nayar River in Nayar Valley. TSR is an Indian politician and is the ninth and current Chief Minister of Uttarakhand.



Figure 1 – Trivendra Singh Rawat

TSR was a member of the Rashtriya Swayamsevak Sangh from 1979 to 2002 and held the post of organizing secretary of the Uttarakhand region, and later the state, after its formation in 2000. He was elected from Doiwala in the State's first legislative assembly elections in 2002. He retained his seat in the 2007 elections and served as the State's Minister of Agriculture.

As a member of the Bharatiya Janata Party, he served as Jharkhand State in-charge and Uttarakhand cadre's president. Winning from Doiwala again in 2017, he was named the Chief Minister after his party won majority and formed the government.

He was the ninth and youngest child in the family. He obtained his master's degree in journalism from Birla Campus in Srinagar affiliated to the Hemwati Nandan Bahuguna Garhwal University.

TSR joined the organization Rashtriya Swayamsewak Sangh in 1979 before becoming its pracharak (apostle) for the Dehradun region in 1985. Subsequently, he joined the Bhartiya Janta Party (BJP), the political party associated with it. He was made BJP's organizing secretary for the Uttarakhand region and worked with senior leader Lalji Tandon at the time. He was also actively involved in the Uttarakhand movement, during which he was arrested several times. After the region received statehood in 2000, TSR was made the state cadre's BJP president.

TSR lost a by-election from Doiwala in 2014, when former chief Minister Ramesh Pokhriyal vacated the seat. In 2017 he won the same Assembly constituency of Doiwala and became Chief Minister of Uttarakhand.

The budget session of 2018 is another achievement recorded in the history of Uttarakhand after its formation as state; the state government placed Uttarakhand's First Economic Survey on the table of the Assembly. For a long time the planning department was trying to bring the report of the Economic Survey. This is why TSR is called Transformational Leader with transparency and leading towards development. For the first time, the government has shown political will by bringing economic survey reports. Through the report, the state's economic situation has been put forward. This will help in special focus on those areas after assessment, which is weak.

After all, it was successful in preparing the first report. The survey has made a picture statement of the state's economic and social status. The report shows the economic and social inequality between the mountains and the grounds through comparative data. At the same time, the need for inclusion of the actual contribution of forest wealth in the state's economy has also been mentioned.

The fact of the survey is that the state value of the property and eco service is Rs 95,102.7 crores, whereas in the state's economy its contribution is only 3.64 percent. According to the report, more than the average in the state is unemployed. The unemployment rate in the state is reported to be seven percent.

The survey has estimated the decline in the state's GDP, in the last one year, different schemes of Home Stay Policy, Flight Planning, Education, Chief Minister Health Insurance Scheme have been mentioned. This economic survey will prove to be milestone in the development of Uttarakhand, because the economic survey that has come will act as the basis of development. Its direct credit goes to TSR and his Finance Minister, Prakash Pant, looks a great foresight to finalize it. Finance Minister Prakash Pant presented the budget 2018 of Uttarakhand Legislative Assembly. This is of exact opinion of TSR as he campaigned in the state before general public "Your Budget – Your Opinion" and has gathered the suggestions from them. This budget can be called the economy of TSR in short **TSRnomics**.

Trivendra Singh Rawat for Development Work as Transformational Leader

Trivendra Singh Rawat recently marked the first anniversary of his government on a grand scale and lot has already been achieved in the past one year. The government has also presented its first complete budget of Rs 45,000 crore (approx).

The assembly elections held in 2017 saw the Bharatiya Janata party return to power with a thumping majority with 57 out of 70 seats. The stakes were obviously high for the BJP and for Trivendra Singh Rawat who took charge at the helm of affairs in Uttarakhand, a state that has traditionally voted for an alternate party to power in each election.

As TSR government completes one year in office, the Chief Minister has his hands full. And the first-time Chief Minister says he isn't shying away from any of it. The Uttarakhand Chief Minister and the government are focused on development of the state and that anything is possible if the intent is right.

It is seen and analyzed that Trivendra Singh Rawat have clear vision as transformational leader for hill state. There were almost 96 villages in the state without electricity when TSR came to power last year. Today, the number has been reduced to 21. **"If your thinking is right, you can take the development to those areas"** - TSR.

Migration

Another burgeoning issue that the state has been faced with is the rapid migration from plains to hills witnessed in recent years. Several reports have said that almost 1,000 villages have been completely vacated by the people who use to live there. In one year of being in power, TSR government has brought in the concept of 'growth-centers' and asked officials to identify region-based needs.

It is human nature to migrate for development, education and employment. From this point of view, education, health and employment are priorities in hill areas. TSR brought in a new concept called 'growth center.' The 670 Judicial Panchayats in the state will be turned into a hub for economic activities with budget provisions for the same.

The farmers are being provided marketing facilities. TSR led Government are working towards overall development of hill areas. If a place develops into an economic hub, then naturally education and medical facilities will develop there.

The national average in terms of per capita income is Rs. 1.10 lakh, while Uttarakhand State's average is Rs. 1.77 lakh. And is way ahead of the national average. The Government has shifted its focus from state to the districts. TSR have asked the officials to make separate plans according to the needs of the different districts in order to increase the per capita income of these districts.

Connectivity conundrum

The promise of better economic opportunities was another factor that got the Bhartiya Janta Party to power in the state. BJP's vision document (manifesto) had promised road connectivity to every village. However, the state faces dual challenges – to connect the major cities to hill areas and to connect the state capital to the national capital.

As far as connectivity is concerned, Delhi-Dehradun National Highway is almost ready to start. The Delhi-Saharanpur-Shamli Expressway has been approved for construction. The state government has invested almost Rs 250 crore for Railways. The government has approved railway connectivity till Badrinath (a holy place) at hills. The work for an all-weather road is underway with rapid pace. The work is on for the roads between Rishikesh to Badrinath, Rishikesh to Kedarnath, Rishikesh to Yamunotri, Rishikesh to Gangotri. The construction of roads between Udham Singh Nagar to Jauljiwi via Pithoragarh and Tanakpur is also underway. Under the transformational leadership attributes, TSR is firm for overall infrastructure development of the state, especially for connectivity.

Not just roads, work in terms of air and water connectivity is also underway in the state, for air connectivity, state have got the sanctions for international Airport for Dehradun and Pant Nagar. Almost 20 flights land and take off from the state. Under Udaan Yojya, the state taking heli-facilities to places where the airstrips are not available. In Tehri, a project from the Seaplane has been approved. Road, Water and Air connectivity is increasing under his leadership.

Uttarakhand tourism had taken a big hit after 2013 tragedy. The number of tourists visiting Uttarakhand had decreased after 2013. However, the footfall has come to close to equal that of 2013 after TSR came to the power last year. Indian Prime Minister Narendra Modi visited the state three times in first six months of TSR government. Even former President of India Pranab Mukherjee and current President of India Ramanth Kovin and many Central Ministers have also travelled to Uttarakhand. It is believe that a large number of tourists will come to the state this time.

The 'Doctors' challenge

The biggest challenge for the Uttarakhand State is the health services. It has 2,700 posts of the doctors vacant in the state. Looking this gap, TSR Government have recruited around 1,100 doctors in one year, which is maximum when one compare it to the recruitments in last 18 years." he said.

Under the transformational leadership of TSR some of the promises like tally-medical services and Intensive Care Units are underway. He is trying that none of the hospitals should remain vacant from the doctors. To fulfill the requirement of radiologists, it has started taking services of tally-radiologists working on the international level. Today, it has a direct relationship with doctors from England and other countries, who can report within 4 hours.

Earlier, there were no Intensive Care Units in the district hospitals state. Now, it is developing ICUs for district hospitals. TSR is confident that there will be major changes in the state health care sector.

Work against corruption evident

Rubbishing the claims, TSR government's efforts against corruption are evident. TSR work to eradicate corruption is evident. At least 30 people have been arrested in different corruption cases. These accused are not getting bail because of the controlled probe by Special Investigation Team.

Revenue

Apart from that, Uttarakhand have increased its income by 28 percent in mining, generated Rs 150 crore revenue in the transport sector, which is more in comparison to that of the last year. Even in the energy sector, it has generated Rs 200 crore more in comparison to last year. The increased income in key sectors proves that TSR led Government have worked against corruption.

Summary

As Transformational leadership inspires people to achieve unexpected or remarkable results, Trivendra Singh Rawat is excelling the same. He gives autonomy over specific jobs, as well as the authority to make decisions. Some of the basic characteristics of transformational leadership are inspirational, in that TSR inspires followers to find better ways of achieving a goal; mobilization, because leadership can mobilize people into groups that can get work done, and morale, in that transformational leaders raise the well-being and motivation level of a group through excellent rapport. They are also good at conflict resolution.

All of these traits of Trivendra Singh Rawat make him a transformational leader, a good fit for Uttarakhand State socio-eco-political business activities.

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Higher-order Goals, Self-efficacy and Trust-in-leader as Moderators of Transformational Leadership Performance: The Case of Multi-level Marketing Organizations

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Abstract

Previous research on leadership performance has mainly examined the traditional hierarchical leader-subordinate relationship. However, the studies of leadership effectiveness for non-hierarchical organizational structures have been overlooked. Further, the influences of transformational leadership on the performance of subordinates through the moderating effects of higher-order goals, self-efficacy and trust-in-leader and the differences of these effects in multi-level marketing environment were seldom examined. Similar to the small-sample studies conducted by Barling, Weber, & Kelloway (1996), Barling, Slater, & Kelloway (2000) and Bass, Avolio, Jung, & Berson (2003), this study uses a sample of 123 multi-level marketing (MLM) distributors of in Hong Kong with a high response rate of 80.4% in a situation where representative distributors were presented in four local regular sales meetings. This paper incorporates these moderating effects in a model for transformational leadership and performance. The results show that moderating effects of both higher-order goals and self-efficacy between transformational leadership and performance are significant.

Keywords: multi-level marketing, transformational leadership, higher-order goals, self-efficacy, trust-in-leader, China, performance

Introduction

Leadership refers to gaining results for the followers (Gandz, 2005). Transformational leadership is one of the most dominant paradigms in the contemporary leadership literature (Judge & Piccolo, 2004). It facilitates followers' performance in the areas of well-being (Nielsen et al., 2008), creativity (Dionne, et al, 2003), and task accomplishment (Piccolo & Colquitt, 2006). Literature on transformational leadership indicates that most studies were conducted in traditional organizations, i.e. small and medium enterprises (Mittal & Dhar, 2015), members of business associations (Muenjohn & Armstrong, 2015), high-technology firms (Dong, Bartol, Zhang & Li, 2017; Caniels, Semeijn & Renders, 2018) and public organizations (Van der Voet, 2014). In recent years, there emerged a different type of organizations called Multi-level Marketing (MLM), which is different from the traditional one and is non-hierarchical in nature. It provides a different type of leader-followers relationship environment which leads to performance, thus, creating

demand on understanding more about this type of organizations. As transformational leadership does not have significant impact on business performance (Bass, Avolio, Jung, & Berson, 2003), interests are diversified to examine if there are any mediating effects or moderating effects of higher-order-goals, self-efficacy and trust-in-leader on performance. Further literature review indicates mediating effects of higher-order-goals (Spark et al., 2001), self-efficacy (Scholz et al., 2002), and trust-in-leader (Butler, 1991) were found to have effects on business performance. However, the moderating effects of higher-order-goals, self-efficacy and trust-in-leader on business performance are not known, particularly in non-hierarchical organizations, such as MLM organizations. Therefore, we tend to argue that there may be a possibility that these are moderators between transformational leadership and business performance.

In this study, we examine the impact of transformational leadership on distributors' performance in a non-

hierarchical organization i.e. a sponsor-distributor relationship is not the same as formal superior-subordinate relationship (Spark & Schenk, 2001). Multi-level marketing organizations (MLM) were selected as a proxy context in this study because of the unique sponsor-distributor operations in the MLM industry. Although Spark & Schenk (2001) found a mediating effect of higher-order goals between transformational leadership and distributors' performance, no attempts were made to find if that there is a moderating effect of higher-order goals, self-efficacy and trust-in-leader between transformational leadership and distributors' performance. This paper fills the void by incorporating these effects in a model for transformational leadership and performance.

We posit this paper to evaluate the effectiveness of higher-order goals, self-efficacy and trust-in-leader as moderating effects on transformational leadership in MLM organizations.

In the following sections, to start with, we provide an explanation of the characteristics of MLM organizations. Second, a review of the construct of transformational leadership and its dimensions will be made. Third, we depict the research model and its hypotheses. Fourth, data analysis and results will be discussed. Last, conclusions and recommendations will be proposed.

Background

In this section, first, MLM will be discussed, followed by the explanation of transformational leadership behavior. Then, the moderating effects of higher-order goals, self-efficacy and trust-in-leader will be explored one-by-one.

Multi-level Marketing (MLM)

MLM is a multi-billion global business industry. This business has been widely used in the American landscape. MLM business refers to building a network of sponsor-distributor relationship and in return, the sponsor and the distributor both make income from selling products and enrolling new distributors. Traditionally, transformational leadership has impact on followers' outcomes in the hierarchical organisations (Pillai, Williams and Raton, 2004; Cavazotte, Moreno and Bernardo, 2013). However, not all MLM distributors can be successful in the MLM businesses (Nga and Soo, 2011; Siahaan, Lumbanraja and Chairunisa, 2014). Thus, it is important to study the effectiveness of transformational leadership on the performance of the MLM distributors.

Although MLM provides an opportunity to achieve financial independence with minimum cost and with time flexibility, succeeding in the MLM industry is not easy, as indicated by the consequently high attrition rate of MLM membership. An issue is the leadership problems from the peculiar leader-follower relationships found in MLM organizations. The MLM distributorship is a legal contractual relationship between an MLM company and a distributor. All MLM distributors work independently.

In reality, they do not work alone but informally help one another to grow their distributorships. Every MLM organization has an incentive system to facilitate the recruitment and sponsorship of new distributors. As such, the traditional application of formal power and authority may not applicable for MLM businesses because distributors are independent owners (agents) who do not have a formal superior. Leadership can be found in both of the hierarchical leader-follower relationship as well as the sponsor-distributor relationship (Sparks & Schenk, 2001) and therefore, sponsors of MLM organizations are expected to provide leadership to their distributors. Therefore, it is worth studying the transformational leadership in the MLM industry.

Transformational Leadership Behavior

Burns (1978) was the first to propose the concept of "transforming leadership" in his book "Leadership." Later, Bass (1985) developed Burn's concept from transforming leadership to "transformational leadership" in "Leadership and Performance beyond Expectation," where the leader serves to transform followers or subordinates. The well-known transformational leadership behavior has been conceptualized as five I's of behavioral dimensions: idealized influence attributes, idealized influence behaviors, inspirational motivation, intellectual stimulation and individualized consideration (Bass, 1985, 1996; Bass & Avolio, 1994a, 1994b; Avolio & Bass, 2004; Sullivan, 2012), as

- Idealized influence attribute refers to the important characteristics of a transformational leader i.e. respectful, trustworthy and admirable. A transformational leader who adopts idealized influence on his/her follower is able to establish the trust of the follower (Bass, 1996; Sullivan, 2012).
- 2TMidealized influence behavior refers to a transformational leader who demonstrates outstanding behavior and is likely to give up one's own interests to enhance the group's objectives (Moss & Ritossa, 2007).
- Irrational motivation is the characteristic of a transformational leader who can inspire or motivate the follower to achieve his goals (Bass et al, 2003). A transformational leader motivates his follower to achieve from a lower level of needs to a higher level of needs i.e. security, social needs, self-esteem and self-actualization (Avolio & Yammarino, 2002; Sullivan, 2012). A transformational leader may use a vision to attract one's followers (Judge & Piccolo, 2004). Also, a transformational leader may bolster one's followers by providing assurance to overcome obstacles, and promoting a brighter future (Kouzes & Posner, 1995).
- Intellectual stimulation describes the degree in which a transformational leader stimulates one's followers' creativity and innovativeness (Limsila & Ogunlana,

2008; Moss & Ritossa, 2007). In addition, intellectual stimulation explains how a transformational leader enhance problem solving and self-reflection skills of one's followers (Avolio & Bass, 2004).

- Individualized consideration involves treating followers as individuals and not only as members of a group (Choi, Price and Vinokur, 2003). This aspect urges a transformational leader assesses the followers' capabilities so as to find the right way to help them to achieve a higher goal (Sullivan, 2012). In addition, a transformational leader observes followers' individual needs and distributes responsibilities to followers based on their different capabilities (Bass et al, 2003; Judge & Piccolo, 2004).

Moderating Effects

Higher-order Goals

Two theories of motivation, namely, Maslow's hierarchy of needs (Maslow, 1943) and Locke's goal setting theory (Locke, 1968) are especially relevant to the understanding of the facilitation of transformational leadership on the development of higher-order goals. According to Maslow's hierarchy of needs, people perform optimally when they reach a stage of self-actualization and self-transcendence. This "stage" in the hierarchy aims to connect something beyond the ego that would help a subject reach their potential (Daniels, 2001). The stage of self-actualization advocates a strong link between higher-order goals and work life (Ghadi & Fernando, 2012; Liaw et al., 2009). Experiencing personal meaning at work has been found to be closely related to satisfying these higher-order needs, which involve progressing from "belonging" to "esteem" and "self-actualization" (Chalofsky, 2003). Hackman and Oldhan (1976) further found that meaningful work and employee engagement are closely interconnected. To stay competitive in the marketplace, many organizations have been developing self-managing work teams. This development has resulted in less clearly defined authority similar to those found in MLMs and has further increased the relevance of MLM research to other types of organizational settings. Sparks and Schenk (2001) found that transformational leaders improved MLM distributors' performance by appealing to their higher-order motives as a mediator. However, the moderating effects of higher-order goals have yet empirically studied.

Self-efficacy

Self-efficacy can be described as individuals' convictions with respect to their competency to be successful and their achievement (Bandura, 1982). Moreover, self-efficacy augments performance and gains a competitive edge in the market through raising the effort level and persistence of the followers (Bandura, 1977). For instance, as indicated by Maddux (2009), people are more persistent to do sales planning and presentation, and self-efficacy displays people's competency and their belief in task-

oriented undertakings.

According to Bandura (1997), self-efficacy convictions control people's functions through four processes such as cognitive process, affective process, motivational process and decisional process. These four processes can be either self-boosting or self-weakening (Bandura and Locke, 2003). For instance, sales people can control their self-efficacy to boost up themselves as they know the functions and applications of products well (cognitive process), always feel exactly what consumers want (affective process), think they are excellent salespeople (motivational process) and can easily adopt varied sales approaches (Vieira, Perin, & Sampaio, 2018).

In the contemporary approach of managing and leading changes in business, the emerging themes in leadership have emphasized the role of empowerment and shared influence for the task accomplishment of innovation and entrepreneurship (Gronn, 2000). Effective leaders take empowerment as a tool for motivating their employees at the workplace and for making them more accountable for their responsibilities. Bandura (1994) suggests that self-efficacy develops a sense of independence in the thinking and behavior of employees. Moreover, the effects of efficacy beliefs and leadership style on work-related attitudes have been examined across different national cultures (Lam et al, 2002).

Trust-in-leader

As explained by Gillespie and Mann (2004), trust in a leader refers to communicating the common vision and values with the leader. In the leadership literature, trust has been more frequently cited in discussions of transformational leadership than in those of other leadership theories (Dirks and Ferrin, 2002). Avolio (1999) found that the effect of transformational leadership on followers is not direct. Trust provides a channel for this effect on follower outcomes. In other words, transformational leaders are trusted by their subordinates, who in turn display positive job attitude and positive intra- and extra-role performance (Podsakoff et al., 1990; Jung and Avolio, 2000; Mackenzie et al., 2001; Connell et al., 2003).

Model Development and Its Hypotheses

A review of the literature on transformational leadership, intermediary effects, and performance was conducted in the last section. No study had examined the full set of interrelationships among transformational leadership, higher-order, self-efficacy and trust-in-leader, goals and performance in the MLM context. Therefore, the model depicted in Figure 1 is an attempt to fill this gap in the literature. The model encompasses the following five constructs:

- Transformational leadership
- Higher-order goals
- Self-efficacy

- Trust-in-leader
- Performance of MLM distributors

<Insert Figure 1 about here>

In the model, transformational leadership, represented by an ellipsoid in Figure 1, is treated as the exogenous construct measured by five manifested variables. Four independent constructs are found in the model. Located on the right-hand side, performance is a dependent variable measured by a single indicator, which is a commission made by the independent distributor. The other three independent constructs, which are located between transformational leadership and commission, are higher-order goals, self-efficacy and trust-in-leader. They serve as moderators.

Causality between components in the model is indicated by arrows, which show the direction of postulated influence. The model assumes a one-way flow of causation. The solid lines and the arrows hierarchically show the influence of components on other components. Given that we do not assume that performance of distributors will affect transformational leadership, no feedback flow exists in the model. As shown in Figure 1, the moderating effects of higher-order goals, self-efficacy and trust-in-leader on transformational leadership and performance are indicated by inversed T arrows.

The hypotheses in the model reflect only a small number of the potential links that could be made. Only relationships that will be formally tested in this study are presented as hypotheses. The formulation of this specific model was mostly determined by prior research and by the basic objective of this study.

The relationships among the independent construct and the dependent constructs in terms of hypotheses will be discussed as follows.

Higher-order Goals is a Moderator between Transformational Leadership and Performance

Sparks and Schenk (2001) found that transformational leadership positively influences the higher purpose of distributors' belief about work. Ghadi et al. (2012) further found that transformational leadership, work engagement, and perceptions of meaningful work are highly related. Meaningful work is conceptualized differently across various organizational cultures; therefore, it requires further empirical investigation such as MLM organization is one of them.

For H1, we argue that higher-order goals served as a moderator on the sponsor-distributor relationship because higher-order goals motivate MLM distributors to achieve their goals more effectively. With the help and personal sharing of sponsors, together with their leadership, achievable higher-order goals can be set as a motivational environment, and in return enhance the effect of distributor performance (Manz, 1983; 1986; 1992). In MLM industry, high performance sponsors inspire high

performance distributors by setting higher order goals such as recognition and praises by the organization in the annual sales award meeting, and charity works that contribute to society. Thus, the following hypothesis emerges.

H1: Under the MLM environment, higher-order goals positively moderate the effect of transformational leadership on the performance of distributors. That is, higher-order goals will positively enhance the impact of transformational leadership on the performance of distributors.

Self-efficacy is a Moderator between Transformational Leadership and Performance

Bandura (1997) pointed out that self-efficacy influences self-regulatory effectiveness. Bandura further pointed out that self-efficacy and self-esteem are different. Perceived self-efficacy is concerned with judgments of personal capability, whereas self-esteem is concerned with judgments of self-worth. People with high (vs. low) self-efficacy perception seek to play a greater role in organizations. A number of studies have found that self-efficacy acts as moderator of transformational leadership to improve performance in the traditional organization (Gist & Mitchell, 1992; Brown et al, 2001; Pillai & Williams, 2004).

However, we found no study that directly addressed the non-hierarchical organizational context. Even though Choi et al. (2003) found that the self-efficacy effect is significant in 169 training groups who attended a five-day workshop designed to increase participants' job-search skills in traditional organizations, no research has been found that self-efficacy is able to enhance the relationship between the transformational leader and the performance in the non-hierarchical context. On one hand, in traditional hierarchical organization, an individual's self-efficacy acts as a moderator of transformational leadership and performance (Walumbwa et. al, 2005). On the other hand, the moderating effects of self-efficacy on transformational leadership and performance have yet studied in the non-traditional structure. We understand that under the non-traditional setting, transformational leaders do not need to hold frequent meetings with their distributors. Transformational leaders can inspire their distributors and utilize the distributors' self-efficacy to perform well.

Thus, we propose that self-efficacy serves as a moderator between transformational leadership and a distributor's performance in the MLM context. Therefore, the following hypothesis, H2 emerges.

H2: Under the MLM environment, self-efficacy positively moderates the impact of transformational leadership on the performance of distributors. That is, self-efficacy enhances the impact of transformational leadership on the performance of distributors.

Trust-in-Leader is a Moderator between Transformational Leadership and Performance

In the literature review, it is controversial if trust-in-leader is a moderator between transformational leadership and performance.

On the positive side, the effect of trust in leaders by followers has been well-documented in scholarly publications (Mulder, 2009) and various business processes (Covey, 2008). When subordinates trust a leader, they are willing to listen, follow and make changes so as to perform better and exhibit less counterproductive actions (Mayer et al., 1995; Coloquitt et al., 2007). Trust that is broken by a leader can have undesirable effects (Dirks & Ferrin, 2002). Without trustworthiness and truthfulness, leaders are unable to challenge or be challenged by their followers. As such, scholars have suggested to examine trust as a moderator of the relationship between transformational leadership and performance (Dirks & Ferrin, 2002).

On the negative side, the condition of trust can be pretended. As a result, while exhibiting transformational behavior, these pseudo-transformational leaders may not produce positive outcomes because of low trust (Bass and Steidlmeier, 1999). Asking whether a subordinate trusts a leader is a wrong assumption for non-hierarchical organizational structures such as MLM organizations. First of three reasons, partly because the relationship between sponsor and distributors are not the same as the leader–follower relationship, partly because they do not frequently communicate with each other as in traditional organizations therefore, trust building is not strong. and partly because trust is measured from the subordinate's perspective. Thus, a different perspective of trust, such as propensity to trust, benevolence, and integrity, require further investigation among MLM distributors. In fact, stages versus states theory of relationship marketing proposed by Rao and Perry (2002) and Palmer (2007) and partnering theory proposed by Garbarino and Johnston (1999) have helped explain that the relationships between up-lines and down-lines may be as equal partners that foster mutual trust, entrepreneurial skills, and the capability to sustain their value proposition to customers. As such, the norms of the behavior of trust among distributors may be viewed differently compared to trust-in-leader under the traditional organizational structure (Goodwin et al. 2011).

On one hand, Mulder (2009), Covey (2008), Mayer et al. (1995) and Coloquitt et al. (2007) agree that trust-in-leader has positive effect on the performance of the follower.

On the other hand, Rao and Perry (2002), Palmer (2007), Garbarino and Johnston (1999) and Goodwin et al. (2011) disagree that trust-in-leader has positive effect on the performance of the follower.

First, all MLM organizations are essentially sales

companies. A successful sales career completely relies on the hard work of a salesperson. A sales manager plays a guiding and supporting role instead of a resources provider. The reprimand for a salesperson is quite limited because all sales individual are fully paid by commission instead of a salary provided by the company and endorsed by the sales manager (Harwood & Garry, 2006). The relationship of sponsor–recruit (up-line or down- line) relationship is a partnership involvement instead of a leader–follower relationship (Garbarino & Johnson, 1999).

Second, Siahaan et al. (2014) pointed out that the success of MLM distributors significantly depends on their entrepreneurial commitment, entrepreneurial competence, and entrepreneurial motivation. The concept of entrepreneurial commitment comprises three elements: affective, normative, and continuous commitment. These three elements refer to a salesperson's emotions, beliefs, and perceptions on the perceived costs and loss if they leave the organization (Malewcki, 2003; Clercq & Ruis, 2007). Entrepreneurial competence refers to the knowledge, skills, or internal ability of producing an outcome (Mc Lertwanawit et al., 2009), whereas entrepreneurial motivation is the drive of a person to be their own boss or to work independently (Taormina & Lao, 2007).

Based on the above two reasons, we agree with Goodwin et al. (2011) that there is no support for the role of trust as a moderator of the relationship between transformational leadership and a variety of follower outcomes.

In terms of statistic testing, we have to propose that H3 for hypothesis testing. However, we expect it will be rejected.

Thus, H3 is proposed.

H3: Under the MLM environment, trust-in-leader positively moderates the effect of transformational leadership on the performance of distributors. That is, trust-in-leader enhances the impact of transformational leadership on the performance of distributors.

Research Methodology

Sample

The data for this study were obtained from 122 MLM distributors who attended four leadership training meetings of an MLM company that mainly sells nutrition, skincare, personal care, home care, and home tech products in Hong Kong and Macau. Similar to the small-sample studies conducted by Barling, Weber, & Kelloway (1996) with a sample of 20 bank managers in Canada, Barling, Slater, & Kelloway (2000) with a sample of 60 managers of a pulp and paper company, and Bass, Avolio, Jung, & Berson (2003) with a sample of 72 military leaders of the U.S. Army, this study uses a sample of 122 multi-level marketing (MLM) distributors of in Hong Kong, having a high response rate of 80.4% in a situation where representative distributors were presented in four local regular sales meetings. These meetings were conducted

in a period of 30 days. As a matter of fact, the company holds this kind of training meeting each year.

Data Collection

With prior approval from the company to collect data from its distributors, we distributed a questionnaire to each distributor based on the language of their preference, either in English or Chinese, at the beginning of these meetings.

Questionnaire Design

The questionnaire has 49 questions and is divided into three sections. Section A consists of 20 items of the short form of Bass and Avolio's Multifactor Leadership Questionnaire. Section B consists of three scales: the self-efficacy scale (Scholz et al., 2002) and the higher-order-goals scale (Spark et al., 2001). For the first two sections, respondents were asked to rate each question on a five-point Likert-type scale, where 1 represents "strongly disagree," and 5 represents "strongly agree." Section C is concerned with the classification data, which help describe the characteristics of the sample. Performance is measured by the amount of commission that each distributor earned in the preceding month. In verifying that the two versions of the questionnaire are literally the same, the original English version was double-translated to ensure that the meanings of all items in the Chinese version were the same as those in the original English version. Most respondents took approximately 20 minutes to complete the questionnaire.

Operationalization of Constructs in the Model

Performance of Distributors

Our dependent construct, performance, is operationalized by commission, which is the amount of payment in Hong Kong dollars received by the respondent from the MLM organization in the preceding month. A logarithmic transformation was adopted to normalize the distribution of this variable.

Transformational Leadership

Our independent construct, transformational leadership, is composed of 20 five-point Likert-type items, which are the short form of Bass and Avolio's Multifactor Leadership Questionnaire which has a Cronbach's alpha of 0.926. The literature on leadership indicates that this construct consists of multiple dimensions that are highly interrelated. We chose the items that capture a variety of aspects of leadership and used factor analysis to confirm the validity of the underlying construct. Respondents were asked to evaluate the extent to which their leader had to address the following five dimensions:

Idealized influence attributes (IIATT) involve challenging goals setting and provide a vision or sense of mission for followers. Four items are used in this dimension, with Cronbach's alpha of 0.81.

Idealized influence behaviors (IIB) instill pride in and among the group of followers. This dimension also consists of four items and has a Cronbach's alpha of 0.6.

Inspirational motivation (Inspire) inspires followers to achieve goals beyond their own self-interest for the good of the organization. Four items are used in this dimension, and Cronbach's alpha was found to be 0.7.

Intellectual stimulation (Intstim) promotes problem solving and examines whether work is performed properly. Three items are used for this sub-scale. Cronbach's alpha was found to be 0.68.

Individual consideration (Consid) involves treating followers as individuals and not only as members of a group. This sub-scale consists of three items, and it has a Cronbach's alpha equal to 0.76.

Self-efficacy Effect

Self-efficacy, which was adopted from Scholz et al. (2002), consists of ten items with a Cronbach's alpha of 0.859, which is higher than the threshold of 0.70 as suggested by Nunnally (1978). Each item was measured on a five-point Likert-type scale. After two items are deleted from the scale because of extremely low item-to-total correlation, the Cronbach's alpha is 0.859, which is higher than the threshold of 0.70 as suggested by Nunnally (1978). Thereafter, a split half reliability analysis was conducted. Cronbach's alphas for the two sub-scales were found to be 0.735 and 0.811, with a correlation of 0.829 between them. The composite reliability for the measure is 0.888. This unidimensional scale was subject to an exploratory factor analysis. As the first factor contributed 43% of the total variance, the construct can be regarded as unidimensional.

Higher-order Goals Effect

This single dimension construct is a two-item scale adopted from Spark et al. (2001). Cronbach's alpha for the measure is 0.706, whereas the composite reliability is 0.871.

Trust-in-leader Effect

The scale of trust-in-leader was adopted from Butler (1991) consists of four items. However, one item was dropped because of low item-to-total correlation. The final Cronbach's alpha is 0.833, and the composite reliability for the measure is 0.90.

<Insert Table 9 about here>

<Insert Table 4 about here>

Eventually, four items were dropped from the inventory because of low item-to-total correlation, each from four out of the five dimensions. As indicated in Table 4, the Cronbach's alpha for the measure is 0.926, and the composite reliability for the measure is 0.935.

<Insert Table 5 about here>

Table 5 contains the means and standard deviations,

the internal reliabilities, and the Pearson correlation coefficients for the five latent constructs. According to Hair et al. (1998), a Cronbach's alpha larger than .6 indicates acceptable internal reliability. All of the constructs therefore have acceptable internal reliability. As shown in Table 5, the Cronbach's alpha for the measures of higher-order goals, self-efficacy and trust-in-leader are 0.71, 0.86 and 0.88 respectively.

Control variables

A dummy variable identifying the gender of the respondents was included to control for possible differences in definitions and attitudes toward transformational leadership, higher-order goals, and self-efficacy, of which could systemically affect the results of the study. A value of 1 was assigned for males, and a value of 2 was assigned for females.

As age may have some systematic effects on the relationships of interest because of cultural differences, an interval variable reflecting the actual age of the respondents was included in the model.

We include the number of meetings that a distributor has attended as a control variable because we want to examine whether experienced distributors may display effects on the relationships of interest different from those of new distributors. A value of 1 indicates that a respondent attended the training meeting for the first time, a value of 2 indicates that a respondent attended for the second time, and so on.

Education was used as a control variable because educational level was found to be related to the objective measures of task performance but weakly related to performance in training programs (Ng & Feldman, 2009). Given that this study includes an objective measure of performance, commission, and the distributors were participating in a training program while data were collected, we want to ensure that educational level did not introduce unwanted variance into the relational dynamics in this study.

Scales Reliability and Validity

In assessing the reliability and validity of the scales adopted for this study, the Statistical Package for the Social Sciences (SPSS) Version 21 was employed to perform descriptive statistics and regression analysis, whereas Smart-PLS Version 3.16 was used for correlation analysis, reliability analysis, confirmatory factor analysis and interaction effects.

This study relied on data collected from a single informant, leading to the possibility of common method variance (Chang, et al., 2010). Several steps were used to limit and assess these effects. Harrison et al. (1996) stated that response biases have been revealed to be more problematic at the item level than at the construct level. As such, specific questions in the questionnaire were worded and sequenced to reduce the potential for carryover

response bias by using the following two measures. First, we adopted different response anchors across measured constructs. Second, to avoid common variance, we separated the items that operationalize the dependent variable and items measuring the independent variables in question order. Analysis using Harmon's single-factor test (Podsakoff and Organ, 1986) at a later stage indicated no evidence of artificial response bias.

Data Analysis and Findings

<Insert Table 1 about here>

Profile of Respondents

As indicated in Table 1, a total of 11% of the distributors surveyed were affiliated with the training for the first time, 17% for the second time, 38% for the third time, and 34% for the fourth time. The fact that the company holds a training meeting each year indicates that most surveyed distributors had been affiliated with the company for more than two years.

In terms of the age of the distributors, most of them (68%) were middle-aged persons with ages ranging from 30 years to 49 years. A total of 21% of distributors were under 29 years old, and 11% were over 50. In addition, these distributors had fairly good education: almost half of them completed secondary or post-secondary education, whereas the other half received an academic or professional degree.

<Insert Table 1 about here>

Table 6 reports the variable means, standard deviations, and correlation coefficients between the dependent and independent variables. None of the variables used in the model has a correlation coefficient higher than 0.55. Collinearity diagnostics indicated that multicollinearity is not a serious problem (Belsely et al., 1980).

<Insert Table 6 about here>

To examine the hypothesized effects in the model as previously specified, we conducted structural equation modeling (SEM) analyses using Smart-PLS Version 3.21 (Hair, 2014). Smart-PLS was used for two reasons. First, partial least square (PLS) approach is more suitable than other existing algorithms for studies with a small sample size. Second, this study has adopted some constructs (e.g., higher-order goals) with less than three indicators (Hair, 2014). In avoiding inadmissible or unidentifiable solutions, using PLS seems to be more appropriate (Hair, 2014).

Through Smart-PLS, a series of successive models were generated to determine the added value of each step. We started with a model using performance as the dependent variable and control variables as independent variables and then added moderators such as higher-order goals and self-efficacy.

<Insert Table 7 about here>

Figure 2 shows the final model with constructs and their

operationalized items. As Smart-PLS does not provide indices for goodness-of-fit, we only display the estimates of loadings, which are their respective t values and p values (Table 4). The results of the analysis are divided into the following three parts:

Reliabilities of constructs

- Estimated loadings of the confirmatory factor analysis of constructs
- Standardized path coefficients between transformational leadership and other constructs with control variables

We employed SmartPLS to perform a second-order confirmatory factor analysis assesses the validity for the transformational leadership. A bootstrapping process with 5000 samples was used to re-specify the measurement model based on both content and statistical considerations. For the scale for transformational leadership, all items have loadings ranging from 0.83 to 0.88, which are significant at $p < 0.001$. R-square for each dimension of the scale was found to be higher than 0.6 and significant at $p < 0.05$. As such, the measurement model was considered acceptable.

We assessed convergent validity by examining the path coefficients of the second-order confirmatory factor analysis. Path coefficients were found to be ranging from 0.83 to 0.91, indicating that all dimensions of the scale were significantly pointing at the construct of transformational leadership. As such, convergent validity was warranted.

<Insert Table 2 about here>

Discriminant validity examines the extent to which sub-constructs or the indicator variables of a construct differ from one another. As the path coefficients tend to be high, two methods were adopted to assess discriminant validity. First, we employed the Fornell-Lacker Criterion (1981), which assessed whether the square root of the average variance extracted (AVE) is greater than the correlation shared between the sub-constructs of a higher-order construct. Table 3 shows the AVEs for all dimensions of transformational leadership using Smart-PLS with the bootstrapping procedure. The correlations among the five dimensions of transformational leadership are shown under the diagonal, whereas the square roots of AVEs are on the diagonal. All AVEs are larger than the threshold of 0.5, and the correlations among the five dimensions of transformational leadership were found to be smaller than the square root of the AVEs (diagonal values). This finding provides evidence of discriminant validity for transformational leadership.

<Insert Table 3 about here>

Second, we used the cross-loading approach to examine discriminant validity from a different perspective. Table 3 shows the matrix of cross loadings generated by Smart-PLS Statistical Package Version 3.16. The

rows of the matrix represent cross loadings of 16 items on the construct of transformational leadership and its five dimensions. Two phenomena were observed. First, items load heavier on their own dimension than on other dimensions. For example, considering the first three rows of Table 3, we find that the loading of Consid1 on the dimension Consideration is 0.84, which is the largest loading across the row. Second, each item will have the heaviest loading on the construct, except for its own dimension. For example, item Consid1 loads heaviest on the dimension Consideration (0.84) but second heaviest on the construct of Transformational Leadership (0.80).

<Insert Table 8 about here>

<Insert Figure 3a about here>

Results and Discussion

Table 7 shows PLS-SEM Predicting the Level of Performance in terms of Commission.

In the process of testing the three hypotheses, we performed three analyses as indicated in Table 7. In Analysis 1, while examining the direct effect of transformational leadership on performance, four control variables: age, gender, education and meetings were introduced.

On the top of control variables, we introduced two interaction effects, trust-in-leader and higher-order-goals, in Analysis 2. A notable increase of R square is observed, indicating that there is a rise in explanatory power. In Analysis 3, the addition of self-efficacy as the third moderator lead to a drastic increase in R square.

After conducting the above three analyses, we examine the hypotheses that we postulated. Hypothesis 1 suggests that higher-order goals enhance the relationship of transformational leadership with performance of distributors as indicated in Table 8, the coefficient associated with this interaction (0.453) was significant at $p < 0.05$ in Table 7. Figure 3a shows the transformational leadership will have a positive interaction relationship with the performance of distributors through higher-order goals. In addition, the interaction effect of transformational leadership and higher-order goals is very strong as visually it happens very close to the center of Figure 3a. Thus, Hypothesis 1 is supported. The result is in line with the literature indicated by Manz, (1992) & Ghadi et al. (2012).

The interaction term associated with higher-order goals and transformational leadership is significant at $p < 0.05$. The variance explained for this model (10.4%, which is 7.5% over the previous model as shown in Analysis 1 of Table 7) is basically due to this interaction effect. To gain further insights into the nature of the moderating effect, we plotted the interaction effect for the full model using one standard deviation above and below the mean of the interaction variables to establish end points (see Figure 3a).

We rely on the results in Table 7 to fully interpret our results for Hypothesis 2. The change in explained variance between the restricted and full models is 17.9%, which is significant at $p < 0.001$. Hypothesis 2 suggested that transformational leadership will have a stronger positive influence on performance when distributors show higher levels of self-efficacy than when they show lower levels of self-efficacy. The interaction term between transformational leadership and self-efficacy was 0.88 and is significant ($p < 0.001$). The plot for this interaction effect is shown in Figure 3b, which demonstrates the interaction effect of transformational leadership and higher-order goals is very strong as visually it happens very close to the center of Figure 3b. Transformational leadership is more positively related to distributors' performance when distributors set better self-efficacy than when they do not. Thus, Hypothesis 2 is supported. This result is in line with the literature review in which self-efficacy acts as moderator of transformational leadership to improve performance in the organizational context (Gist & Mitchell, 1992; Brown et al, 2001; Pillai & Williams, 2004).

<Insert Figure 2 about here>

<Insert Figure 3b about here>

Hypothesis 3 suggests trust-in-leader does not enhance the relationship of transformational leadership with performance of distributors as indicated in Table 7, the coefficient associated with this interaction (0.117) was not significant at $p > 0.05$. Thus, Hypothesis 3 is not supported as expected. Though the result is not significant, we have expected that trust-in-leader cannot enhance the performance of the distributor in the MLM organization. Due the statistical testing, we have to propose the hypothesis that under the MLM environment, transformational leadership has a positive moderating effect on the performance of distributors through trust-in-leader. That is, trust-in-leader enhances the impact of transformational leadership on the performance of distributors. As expected, the result is in line with the argument of Goodwin et al. (2011), showing no moderating effect for the role of trust-in-leader between the transformational leadership and the performance of the distributor.

Summary and Conclusions

Discussion

This study presents an examination of the influences of transformational leaders on distributors' performance through distributors' perceptions of higher-order-goals, self-efficacy and trust-in-leader in MLM organizations, which is an organizational context seldom employed in the literature on leadership. H1, under the MLM environment, transformational leadership has a positive moderating effect on the performance of distributors through higher-order goals, is supported. As indicated

in the literature (Manz, 1983; 1986; 1992; Ghadi et al. (2012), with the help and personal sharing of sponsors, together with their leadership, achievable higher-order goals can be set as a motivational environment, and in return enhance the effect of distributor performance. Also, H2, under the MLM environment, transformational leadership has a positive moderating effect on the performance of distributors through self-efficacy, is supported. As shown in the prior literature, self-efficacy acts as moderator of transformational leadership to improve performance in the organizational context (Gist & Mitchell, 1992; Brown et al, 2001; Pillai & Williams, 2004; Choi et al., 2003). Specifically, this research has made a contribution by focusing on the non-hierarchical organizational context. Moreover, H3, under the MLM environment, transformational leadership has a positive moderating effect on the performance of distributors through trust-in-leader, is not supported as expected.

However, the major contribution of this study has reconfirmed the prior literature that there is no support for the role of trust as a moderator of the relationship between transformational leadership and a variety of follower outcomes (Goodwin et al., 2011).

First, all MLM organizations are essentially sales companies. A successful sales career completely relies on the hard work of a salesperson. A sales manager plays a guiding and supporting role instead of a resources provider. The reprimand for a salesperson is quite limited because all sales individual are fully paid by commission instead of a salary provided by the company and endorsed by the sales manager (Harwood & Garry, 2006). The relationship of sponsor–recruit (up-line or down- line) relationship is a partnership involvement instead of a leader–follower relationship (Garbarino & Johnson, 1999).

Second, Siahaan et al. (2014) pointed out that the success of MLM distributors significantly depends on their entrepreneurial commitment, entrepreneurial competence, and entrepreneurial motivation. The concept of entrepreneurial commitment comprises three elements: affective, normative, and continuous commitment. These three elements refer to a salesperson's emotions, beliefs, and perceptions on the perceived costs and loss if they leave the organization (Malewcki, 2003; Clercq & Ruis, 2007). Entrepreneurial competence refers to the knowledge, skills, or internal ability of producing an outcome (Mc Lertwanawit et al., 2009), whereas entrepreneurial motivation is the drive of a person to be their own boss or to work independently (Taormina & Lao, 2007).

As such, a successful career in MLM could be regarded as an entrepreneur's career success, which is completely different from sheer promotion or increase in salary in non-MLM organizations (Lau, 2007). The career success

in general employment significantly relies on the support of a superior's recommendation. Due to the high trust level, the distributor may wholly follow the sponsors' advice and guidance without hesitation or reflections. As a result, the effect of trust-in-leader only exist in general employees in the hierarchical organizations context but not in non-hierarchical organizational structures.

The contribution of this study is significant as all two hypotheses are supported. Based on the results in Table 8, H1 and H2 are supported; whereas, H3 is not supported as expected. The results show two moderations. The results are meaningful as this will create an amplifying effect. Though the results are supported, the process of gaining the results is also very important. The results of the whole research are very supportive.

Response Rate

The response rate of the research study is high at 80.4%. Furthermore, the situation is a representative one as the occasion where all representative companies and participants came from almost all MLM companies in Hong Kong.

Emergency of MLM Organization

In recent years, a rising tide of transformational leadership is observed in some parts of the world. On the one hand, some researchers have viewed that this phenomenon will lead to better performance in organizations through variables such as high-order-goals and self-efficacy. On the other hand, some scholars have attributed the causes of better performance to these variables as moderators. The literature on transformation leadership is rooted in hierarchical organizations. Transplanting theories and practices relating to leadership to other type of organizations without clarifying the role of these important variables between transformational leadership and performance would be detrimental. To avoid this limitation, this study has successfully examined the hypothesized causal links between the determinants in the model.

Measurement of Validity and Reliability

In establishing a certain degree of faith in the hypotheses and model developed in this study, reliable measurements are necessary. The primary method for measuring the reliability of multi-item measures was the Cronbach's alpha coefficient. In general, the reliability coefficients ranged from about 0.800 to 0.926 across all constructs. These values compared favorably with those obtained in other studies (Churchill and Surprenant 1982, Yau 1994)

and were of highly sufficient levels to warrant confidence in the measures (Nunnally 1978). Furthermore, the results of the item-to-total correlation analysis also showed that the strong internal consistency of the research instruments was prevalent.

As transformational leadership is a core component of the model, the assessment of construct and discriminant and convergent validity was conducted. A first-order confirmatory factor analysis indicated that all items have significant loadings and are above 0.83, leading to the conclusion that the measurement model has construct validity. Path coefficients of the second-order factor analysis were found to be large enough to warrant convergent validity. Discriminant validity assessed by both Fornell-Lacker Criteria (1981) and the cross-loading approach was found to be acceptable (Tables 2 and 3). The model with five constructs was subjected to testing using Smart-PLS. According to the standardized path coefficients between transformational leadership and other constructs with control variables, all seven hypotheses received support.

Based on the above contributions, the results of process are good.

Theoretical Contributions

In this study, three contributions are made to the literature on leadership. For over two decades, scholars have offered consistent results showing that transformational leadership has direct and indirect effects on the performance of fellows through higher-order goals and self-efficacy.

<Insert Figure 2b here>

First, these findings confirm our thinking showing that the assumption stating that followers' success significantly depends on their leader or sponsor's leadership is not universally true. The case in MLM clearly indicates this confirmation, where the success of distributors seems to solely rely on their own personal effort. This condition leads to the result showing that transformational leadership has no significantly direct effect on the performance of distributors. In addition, this would lead to the argument if the other three moderations will exist.

Second, this study finds that higher-order goals is a significant moderator of better performance. Under the post-modernism paradigm, this moderator appears to be reasonable because goal setting has become the externality condition for entrepreneurial competency,

commitment (Siahaan, et al., 2014), and cultural influence. Thus, higher-order goals is able to enhance the effect of transformational leadership on distributors' performance, indicating that the self-development of distributors is a vital part of leadership effectiveness for MLM organizations.

Third, this study also finds that self-efficacy also acts as a significant moderator of better performance. In the literature review, a number of studies have found that self-efficacy acts as moderator of transformational leadership to improve performance in the organizational context (Gist & Mitchell, 1992; Brown et al, 2001; Pillai & Williams, 2004). Importantly, this study directly addresses self-efficacy acts as a significant moderator of better performance in the non-hierarchical organizational context and this adds a new finding to the literature on transformational leadership.

Management Implications

This study makes certain contributions to management practices. The model and findings provide indications for developing both marketing and managerial strategies.

First, our findings provide a new focus on leadership development training for leaders in this century who are able to guide ambidextrous organizations by focusing on their followers' self-concept and identity. The twenty-first century has seen an accelerating move away from traditional organizational structures toward hybrid adaptations that focus on external, flexible interaction, interdependency, and a bottom-up approach. New forms of leadership such as shared leadership (Barnes & Novicevic, 2012) should shift from leader–follower-centric models to leader–leader models. The behavior of leaders in the future should focus on the moderating effects of meaningful work (Ghadi & Fernando, 2013) and a culture of innovation (Hu et al, 2012), empowerment (Shah et al, 2011), and intrapreneurship (Morianio et al., 2014). In other words, corporate training should be focused more on character development and enhancement than on skills training.

Second, the unique finding of the moderating effect of higher-order goals prompts us to consider that goal-setting improves performance through the use of the cognitive abilities of all individuals, regardless of whether they are sponsors or distributors. As a result, to obtain better performance, distributors must be trained to learn to set higher goals. Through training, distributors can cognitively feel the enhancement of their ability to perform. Leaders in a later stage will be able to feel that

they become more powerful as distributors' performance improve.

Third, trust toward leaders has vitally enhanced employees for good performance in traditional organizational structures. These organizations cannot work without interpersonal trust (Fairholm, 1994). Trust is a key success factor to organizational competitiveness because it cannot be easily imitated or replicated especially in the Asian context (Jones & George, 1998). However, this is not the case in the MLM business concept. MLM businesses build on an open sharing networking system among the distributors within the same unit. Distributors are willing to help strangers or newcomers because everyone is rewarded by expanding the network. As such, for non-hierarchical organizations, an environment with the prevailing shared leadership would be a good leadership approach for MLM (Gillespie & Mann, 2004). These practices require leaders to openly communicate their ideas, vision, and values and empower duties to distributors with the same recruitment team or across teams.

Fourth, the significant effect of efficacy belief on the performance of MLM distributors leads us to consider the adoption of a leader–leader approach instead of a leader–follower approach. In the MLM context, self-efficacy and collective efficacy are important in explaining the relationships between transformational leadership and followers' work-related attitudes across different national cultures (Riggs et al., 1994; Bandura, 1997; Lam et al., 2002). The key to the success of MLM leaders is the ability to find and develop their distributors into stronger performers than themselves. Therefore, MLM leaders should focus on creating a culture showing that every distributor is a leader in the organization. In such a way, the self-efficacy that enhances the effect of leadership on distributor performance will be nourished eventually.

Limitations

The first limitation is concerned with the locations where the research was conducted. MLM distributors are found almost everywhere in the world. The sample drawn in Hong Kong and Macau may not be entirely representative of MLM distributors.

Another limitation is concerned with the sample size. In this study, only a small sample of 123 distributors was used. This small sample size has created problems in data analysis. However, recent statistical development in SEM enabled us to employ a new SEM software called Smart-

PLS, which is specialized to handle small sample sizes effectively.

Another limitation is related to the measurement of performance. In this study, distributors' performance was measured in terms of commission. This practice is a good approach as requested by contemporary researchers. However, distributors' performance can be measured by other factors such as sales volume, costs, profits, and turnovers. In addition, other intangible performance indicators exist such as satisfaction of customers and distributors, which are important in reflecting business success.

Finally, as the data were obtained using a single informant approach, the measurement of transformational leadership in terms of its five dimensions may not necessarily reflect the true behaviors of the leaders as perceived by their distributors.

Directions for Future Research

A number of suggestions can be made for building on this study and for furthering the understanding of the process of transformational leadership.

First, in this study, the participants were only chosen from Hong Kong and Macau. For future studies, transformational leadership in MLM can also be expanded to different major Chinese communities such as Shanghai, Taipei, and Beijing. More specifically, by the joint efforts of different scholars from various Chinese communities, the transformational leadership in multi-level marketing can be generalized in the mentioned Chinese communities.

Moreover, this study was tailored to explore the transformational leadership in MLM in the Chinese community. A research study about the cross-cultural differences between the Chinese and non-Chinese communities with regard to the transformational leadership in MLM would be interesting. For the moment, we do not know if Chinese people are stronger than Westerners regarding the practice of Ren. If Chinese people are stronger, which dimensions are they strong at? If Westerners are stronger, which dimensions are they strong at? Which dimensions are similar between Chinese people and Westerners? Due the above differences, managers may need to adopt different management approaches to manage their respective subordinates.

Furthermore, because the data for this study were obtained from 122 MLM distributors who attended four leadership training meetings of an MLM company mainly

selling nutrition, skincare, personal care, home care and home tech products in Hong Kong and Macau, the results of the study would be more representative if the total respondents interviewed can be significantly increased. In addition, if the survey can be conducted in different MLM companies, then the validity can be enhanced as well.

References

References upon request.

Table 1. Profile of Respondents

Characteristics	Frequency	Percent
Age		
18 – 29 years	26	21.3
30 – 39 years	48	39.3
40 – 49 years	35	28.7
50 years and above	13	10.7
Education		
Secondary	24	19.7
Post-secondary	39	32.0
Degree	39	32.0
Post-graduate	8	6.6
Professional	8	4.9
Missing	8	4.9
No. of Meetings Attended		
First Time	13	10.7
Second Time	21	17.2
Third Time	46	37.7
Fourth Time	32	34.4

Table 2. Discriminant Validity for Transformational Leadership (Fornell–Lacker Criterion)

Dimension	Individual Consideration (IC)	Idealized influence attributes (IA)	Idealized Influence Behaviors (IB)	Inspirational Motivation (IM)	Intellectual Stimulation (IS)
IC	0.82#				
IA	0.68+	0.80			
IB	0.65	0.72	0.74		
IM	0.73	0.59	0.67	0.78	
IS	0.69	0.68	0.63	0.60	0.79

*All correlations are significant at the 0.01 level.

Table 3. Discriminant Validity for Transformational

Leadership (Cross-Loadings)

Construct Dimension	Transformational Leadership	Dimension of Transformational Leadership				
		Individual Consideration (IC)	Idealized influence attributes (IA)	Idealized Influence Behaviors (IB)	Inspirational Motivation (IM)	Intellectual Stimulation (IS)
IC1	0.80	0.84	0.65	0.63	0.65	0.63
IC3	0.70	0.84	0.54	0.51	0.53	0.58
IC4	0.65	0.78	0.49	0.45	0.54	0.53
IA1	0.65	0.44	0.78	0.50	0.54	0.45
IA2	0.62	0.54	0.74	0.54	0.54	0.45
IA3	0.77	0.64	0.87	0.65	0.57	0.59
IA4	0.72	0.54	0.80	0.60	0.61	0.49
IB1	0.51	0.36	0.40	0.65	0.43	0.44
IB3	0.66	0.49	0.61	0.77	0.44	0.52
IB4	0.71	0.58	0.58	0.80	0.57	0.57
IM1	0.66	0.58	0.54	0.46	0.74	0.51
IM2	0.62	0.46	0.48	0.49	0.75	0.46
IM4	0.70	0.57	0.59	0.54	0.81	0.47
IS2	0.56	0.45	0.42	0.42	0.36	0.73
IS3	0.63	0.61	0.40	0.52	0.46	0.73
IS4	0.74	0.63	0.55	0.63	0.56	0.81

Table 4. Loadings, Reliabilities, and R^2 of the Dimensions of Transformational Leadership

Construct and Items	Loading	Weight	Cronbach's alpha	Composite reliability	R^2	T-statistics
Transformational Leadership						
Inspirational motivation (IM)	0.84					29.36*
Intellectual stimulation (IS)	0.83					23.61
Idealized influence attributes (IB)	0.85		0.926	0.935		27.53
Idealized influence behaviors (IA)	0.88					31.61
Individual consideration (IC)	0.86					42.03
Inspirational motivation (IM)						
Item1	0.78	0.42				17.47
Item2	0.76	0.40	0.70	0.83	0.70	15.61
Item4	0.80	0.45				19.72
Intellectual stimulation (IS)						
Item2	0.74	0.37				13.18
Item 3	0.75	0.41	0.68	0.83	0.68	14.73
Item 4	0.85	0.49				33.56
Idealized influenced behaviors (IB)						
Item 1	0.65	0.37				8.16
Item 3	0.77	0.47	0.60	0.79	0.72	17.46
Item 4	0.80	0.50				22.18
Idealized influenced attributes (IA)						
Item 1	0.77	0.29				16.34
Item 2	0.74	0.28	0.81	0.88	0.77	12.06
Item 3	0.88	0.35				34.89
Item 4	0.80	0.32				21.14
Individual consideration (IC)						
Item 1	0.84	0.50				30.03
Item 3	0.84	0.40	0.76	0.86	0.77	24.41
Item 4	0.78	0.37				13.88

Table 5. Means, Internal Reliabilities^a, and Correlation Coefficients^b for the Adopted Constructs

		Mean (s.d.)	1	2	3	4	5
1	TAL	3.70 (.59)	*.71				
2	TFL	3.93 (.61)	.41	.91			
3	Trust in Leader	3.80 (.83)	.32	.55	.88		
4	Self- efficacy	3.78 (.58)	.02	.19	.00	.86	
5	Higher- order goals	4.13 (.68)	.17	.30	.25	.18	.71

^a Presented in bold on the diagonal, ^b $r > .15$, $p < .05$; $r > .21$ $p < .01$.

*Numbers on the diagonal are the Cronbach Alpha Reliability Coefficient.

Table 6. Correlations and Descriptive Statistics

Variable	Mean	s.d.	1	2	3	4
Performance ^a	0.46	0.78				
Transformational leadership	3.91	0.59	-0.03			
Self-efficacy	3.80	0.54	0.28*	0.22*		
Higher- order goals	4.13	0.68	-0.05	0.31**	0.23**	
Trust-in- leader	3.73	0.79	-0.04	0.55**	0.14	0.35**

^a Logarithm

*significant at $p < 0.05$

**significant at $p < 0.001$

Table 7. PLS-SEM Predicting the Level of Performance in terms of Commission

	Analysis 1	Analysis 2	Analysis 3
Control Variables			
Age	0.137	0.087	0.014
Gender	- 0.002	- 0.002	0.012
Education	0.050	0.059	0.009
Meetings	0.055	0.040	- 0.021
Direct Effect Transformational leadership → Performance	- 0.047	- 0.079	- 0.059
Moderating Effect Transformational leadership × Self-efficacy			
Transformational leadership × Trust- in-leader			0.880**
Transformational leadership × Higher- order goals		0.117 0.534*	- 0.008 0.453*
R ²	0.025	0.096	0.279
Change in R ²	0.000	0.065	0.179

** significant at $p < 0.01$

* significant at $p < 0.05$

Table 8. Summary of the Testing of Hypotheses

Hypothesis	Result
H1: Under the MLM environment, higher-order goals positively moderate the effect of transformational leadership on the performance of distributors. That is, higher-order goals will positively enhance the impact of transformational leadership on the performance of distributors.	Supported
H2: Under the MLM environment, self-efficacy positively moderates the impact of transformational leadership on the performance of distributors. That is, self-efficacy enhances the impact of transformational leadership on the performance of distributors.	Supported
H3: Under the MLM environment, trust-in-leader positively moderates the effect of transformational leadership on the performance of distributors. That is, trust-in-leader enhances the impact of transformational leadership on the performance of distributors.	Not supported As expected

Table 9. Summary of Cronbach's alpha of Constructs

Construct	Cronbach's alpha
Transformational Leadership	0.926
● Idealized influence attributes (IIATT)	0.81
● Idealized influence behaviors (IIB)	0.60
● Inspirational motivation (Inspire)	0.70
● Intellectual stimulation (Intstim)	0.68
● Individual consideration (Consid)	0.76
Self-efficacy effect	0.859
Higher-order Goals Effect	0.706
Trust-in-leader Effect	0.833

Figure 1 Inner (Structural) Model of Moderating Effects between Transformational Leadership and Performance

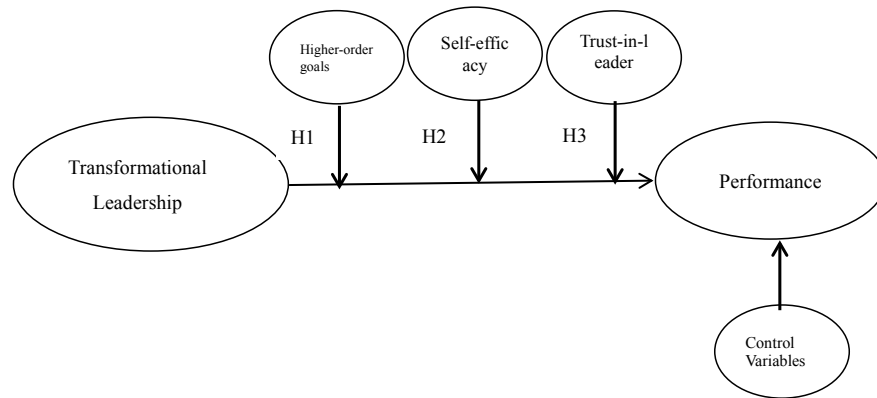


Figure 2 PLS-SEM Predicting Moderating Effects between Transformational Leadership and Performance

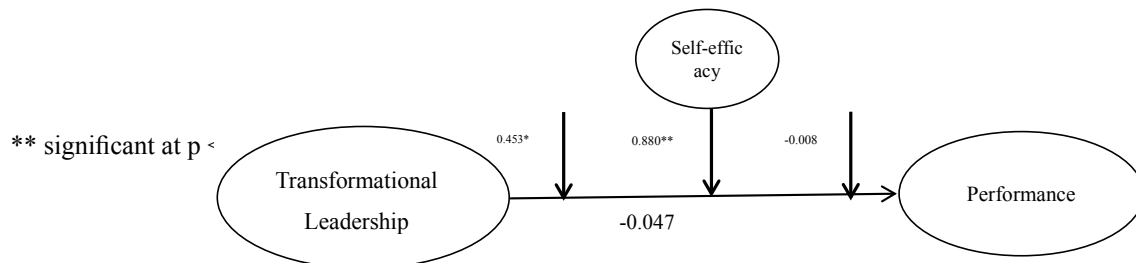


Figure 3a Interaction effect plots for Higher-order Goals

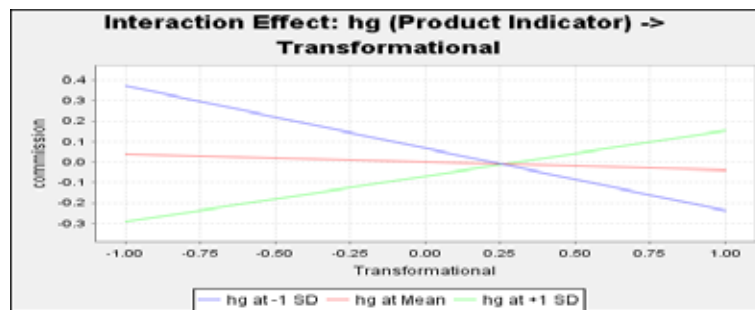
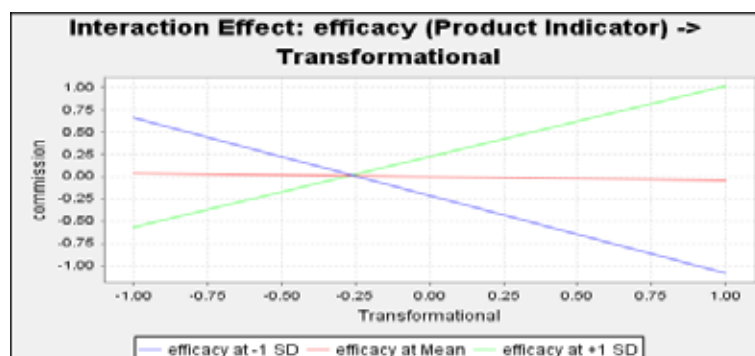


Figure 3b Interaction effect plots for Self-efficacy



A Study on Effects of Preparations of the Factors that Affect Satisfaction of the Successor of Family Firms

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Abstract

This study is to find effects between preparations of the factors and satisfaction of the successor. Independent variables are preparations of the successor and divided by three detailed type, preparation of business ability, preparation of psychology and preparation of capital. Dependent variable is the satisfaction of successors and moderating variable is the level of communication between parents and successors. This study was undertaken in South Korea among 53 successors in 53 family firms. A total of 48 samples were available to use for the research. The empirical results indicate that the preparations of the successor, the preparation of business ability and psychology, influence the satisfactions of the successor. Additionally, the preparation of business and attitude of the successor affect the satisfactions, except the preparation of capital. Recommendations from these results for successful succession are provided.

Keywords: Family firm, succession, satisfaction, successor

1. Introduction

In 2015, the number of small and medium enterprises (SMEs) in Korea is about 3.6 million, accounting for 99.9% of the total number of companies, and the number of employees is 15.13 million, accounting for 90.2% of the total number of employees (Ministry of SMEs and Startups). Not all of SMEs are family firm, but nonetheless the rate of family firms is overwhelming (Gersick et al., 1997). These family firms conduct as an important base of each national economy.

Although the definition criteria of SMEs in each country are different, family firms in the US represent a maximum of 64% of GDP and a maximum of 62% in employment creation (Astrachan & Shanker. 2003). Because family firms have a great influence on the national economy, so the succession of family firms is an important meaning at the national level.

There are many crucial factors in the succession process, but Ward(1987) emphasizes that the preparation of and the ability of successors are important parts of successful succession. In addition, the higher preparation of successors for the succeeding succession of the family firms result in more positive influence (Venter et al. 2005). If family firms has not been planned or prepared for a succession, the survival rate of family firms falls to 30% from the first generation to the second generation and the survival rate from the second generation to third generation is 13% (Ward, 1987). In addition to the preparation of successors, according to Nam (2016), various external environmental factors influence on the satisfaction of family members and succession decision making. Even if the successor is well prepared, if the external environment is not considerate, the successor's satisfaction and succeeding the family firm are in difficulty.

The purpose of this study is as follows; first we identify the detailed factors which influence on the satisfaction of successors. For this, we divide the preparation of successors into the three detailed type, business ability, psychology, and capital. Second, there are many environmental factors, but we select the level of communication between parents and children as the external factor and use this factor in a moderating variable.

2. Literature Review

2.1 Definition of the Family Firm

The definition of the family firm slightly differs from each researcher. Astrachan and Shanker (2003) classified family firms into three categories according to the extent of family member participation. A broad concept is that family members control the strategic direction of the firm, a middle concept means that some of family members are included some part of management, and a narrow concept is that more than one generation should be included and control the firm directly. There are other views that family members should have more than half ownership (Westhead, 2003) and family members should participate in the firm as well as half ownership (Shanker and Astrachan, 1996). It is also one of problems that there are various concepts according to each standard rather than one common concept. Even in the western where actively conduct this field, the name of family firms are called various names such as family firm, family business, family owned business, and family enterprise (Baek, Hong, 2007)

In this study, we define the family firm as the narrow concept which, Astrachan and Shanker suggested, more than one generation in family members should be included and participate management.

2.2 The Process of Succession and Success

Succession in a family firm is defined to be an important process and event to determine the life and death of the firm. In succession of family firms, it is called various terms such as succession of business, succession of family business. Although the succession is largely divided into ownership and management succession, however, Hwang (2008) argues that small and medium-sized firms should be regarded both concepts, because rights of ownership and management are usually inherited.

Dyer (1986) argued that if one chooses three important issues in the family firms, the first is succession, the second

is succession, and the third is succession. It means that the succession is an important part, but also a difficult problem for the sustainability of family firms. Succession of Non-family enterprises transfer just the right of management, on the other hand, family firms should transfer the culture of the family, leadership of the family and also is related to retirement of the first generation (Cho 2008). This is the point why succession of family firms is difficult. For successful succession in family firms, the first and the second generations are related to different factors. The first generation is related to voluntary retirement will, shared firm's vision with next generation, and the second generation is related to voluntary succession will, education, and training (Kim, Nam, 2013).

Perspectives on the success of the family firms of succession are varieties. However, there are no criteria for what perspective is right, what should be regarded as a failure, or how to evaluate the succession process (Santiago, 2000). Because of this problem, the first and second generation should find their succession method in accordance with the situation of each firm, instead of the standard of succession process. However, Morris et al (1997) argued that success and failure of succession can be judged by the level of satisfaction of family members or stakeholder and the profit of firms after succession.

3. Research Model and Hypothesis

3.1 Research Model

Figure 1 is the model of this study, independent variables are the preparation of the successor, of the psychology and of the capital, also dependent variable is the satisfaction of the successor, moderating variable is the level of communication between the first and the second generation.

H1. The preparation of the successor positively influences on the satisfaction of the successor.

H1-1. If the preparation of the managerial ability is higher, the satisfaction will be higher.

H-2. If the preparation of psychology is higher, the satisfaction will be higher.

H-3. If the preparation of capital is higher, the satisfaction will be higher.

H2. The level of communication between first and second generations will affect moderating impact between the preparation and the satisfaction.

3.2 Operational definition of variables and measurement

3.2.1 The Preparation of the successor

Successful succession of the family firms requires successive preparations and interests of the successor (Sharma, 2004), the successor's ability to manage the family firm (Morris et al, 1997), and the successor's willing to continue the family firm. Ward (1987) argues that successor's managerial ability, such as experience to make decision and general administration capacity, help to conduct the real management. In this study, the preparation of managerial ability of the successor was measured as the managerial ability needed for the successor's task, the variety of experience related to the business, mid and long term vision of the family firm, and the level of preparation for succession following to the change of times.

Chrisman et al (1998) contend that successful succession needs not only the successor's managerial ability but also the successor's willingness to take over the family firm. In order to measure the psychological preparation of the successor, this study measured the degree of confidence for running the firm, the willingness to actively run the firm, the attitude toward the upright leader, and the reward to tasks.

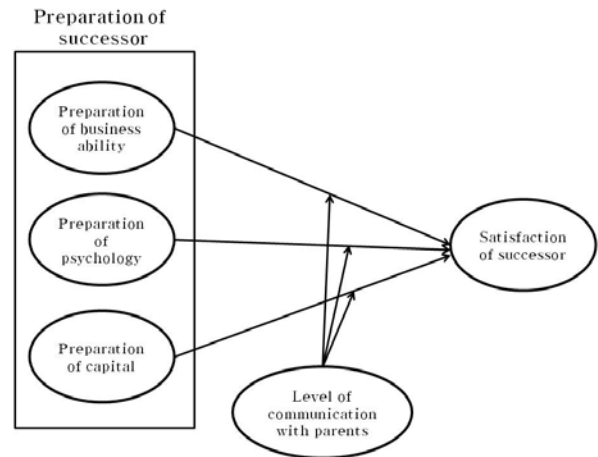
The last detailed independent variable is the preparation of capital. Ahn and Moon (2008) argue that there are many cases in which the family firms are closed or sold off due to excessive taxes when the second generation takes over the family firm from the first generation. It can be interpreted as an essential part of the successor's understanding of the tax system for successful succession of the family firm and the satisfaction. To measure the variable, we measured the degree of understanding of the successor's tax system and tax system related to succession, understanding of the legal process of succession, and finally understanding of financial knowledge.

3.2.2 The Level of Communication between parents and children

Song and Nam (2017) contend that family dialogue and communication emphasize that family members play an important role in assisting other family participation and sharing family values and philosophy. It implies that the level of communication between parents and children can affect the satisfaction of the successor. In order to measure

the level of communication, we measured the formal and informal communication between parents and children, the level of learning about the firm's aim, strategy and information, the level of mutual support with parents, and the consensus of succession among family members.

Figure 1. Research model of the preparation of successor and the satisfaction of successor



3.2.3 The Satisfaction of the Successor

As mentioned earlier, Morris et al (1997) argue that the success of succession can be measured by the level of the satisfaction of family members and stakeholders, and by the performance of the firm. In particular, stakeholders may include family members and employees in the firm, but we measured only the successor and did not measure the firm's performance. For this measurement, the satisfaction is measured by the satisfaction of the successor in tasks, the level of pleasure about work, the satisfaction with the succession process, the satisfaction of parents in process, and the willingness to give the firm to next generation.

3.3 Measurement Method of Variables

Table 1 shows that how to measure each variable, the preparation of the managerial ability, the psychology, and capital, and the moderating variable such as the level of communication between parents and children, and the dependent variable as the satisfaction of the successor. Also the questionnaire is completed by using the existing measurement and by modification by the first and second successors in the current succession process. For each question, the Likert 5-point was used (1: Not very, 3: Moderate, 5: Very much).

Table 1. Measurement Method of used variables

Variable		Questions summary	Name of variable	The quarry of questions
Independent Variables	Preparation of managerial ability	The managerial ability needed for the successor's task	BU1	Renn, R. W. & Fedor, D. B. (2001) etc
		The variety of experience related to the business	BU3	
		The mid and long term vision of the family firm	BU4	
		The level of preparation for succession following to the change of times.	BU7	
	Preparation of psychology	The degree of confidence for running the firm	PS2	E. Venter, C. Boshoff & G. Maas (2005) etc
		The willingness to actively run the firm	PS7	
		The attitude toward the upright leader	PS8	
		The reward to tasks	PS9	
Independent Variables	Preparation of capital	The degree of understanding of tax system	FI1	Park, Hong (2012) etc
		The degree of understanding of tax system related to succession	FI2	
		The understanding of the legal process of succession	FI4	
		The understanding of financial knowledge.	FI6	
Moderating Variable	The level of communication between parents and children	The level of formal communication	CO1	E. Venter, C. Boshoff & G. Maas (2005) etc
		The level of informal communication	CO2	
		the level of learning about the firm's aim and strategy	CO4	
		The level of mutual support with parents	CO5	
		the level of learning about the firm's information	CO6	
		The consensus of succession among family members	CO7	
Dependent Variable	The satisfaction of the successor	The satisfaction of the successor in tasks	SA1	E. Venter, C. Boshoff & G. Maas (2005) etc
		The level of pleasure about work	SA2	
		The satisfaction with the succession process	SA3	
		The satisfaction of parents in process	SA4	
		The willingness to give the firm to next generation	SA5	

3.4 Data collection and characteristics of samples

To verify the hypothesis of this study, a survey was conducted. The questionnaires were distributed and retrieved directly, and a total of 53 questionnaires were collected. Except 5 questionnaires with insincerity and missing answers, 48 questionnaires were used for the analysis (Table 2). The percentage of males and females were 83.8% and 16.7%, respectively. By age, the percentage of 20-25 age were 4.2%, 26-30 age were 33.3%, 31-35 age were 39.6%, 36-40 age were 18.8%. Respondents of the late 20s and early 30s were the most frequent. About succession situation, 27.1% were preparing for succession, 60.4% were in succession, 4.2% completed succession, and 8.3% were not related to succession.

By industry, manufacturing accounted for 50%, construction 14.6%, distribution 12.5%, service 12.5%, finance 4.2% and agriculture 6.3%. Among the respondents, 6.3% were CEOs, 27.1% were board members, 12.5% were senior managers, 6.3% were managers, 20.8% were asst managers, and 27.1% were others. The working period was 20.8% for less than 1 year, 25.0% for 1 ~ 3 years, 22.9% for 3 ~ 5 years, 29.2% for 5 ~ 10 years and 2.1% for more than 10 years.

Table 2. The characteristic of samples

Classification	Response categories	Frequency	Rate	Total responses
Gender	Male	40	83.3%	48
	Female	8	16.7%	
Age	20 ~ 25 age	2	4.2%	48
	26 ~ 30 age	16	33.3%	
	31 ~ 35 age	19	39.6%	
	36 ~ 40 age	9	18.8%	
	More than 40	1	2.1%	
Succession situation	Preparing for succession	13	27.1%	48
	In succession	29	60.4%	
	Completed succession	2	4.2%	
	Not related to succession.	4	8.3%	
Industry	Manufacturing	24	50%	48
	Construction	7	14.6%	
	Distribution	6	12.5%	
	Service	6	12.5%	
	Finance	2	4.2%	
	Agriculture	3	6.3%	
Position	CEO	3	6.3%	48
	Board member	13	27.1%	
	Senior manager	6	12.5%	
	Manager	3	6.3%	
	Assistant manager	10	20.8%	
	Others	13	27.1%	
Working period	Less than 1 year	10	20.8%	48
	1 ~ 3 years	12	25.0%	
	3 ~ 5 years	11	22.9%	
	5 ~ 10 years	14	29.2%	
	More than 10 years	1	2.1%	

4. Research Results

Before analyzing the collected questionnaires, factor analysis and validity analysis were conducted. The cronbach's alpha coefficient is used to examine the reliability of the variables. Multiple regression analysis is used to analyze the effect of the preparation of the successor on the satisfaction. The program used is SPSS version 21.

Table 3. Analysis of Validity and Reliability of Independent and Moderating Variables

Definition of variables		Name of the variable	Factor Results	Cronbach's slpha
Independent Variables	Preparation of managerial ability	BU1	0.710	0.829
		BU3	0.720	
		BU4	0.688	
		BU7	0.675	
	Preparation of psychology	PS2	0.592	0.676
		PS7	0.509	
		PS8	0.805	
		PS9	0.770	
	Preparation of capital	FI1	0.792	0.896
		FI2	0.878	
		FI4	0.903	
		FI6	0.718	
Moderating Variable	The level of communication between parents and children	CO1	0.858	0.896
		CO2	0.755	
		CO4	0.716	
		CO5	0.844	
		CO6	0.792	
		CO7	0.709	
Kaiser-Mayer-Olkin : .736				
Bartlett's chi-squared : 522.975. The degree of freedom : 153. Sig. : 0.000				

4.1 Analysis of Validity and Reliability of Independent and Moderating Variables

In this study, the questionnaire is conducted using the interval scale. The independent variable is the preparation of the successor and its subcategories are the preparation of managerial ability, of psychology, and of capital. To find the effect of the moderating variable, we divide the group the high level group and the low level, and set each group 1 and 0 as the dummy variables for analysis. The dependent variable is investigated as the satisfaction of the successor. Factor analysis is conducted to increase the conceptual validity of each variable. We use the Varimax method which rotates the angle between the factors at 90 degrees.

As shown in Table 3, the questions are grouped into the set variables. In addition, KMO and Bartlett's results provide the level of validity for conceptual validity. The reliability of each variable ranged from 0.676 to 0.896, and the scale of the level of reliability is generally available. For reference, an exploratory study is considered to be sufficient Cronbach's alpha of 0.6 or greater (Nunnally, 1978).

4.3 Analysis of Validity and Reliability of the Dependent Variable

This study sets the dependent variable as the satisfaction of the successor and measures through 5 questions and also uses Likert 5 scale. The result of KMO and Bartlett tests provides the level of validity for conceptual validity. In the reliability analysis, the result is 0.848 which is enough to use (Table 4).

Table 4. Analysis of Validity and Reliability of the Dependent Variable

Definition of variables		Name of the variable	Factor Results	Cronbach's slpha
Dependent Variable	Satisfaction of successor	SA1	0.844	0.884
		SA2	0.844	
		SA3	0.870	
		SA4	0.743	
		SA5	0.840	
Kaiser-Mayer-Olkin : .813 Bartlett's chi-squared : 132.039, The degree of freedom : 10, Sig. : 0.000				

4.2 Results and Analysis

Table 5 is a table that represents the influence of the preparation of the successor to the satisfaction. For the analysis, the independent variable is calculated by summing three subcategory averages and conducted regression analysis. As a result, t value (3.035) and significance level ($p < 0.05$) are found in Model 1, so that it can be explained that the relationship between two variables have a significant relationship with each other. According to this result, H1 is accepted. In Model 2, t value (4.395) and significance level ($p < 0.01$), this means that the relationship is also significant. However, in order to find the moderating effect in Model 3, all the values are not significant, so H2 is rejected.

H1. The preparation of the successor positively influences on the satisfaction of the successor. Accepted

H2. The level of communication between first and second generations will affect moderating impact between the preparation and the satisfaction. Rejected

Table 5. The influence of the preparation of the successor to the satisfaction

Model		Non-Standardized Coefficient		Standardized Coefficient	t value	Significance	VIF
		B	SE	B			
1	Constant value	1.629	.640		2.546	.014	
	Preparation of succession	.570	.188	.408	3.035	.004**	1.000
R : .408 ^a , R square : .167, Adjusted R square : .149							

* : $p < 0.1$, ** : $p < 0.05$, *** : $p > 0.01$

Table 6 is the analysis table that shows the relationship among three subcategories of independent variable and the dependent variable. As shown in the table, the preparation of managerial ability and of psychology has a significant effect at $p < 0.05$ level, but the preparation of capital is not significant (0.174)

Table 6. The influence of the three sub-preparations of the successor to the satisfaction

Model		Non-Standardized Coefficient		Standardized Coefficient	t value	Significance	VIF
		B	SE	B			
1	Constant value	.732	.704		1.039	.304	
	Preparation of managerial ability	.416	.162	.405	2.563	.014**	1.642
	Preparation of psychology	.518	.193	.362	2.677	.010**	1.207
	Preparation of capital	-.192	.139	-.204	-1.380	.174	1.437
R : .577 ^a , R square : .333, Adjusted R square : .287							
2	Constant value	1.235	.622		1.987	.053	
	Preparation of managerial ability	.206	.150	.200	1.372	.177	1.875
	Preparation of psychology	.443	.168	.310	2.635	.012**	1.222
	Preparation of capital	-.150	.121	-.159	-1.243	.220	1.448
	The level of Communication	.739	.185	.474	3.986	.000***	1.246
R : .716 ^b , R square : .513, Adjusted R square : .467							

** : $p < 0.05$, *** : $p > 0.01$

Therefore, H1-1 and H1-2 are accepted, but H1-3 is rejected. In Model 2, the level of communication is also significant. It implies that there is a significant relationship between the variables. However, in Model 3, which is analysis to find the effect of the moderating variable, all results are not significant.

H1-1. If the preparation of the managerial ability is higher, the satisfaction will be higher: **Accepted**

H2-2. If the preparation of psychology is higher, the satisfaction will be higher: **Accepted**

H3-3. If the preparation of capital is higher, the satisfaction will be higher: **Rejected**

5. Conclusion and Limitation

In this study, we analyze the relationship between the successor of the preparation and the satisfaction. As we have seen in previous studies, the level of the preparation is an important part in succession, so we started to study for finding answers to the question that what subcategories affect to the satisfaction of the successor. We also examine to find out the relationships including the external variable as the level of the communication between first and second generations. The dependent variable is set as the satisfaction of the successor, and the independent variable is set as the preparation of the successor, and it is divided by three subcategories, preparation of managerial ability, of psychology, and of capital. The results of this study are as follows. First, the relationship between the preparation and the satisfaction is significant. It means that the preparation of the successor is necessary for successful succession. If the successor participates in the family firms without these preparations, the satisfaction of the successor would be decreased. Also, it is possible to relate to success or failure of succession. Second, except the preparation of capital, the preparation of managerial ability and of psychology affects to the satisfaction. Education of management, experience to management etc are important factors. Especially, the successor's willingness to voluntary succession is a crucial role in process. To accomplish this, it is expected that the role of family members related to the successor is important to support the successor and to make the successor having the willingness by himself or herself. Third, the level of communication with parents, which is an external factor that is set

to see the moderating effect, is a crucial important factor in this study. It means that the successor should make a great effort to communicate with previous generations for improving his or her satisfaction. Not only formal conversation, but also informal conversation should be made often and deeply, and fellowship supporting each other makes the satisfaction higher.

The limitations of this study are as follows. First, the samples in the study have limitation. Finding respondents is difficult because of subject of research. This problem affects the size of the sample, and the study has this limitation. Second, to generalize research theories is difficult because of the sample group. Most respondents are Y.E.S. MBA students or graduated students in Hanyang University. The MBA is a professional education course in master degree, and usually this course is mainly composed of students who already positive consultation with family members. Therefore, there is a limitation that the samples can be surveyed from a positive point of view.

This study suggests these issues for future research. Except the variables we used, future research will need various variables and view of stakeholders such as family members in succession as well as successors. To extend study on the effect of the satisfaction of the successor on firm performance will be needed. Also, to study negative samples which has not completed a positive consultation about succession is necessary and to find reason why has not completed a consultation is needed. Finally, it will be necessary to investigate the characteristics of family businesses surviving in the era of digital and 4th industrial revolution, and the competencies needed to survive.

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Motivation in Using Social Media among Indonesian and Filipino Multigenerational Travelers

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Abstract

Because of the intensive penetration of internet users across the world, therefore, there is a substantial impact on the tourist's travel motivation in using social media. Previous studies claimed that the nationality of travelers would affect travelers' behavior during the journey. This study focused on travelers from Indonesia and the Philippines because both countries had internet users who spent between 3 and 4 hours in using social media. The objective of this study was to determine whether there was motivation similarity in using social media among Indonesian and Filipino travelers across generations. By using quantitative study, data was collected through a web questionnaire sent through social media (Facebook, WhatsApp, email). Data from 181 respondents who used social media during their travel was analyzed by utilizing multivariate analysis to answer the research objective. The finding showed that there was a significant difference in the motivation of using social media among the Indonesian and Filipino travelers. Although Baby Boomers from the two countries preferred to travel to Europe with their family for pleasure, they were only similar in the motivation of obtaining travel information and seek for recreation during the trip.

Keywords: Motivation in Using Social Media, Multigenerational Travelers, Indonesia, Philippines

Introduction

Social media is one of the fastest growing communication technologies in the Internet environment as well as tourism marketing [4;5;6;15;69]. One of the most important functions of social media is that it provides a Web-based application in which users can easily create and post a variety of content in the forms of texts, photos, videos, etc. [49].

There are many popular social media platforms such as Facebook, LinkedIn, Twitter, and WeChat which have attracted hundreds of millions of users [34]. With the help of these platforms, the users of social media can share travel-related information, stories and experiences uploading text contents, images, audios, and videos without any special technical skills as well as their travel-related comments, opinions, reviews and ratings, and recommendations [69].

This circumstance illustrates that advances in the Internet and social media have changed the ways that information about leisure travel and its experiences are disseminated

[45]. It enables people to interact with each other based on commonality of interests and has changed the nature of communication among travelers. Today, numerous travelers can communicate with strangers as peers, without time or geographical constraints, for travel-related purposes. These activities include seeking travel information, maintaining connections, finding travel companions, providing travel tips and suggestions, or simply having fun by sharing interesting travel experiences with each other [64].

To make travel decisions, shared travel experiences on social media are in demand by potential travelers who need to find unbiased and reliable information to plan their trips and vacations [1;41]. People prefer independent and unbiased travel-related information and experiences provided by the individuals who have traveled previously—e.g., family members, or/and friends [37]. The information from internal information sources usually is more credible and trustworthy compared with traditional organizational marketing communications [37] or provided by tourism organizations and private sector businesses [65].

Shared personal travel story reviews, warnings, advice/tips, and recommendations can influence trip decisions and even create pre-trip destination impressions. Fifty-eight percent of U.S. online travel researchers used ratings for their travel information; 49% of them checked reviews and recommendations; 18% used photos and friends' social networking sites; 12% read blogs; and 5% watched videos [15].

Among the seven motivations of using social media for travel purposes [64], seeking travel information [63;64;65] and sharing travel experience had attracted growing research interest [39;53]. However, the adoption and employment of social media are impacted by the users' e-literacy levels [24;28;51;58], aside from the differences among individuals' online pursuit [13;25;42].

Moreover, social media is influenced by other characteristics such as age and nationality, aside from gender, income, and education [22;26;62;67;71]. The young generation is known to be the most likely to be active in social media [19; 43].

Several studies showed there were motivational differences between nationalities [9;38;47]. Other studies also revealed that tourist behavior is influenced by nationality which justifies differences in tourist behavior [48;54;55].

Based on the previous finding, a person's background, the context of their Internet use, and their level of experience all influence the way they use the social media [27]. For example, Gen Y and younger Gen X appear to attach greater importance to the functional needs [30]. With active participation and much more "connected" on social media among the younger generations [19;43], therefore, social media applications are incorporated into their lives.

These results clearly reveal that travelers from different demographics use social media for travel purposes differently. Given that motivation is identified as a key determinant of behavior in general [8;33], it is important to investigate what are the motivations in using social media for travel purposes. With a lack of studies focusing on multigenerational travelers who use social media for travel purposes [32;72]. This study will contribute to filling this gap.

Therefore, it is interesting to determine whether there is a similarity in the motivation of using social media for travel purposes between Indonesian and Filipino multigenerational travelers as the research objective of the study. This study focused on travelers from Indonesia and the Philippines because both countries had internet users who spent between 3 and 4 hours in using social media each day [36] and average number of Facebook users in Indonesia was 106 million and the Philippines was 60 million users as of 2017 [56].

Literature Review

This section talked about the motivation of using social media for travel purposes and Social Media Users in Indonesia and the Philippines.

Motivation in Using Social Media for Travel Purposes

The definition of motivation in using social media for travel purposes is seeking travel information, maintaining connections, finding travel companions, providing travel tips and suggestions, or just having fun by sharing exciting travel experiences with each other [64]. Several previous studies have identified significant motivating factors of travelers using social media, which are incorporated into (1) seeking advice, (2) information dissemination, (3) social interaction, (4) friendship, (5) enjoyment, (6) status, and (7) personal documentation [30].

As many other products and services, travelers need to search for information to make decisions, such as which destination, airline company or hotel to choose. Furthermore, compared to other services or products, travel normally requires more information processing before making a decision, because the purchase of travel products is considered to be highly risky [31]. In this context, information search decreases uncertainty associated with travel, enhancing the quality of tourists' trips [17].

Travelers find the motivation to use social media for travel purposes can give benefits such as keep up to date with the tourist sites and exchange information about tourist sites [10;46]. A significant number of studies have shown that reading travel reviews added fun to the trip planning process, made travel planning more enjoyable and made travelers feel more excited about traveling [21;22;46].

However, motivation in using social media depends on the perception of utility and ease of use. The previous study argues that the more individuals experience social media and the more they perceive that social media is less complicated to use, the more likely they are to share their travel experiences on social media [35]. Moreover, if the conditions of ease of use, ease of learning, flexibility, and clarity of its interface are not met, ease of use and the adoption of the technology will not take place [20;40]. If a social network does not facilitate or access for users to share their tourism experiences, that sharing will not take place [70;73]. Therefore, Gen X and Baby Boomers are presumed to share their travel experiences but lesser than Generation Y who are always "connected."

Social Media Users in Indonesia and the Philippines

More than half of Southeast Asia's population now uses the internet, with the number of internet users around the region growing by more than 30% – or 80 million new users – in the past 12 months alone [36]. Consequently, social media users in Southeast Asia grew by 31% over the past year [36].

With a social media penetration in 2017 of 58% in the Philippines and 40% in Indonesia [36], both countries have many similarities. For example, social network penetration in the Philippines was 95% and Indonesia 90%. Facebook penetration was 93.9% in the Philippines and 87.5% in Indonesia, however Indonesia had a higher average number of Facebook users (106 million) as compared to the Philippines (60 million) [56]. They have an average number of hour time spent on social media each day between 3 and 4 hours. Filipino users spent 4 hours 17 minutes and Indonesian users spent 3 hours 16 minutes a day [36].

Research Methods

Sample and Data Collection

The data were collected online using web-questionnaire survey which was sent via social media (Facebook, WhatsApp, email). Respondents must have taken a trip for vacation, pleasure, personal, or business purposes domestically or internationally and used social media during the trip.

To generate more data from the Philippines, the researcher was in direct contact with several colleagues from various universities and friends from private or public institutions in the Philippines. They helped to send the survey link to their students, friends, or relatives.

Questionnaire

Motivation in using social media among travelers was slightly modified from the tools of Huang et al. [30] to suit the context of this study. It had seven dimensions, namely, obtain travel information, share information, get social support, find friendship, seek recreation, gain social status, and personal documentation.

The questionnaire was divided into three sections. The first section included questions regarding respondents' travel-related behaviors to obtain relevant background information, namely favorite social media apps, trip purposes, trip companion, number of trips per year, and country of destination. Respondents were asked to recall their most memorable trip to answer the questions.

The second section addressed the motivation in using social media, with seven dimensions. Each item was measured on a 5-point Likert-type scale, ranging from strongly disagree (1) to strongly agree (5).

The last section of the questionnaire contained questions regarding respondents' demographic characteristics, namely age, gender, job level, and citizenship.

Data Analysis

Aside from descriptive analysis for respondents' traveling profile, multivariate analysis using general linear model was utilized to answer the research objective.

To analyze the motivation in using social media among multigenerational travelers, the respondents' age was classified into three generations time span by using parameters as defined by Egri and Ralston [14]. The three generations were Baby Boomers (born between 1946 and 1964), Gen X (born between 1965 and 1979), and Gen Y (born between 1980 and 1994). By the time of this study, the age of Baby Boomer was between 54 and 72 years, Gen X was between 39 and 53 years, and Gen Y was between 24 and 38 years.

Results

Profile of Respondents

This study gathered 181 respondents, with the composition of Gen Y (43%), Gen X (36%), and Baby Boomers (21%). The respondents consisted of Indonesian (76%) and Filipinos (24%). Indonesian respondents were mostly female (52%) and married (64%). Most Filipino respondents were also female (54%) and married (52%). Gen Y was the highest number of Indonesian respondents (47%), whereas Gen X was the most number of respondents among the Filipino respondents (45%).

Both Indonesian and Filipino respondents were composed of employees from private institutions (42% and 64% respectively). Annual income of Indonesian respondents was between USD5,001 and 10,000 (34%) and below USD5,000 (20%), whereas Filipino respondents was below USD5,000 (29%) and USD5,000-10,000 (20%).

Indonesian respondents mostly visited different cities in Indonesia (30%), followed by Europe (14%) and Japan (11%). Filipinos traveled to different cities in the Philippines (25%) followed by Singapore (14%), Europe (11%), and Japan (11%). Most respondents had the trips in the year of 2017 (Indonesian: 55% and Filipinos: 48%).

Facebook and Instagram were revealed to be the most favorite social media applications among the three generations from Indonesia and the Philippines. Users of Facebook among Indonesian respondents were 85% and 95% among Filipinos. Instagram users among Indonesian respondents were 61% and 45% among Filipinos.

Pleasure is mostly the trip purposes of Indonesian and Filipino travelers. There were 58% of Indonesian respondents who traveled for pleasure and 17% for a family trip. Filipinos mostly traveled for pleasure (66%).

Both Indonesian and Filipino respondents mostly preferred to travel with family or and friends. However, among generations, there was a slight difference in the preference. For example, Indonesian Gen Y favored traveling with friends (14%) or family (13%). Gen X chose to travel with colleagues (10%), family (8%), or friends (7%). Baby Boomers preferred traveling with family (10%). For Filipinos, Gen Y preferred going with family (11%), alone (9%), or with friends (7%). Gen X

liked to go with family (18%) or colleagues (14%). Baby Boomers with family (16%). Baby Boomers from the two countries liked to travel with family.

Motivation in Using Social Media among Travelers

Motivation in using social media among travelers used a 5-point Likert-type scale. To easily describe the travelers' motivation, mean scores were classified into three categories: 1) low motivation (1.00 to 2.33), 2) moderate motivation (2.34 to 3.67), and 3) high motivation (3.68 to 5.00).

Table 1 demonstrated that both Indonesian and Filipino respondents had high motivation in obtaining travel information and having recreation, but moderate motivation in the personal documentation, getting social support, having a friendship, and gaining social status. However, Indonesian travelers had high motivation in sharing information, while Filipinos had moderate motivation.

Table 1. Motivation in Using Social Media among Indonesian and Filipino Travelers

Dependent Variable	u All	u INA (n=137)	u FIL (n=44)	Sig.	h ² _p	OP
Obtain travel info	4.00	4.01	3.96	.158	.029	.452 (ns)
Seek recreation	3.92	3.93	3.90	.011	.060	.808*
Share info	3.65	3.70	3.50	.001	.089	.948*
Personal document	3.50	3.59	3.24	.000	.115	.987*
Get social support	3.47	3.49	3.40	.011	.061	.810*
Find friendship	3.36	3.37	3.33	.002	.079	.913*
Gain social status	3.34	3.42	3.11	.000	.134	.996*
Motivation in Using Social Media	3.61	3.64	3.49	.000	.110	.983*

Notes: u=mean; INA=Indonesia; FIL=Filipino; ns=not significant; *=significant

Classification of effect size η^2_p (partial eta squared):

< .01 = small, .01 to .10 = medium, > .10 = large (Cennamo & Gardner, 2008).

Effects are treated as significant if the observed power (OP) $\geq$.80 (Cohen, 1988)

There was a significant difference among all generations in the motivation in using social media, except in obtaining travel information (see Table 1). The top three

different motivations among Indonesian and Filipino travelers were gaining social status, personal document, and sharing travel information.

Table 2 showed the results of which motivation in using social media is similar among the three generations travelers from Indonesian and the Philippines.

From Table 2, it was revealed that there was a difference in the motivation in using social media among the Indonesian and Filipino Baby Boomer generation. However, the difference was found in the motivation to gain social status, have personal documentation, share travel information, have a friendship, and get social support. Motivation in obtaining travel information and having recreation were similar among the multigenerational respondents.

Table 2. Motivation in Using Social Media among Indonesian and Filipino Multigenerational Travelers

Dependent Variable	Gen	u All	u INA	u FIL	Sig.	h ² _p	OP
Obtain travel info	Y	4.07	4.08	4.02	.903	.000	.052 (ns)
	X	4.13	4.12	4.13	.453	.003	.116 (ns)
	BB	3.63	3.65	3.58	.042	.023	.530 (ns)
Seek recreation	Y	4.12	4.07	4.33	.093	.016	.389 (ns)
	X	3.90	3.85	4.00	.757	.001	.061 (ns)
	BB	3.58	3.73	3.21	.008	.039	.763 (ns)
Share travel info	Y	3.80	3.80	3.80	.665	.001	.072 (ns)
	X	3.71	3.69	3.77	.771	.000	.060 (ns)
	BB	3.25	3.49	2.68	.000	.084	.979*
Personal document	Y	3.74	3.70	3.90	.228	.008	.225 (ns)
	X	3.58	3.71	3.28	.173	.010	.275 (ns)
	BB	2.90	3.10	2.40	.000	.097	.991*
Get social support	Y	3.49	3.47	3.56	.769	.000	.060 (ns)
	X	3.63	3.61	3.67	.342	.005	.157 (ns)
	BB	3.15	3.32	2.73	.002	.050	.862*
Find friendship	Y	3.39	3.37	3.49	.689	.001	.068 (ns)
	X	3.57	3.51	3.72	.121	.014	.341 (ns)
	BB	2.95	3.16	2.42	.001	.058	.909*
Gain social status	Y	3.54	3.49	3.80	.165	.011	.283 (ns)
	X	3.43	3.51	3.27	.505	.003	.102 (ns)
	BB	2.79	3.10	2.03	.000	.118	.998*
Motivation in Using Social Media	Y	3.73	3.71	3.84	.314	.006	.171 (ns)
	X	3.71	3.71	3.69	.770	.000	.060 (ns)
	BB	3.18	3.36	2.72	.000	.098	.992*

Notes: Gen=Generation; BB=Baby Boomers; u=mean; INA=Indonesia; FIL=Filipino; ns=not significant; *=significant; η^2_p = partial eta squared; OP=observed power

Discussion

The study revealed that there was a significant difference in the motivation in using social media among the Indonesian and Filipino travelers. This finding was consistent with studies previously mentioned [48;54;55]. The other dimensions of the motivation in using social media for travel purposes were also different; however, motivations to obtain travel information and have recreation during the trip were similar between Indonesian and Filipino respondents.

Although Baby Boomers from the two countries preferred to travel to Europe with their family for pleasure, they were only similar in the motivation of obtaining travel

information and seek for recreation during the trip. Both Indonesian and Filipino respondents had high motivation. They did not want the trip destination to be disappointing; so, they search information before making the decision to go by comparing services related to the trip [46] before the trip.

In the United Kingdom, social media websites are the main resource when planning their holiday [68] and in the Asia-Pacific region, 44% of leisure travelers use social media platforms for advice and inspiration regarding travel destinations [16]. According to TripAdvisor's TripBarometer [61], 89% of global travelers are influenced by online travel reviews when choosing their accommodation. In fact, more than 50% of travelers change their original travel plans after using social media websites [44].

The reason for this condition was travelers need to search for information to make decisions, such as which destination, airline company or hotel to choose. Traveling normally requires more information processing before making a decision, because the purchase of travel products is considered to be highly risky [31]. Travelers increasingly trust their peers over marketing messages from advertisers [30]. In this context, information search decreases uncertainty associated with travel, enhancing the quality of tourists' trips [17] to have a memorable recreation.

The other five motivations were different, but the highest level of differences was found in the motivations to gain social status, personal documentation, and share travel information. These three motivations were usually done during or after the trip, which has been found to be much lower than before the trip [12;18]. In the previous study, 30% of the respondents searched for travel related information on their holiday [18], and the percentage dropped to 6% after the trip [12].

During this phase, travelers begin to share their travel experiences, by producing comments and reviews, for example by sharing videos and photos [59]. or stories, opinions, and complaints [35]. As an example, the number of posts by users on TripAdvisor.com increased from around 2 million in 2005 [41] to 75 million in 2012 [60].

In social media, tourists share not only knowledge, they typically also share of tourism experiences [29]. Experiences are personal and depend on how individuals perceive and react to specific tourism places and products (e.g. destinations, attractions, and accommodation). The sharing of experiences includes not only knowledge-related aspects such as facts about holiday attributes (e.g. prices, weather conditions, beaches and other attractions) but may additionally include communicating emotions, imaginations and fantasies about features of a holiday, for example through photographs, emoticons and other

linguistic markers in online communication [2].

Today, tourists can create and share their experiences online over different time horizons [74]. The expansion of new media and mobile technologies increases the possibility of real-time experience sharing and encourages synchronic communication types [3; 41; 52]. Social media has allowed tourists to maintain relationships while away on holiday. Tourists may thus gain a sense of real-time integration into home events by initiating messages about their experiences by texting, sending photographs/video by phone, using email and posting on Internet sites [66].

Although tourists may have a tendency to employ altruistic and community-related terms when explaining reasons for their sharing behavior, they may also be aiming at individual benefits such as strengthened reputation or increased feelings of self-efficacy. Still, a self-centered reason, such as contributing to a site that is useful to oneself, can have a community-related dimension. This type of main motivation may additionally reflect feelings of reciprocity – giving something back to social media sites online communities that have contributed in useful ways to one's own travel planning [45].

During or after the trip, travelers use social media to post information regarding their trip through comments, reviews, photos or pictures [18;46]. Social media has also become favored places for many travelers to post their travel diaries since they enjoy sharing their travel experiences and recommendations with others. Therefore, like other online contexts in which individuals are consciously able to construct an online representation of self; social media could also be used for impression management and self-presentation [30] to gain social status.

During sharing travel information to gain status and document photos, Baby Boomer travelers from the Philippines had low motivation to gain social status than Baby Boomer Indonesian travelers who had moderate motivation. The reason was because not all people are willing to share their experiences online. Important reasons for not generating content are opportunity time costs, privacy considerations, and a low sense of group belonging [50;57]. Habitually, tourists may share knowledge when outcomes exceed the costs of knowledge sharing or are as expected [29]. Tourists with high levels of perceived self-efficacy in the electronic media will tend to expect positive outcomes of their individual actions, while low e-literacy levels tend to result in negative outcome expectations [29]. Then again, individual outcome expectations may depend on motivational factors.

Gen X and Y travelers from Indonesia and the Philippines were found to have similar motivation in all the dimensions in using social media for travel purposes. The top motivations of Gen X and Y travelers from both

countries were similar. Their motivations were to obtain travel information before going to the cities in their own country for pleasure, seek recreation and fun trip, and share travel experiences by uploading photos or videos on Facebook.

The difference among them was only their trip companion. Most of Filipino Gen X and Y respondents traveled with their family. When their family was not available, Gen Y chose to go alone or with friends, while Gen X with colleagues.

Indonesian Gen Y enjoyed going with their friends because they could spend more fun time in the tourist destination. But they also did not mind going with family especially for family tour during a long holiday. On the other hand, Gen X liked to go with their colleagues.

Conclusion

The finding showed that there was a significant difference in the motivation of using social media among the Indonesian and Filipino travelers. Although Baby Boomers from the two countries preferred to travel to Europe with their family for pleasure, they were only similar in the motivation of obtaining travel information and seek for recreation during the trip.

Suggestion for Further Research

One of the limitations of this study is the fact that a convenience sample was used, which led to an over represented number of responses from Indonesian travelers. Therefore, generalizing the results should be made with caution. Future studies should be carried out with more samples from the Philippines to see if the results hold across multigenerational travelers. Despite the disadvantages of this type of sampling, these studies have provided useful insights and have undeniably contributed to the tourism literature, as well as to tourism marketers that need to understand travelers' use of social media in order to better promote their services and destinations.

A cross-cultural study would help enhance the understanding of the motivation in using social media for traveling purposes. This preliminary study would be a stepping-stone for future comparative studies across Indonesia, the Philippines, India, and Pakistan.

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Tourist Structure of Health/Wellness Tourism in Japan

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Abstract

The purpose of this paper is to clarify the social background of tourists participating in wellness tourism in Japan and the process up to the program participation. This paper studies tours that conduct health promotion programs in the forest. Analysis of wellness tourist from tour participant data showed that women and seniors were the majority. Therefore, on the background of the tourists, it is assumed that there is heightened health consciousness and exercise orientation and analyzed the transition of exercise habits in Japan. As a result, during several years exercise habits have become established in Japan, especially in the women's and seniors the number of people taking the movement has increased. From this, it became clear that there is a correlation between wellness tourism participants and health consciousness, exercise habits. Based on that, it became clear that participants go through the process of participating in wellness tourism after starting to pay attention to their health.

Keywords: Health Tourism, Wellness Tourism, Woman Tourist, Senior Tourist

Study Objectives

In recent years, tourism industries such as domestic tourism and attracting foreign tourists to Japan have attracted attention in Japan, and the impact of the growth of the tourism industry is not limited to tourism-related industries such as travel agencies, accommodation, and tourism facilities. According to a survey by the Tourism Agency, the number of foreign tourists visiting Japan has also increased rapidly in recent years, about 20 million in 2015 and about 24 million in 2016. With the increase in the number of domestic travelers and foreign tourists visiting Japan, the travel expenditure is also increasing, the domestic travel expenditure in 2016 is about 21 trillion yen, the travel expenditure of foreigners traveling to Japan is about 3.74 trillion yen.

In this way, the tourism industry has rapidly grown around the world, including Japan, and tourism is generalized. Along with the generalization of sightseeing, many tourism types were born.

One of them is wellness tourism. Wellness tourism has been receiving particular attention following the growing health consciousness centered on developed countries in recent years. Due to the health-oriented boom that started from industrialized countries, many people's interests are directed towards their health, and health-related markets are rapidly growing along with it, I think that many people are interested in wellness tourism.

The wellness tourism described above is classified as one of health tourism. According to Smith ·Puczkó (2014),

health tourism is further divided into wellness tourism and medical tourism depending on how much medical service is included in the experience program contents. Individually, in wellness tourism, there are spiritual programs such as yoga and meditation, programs such as recreation, fitness, beauty treatments, and so on, the content is to experience health promotion programs at travel destinations. On the other hand, medical tourism is a program such as surgery, cosmetic surgery, rehabilitation, diet therapy, etc. It is aimed at restoring the body rather than promoting health. However, these two categories are not necessarily clearly distinguished, and there are also programs that incorporate elements of both wellness and medicine, and those incorporating therapy for recreation. In this way, because of the wide variety of experience experiences, health tourism has been undertaken in various facilities such as hospitals, hot spring facilities, resort hotels, yoga training centers (Smith ·Puczkó 2014).

Furthermore, it is not only the growing health consciousness of people that are behind the attention to wellness tourism. Another background is not only Japan but also global issues such as problems due to the rise in elderly population. Therefore, social interest gathers how to keep himself for a long time.

In addition to the generalization of sightseeing in recent years, concern for health tourism, especially wellness tourism is rising from the heightened health consciousness. However, although it is thought that there are potentially many people who wish to visit the experience, it is hard to say that wellness tourism is generally pervaded in Japan,

and there is little accumulation in academic research at least.

Therefore, to further expand the wellness tourism market, it is crucial to attracting consumers who are health conscious and exercise oriented.

In this paper, we first summarize the concepts of health tourism and wellness tourism which include various programs and have various images.

Health/Wellness Tourism

Wellness Tourism

According to Smith · Puczkó (2014), Wellness Tourism is a type of tourism aimed at maintaining and promoting health, and an emphasis is placed on prevention rather than treatment of disease, but fitness, rest, therapy in addition to these programs, medical treatment may be used in addition to these.

The focus of the program of wellness tourism is devoted to physical (nutrition, sleep, fitness, relaxation), psychological/spiritual, spiritual (yoga, meditation, Ayurveda) and consists of these elements. Also, the goal of the wellness tourism program is to improve health, fitness, quality of life, happiness, relaxation, and stress. (Smith · Puczkó 2014).

The travelers experiencing wellness tourism can be roughly classified into two types (GWI, 2015).

The first is a traveler who chooses a trip or a destination for the primary purpose of a health program, and a second one is a tourist who will take the experience program during the trip with the wellness program as a second purpose is there.

For example, the former is a stay at a facility that incorporates spa treatments, human dogs, yoga and meditation, and health food. Moreover, the latter includes taking a fitness program as an option during business or leisure travel, hiking for a long time, taking a hot spring treatment after cycling.

2. Wellness Tourism Market

(1) Wellness Tourism Market of the world

The global wellness tourism market size in 2013 is 494 billion dollars, expanding to 563 billion dollars in 2015, the market size is growing by 7% in three years. The market is projected to grow to \$ 800 billion in 2020, and it expects that the market size will continue to expand in the future (GWI, 2017).

Comparing the results of the survey between 2013 and 2015, the number of travelers and spending sizes have grown by more than 10% in all regions. Among them, especially in the Asia Pacific region, both the number of travelers and market size have increased by about 30%,

further market expansion is expected (GWI, 2017).

(2) Wellness Tourism Market in the Asia-Pacific

The Asia-Pacific region has a long history of traditional therapies and traditional medicine, making it a popular destination not only for residents but also for foreign travelers (GWI 2017).

Wellness Tourism of forest therapy program

Forest therapy program

In the future, as health tourism grows with aging and longevity, we believe that there is a possibility of becoming very rapidly, following the growing health consciousness of people. Also, due to the nature of programs such as nature experiences, it is not a day trip but rather a long-term stay, so it is crucial tourist content concerning tourism promotion and regional economic revitalization.

Forest therapy is not only demonstrated therapeutic effect such as healing effect but also because it is thought that it can be expected regarding regional revitalization.

2. The analysis of wellness tourism

The Analysis of the Wellness Tourist data of Yoshino area in Nara Prefecture and Koya area in Wakayama Prefecture for several years.

As a result, the following are clarified (Table 1, Table 2).

- (1) Participants' residence was mostly local and nearby metropolitan areas. People living in urban areas think that they want to eliminate daily fatigue and stress in places where natural resources are abundant and they may be visiting Yoshino and Koyasan which are known as areas with many natural and sightseeing spots.
- (2) Women accounted for 80% or more participants.
- (3) Top segments are m women 40s and females 50s, accounting for 50%. This is followed by "women's 30s and 60s" and "men's 50s."
- (4) Regarding age, males and females are the most common in the 40s to the 50s generation, but the generation over the 60s are increasing.
- (5) From the above, women and health-minded middle-ages and older age groups (over 50s)" are the primary markets.
- (6) It is clear from the survey that men are mostly in their 50s and over, and women are conscious of their declining physical strength in their 30s, and they become health-conscious in the 40s and over to recover it.

These participants will have a desire to heal great forests for stress and fatigue such as work in daily life.

Table 1 Wellness Tourist by sex and age in Koya (%)

Men	M1	M2	M3	M4	M5	M6	M7
2015	0.8	2.7	1.2	3.1	4.7	2.7	0.8
2016	0.0	0.4	2.6	3.9	5.6	2.2	1.7
2017	0.0	0.4	2.6	2.2	5.7	3.5	0.0
Female	F1	F2	F3	F4	F5	F6	F7
2015	1.9	3.1	12.8	29.2	23.7	8.9	4.3
2016	0.9	8.2	11.7	31.6	22.9	5.6	2.6
2017	1.8	2.6	14.9	35.5	19.3	7.9	3.5

Notes:

M1: Male 10's, M2: Male 20's, M3: Male 30's, M4: Male 40's, M5: Male 50's, M6: Male 60's, M7: Male 70's

F1: Female 10's, F2: Female 20's, F3: Female 30's, F4: Female 40's, F5: Female 50's, F6: Female 60's, F7: Female 70's

Table 2 Wellness Tourist in Yoshino (%)

Men	M1	M2	M3	M4	M5	M6	M7
2015	0.0	0.0	2.3	5.1	5.6	2.8	1.1
2016	2.8	1.7	2.8	2.2	5.5	0.6	0.0
2017	0.0	1.5	1.5	2.2	3.7	3.7	1.5
Female	F1	F2	F3	F4	F5	F6	F7
2015	0.0	7.3	10.7	33.9	21.5	7.3	2.3
2016	1.1	8.8	12.7	28.7	23.2	7.7	2.2
2017	0.0	6.7	13.4	21.6	22.4	17.9	3.7

Notes:

M1: Male 10's, M2: Male 20's, M3: Male 30's, M4: Male 40's, M5: Male 50's, M6: Male 60's, M7: Male 70's

F1: Female 10's, F2: Female 20's, F3: Female 30's, F4: Female 40's, F5: Female 50's, F6: Female 60's, F7: Female 70's

Conclusion

In this article, based on the social background such as generalization of sightseeing in recent years and growing health consciousness of people, among tourism contents with strong hobby factors, based on the universal value of human health, this paper focused on wellness tourism where expansion is expected.

Participant analysis in the two regions in Japan shows that the women's and seniors are central to health-oriented behavior. So these health-conscious people are also most interested in wellness tourism, a consumer who leads to attracting customers.

In this way, as a social problem, not only health-oriented but also stress, etc. in contemporary society is taken up, services focusing on the healing of participants, one of the purposes of wellness tourism and forest therapy, it

becomes an important experience program.

Also, for wellness tourism to further aim for attracting, not only health-oriented, exercise-oriented consumers but also health care-conscious consumers are notified of awareness of maintenance and promotion.

Wellness tourism also includes programs that can be implemented anywhere, such as yoga and meditation. Therefore, what kind of things people sympathize, feel authenticity, and are subject to gaze, will be future research subjects.

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Experiential Entrepreneurship Teaching Methods: ‘Bug Reports’ and ‘Too Cools’ to Improve Creative, Innovative, and Technological Abilities

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Abstract

Entrepreneurship involves the skills necessary to identify and evaluate feasible ideas, opportunities, acquire capital and resources, and to start, grow and operate a business. The objectives of the ‘Bug Reports’ and ‘Too Cools’ experiential entrepreneurship methods are to teach students not only a process for creativity, innovation, opportunity recognition, idea generation and development, but also entrepreneurial process improvement. Through looking at opposite cases – worst and best – students develop skills to improve new product and service development. The activities enhance students’ creativity, innovation, and technological abilities – particularly for entrepreneurship students. The ‘Bug Reports’ and ‘Too Cools’ experiential methods offer a proven methodology to accomplish this goal over 2 weeks in a freshman-level course.

Keywords: *Experienced-based learning, creativity, innovation, entrepreneurship*

Introduction

Entrepreneurship involves the skills necessary to identify and evaluate opportunities, acquire capital and resources, and to start, develop and operate a business. A collegiate curriculum in entrepreneurship emphasizes the development of creativity, innovation, interpersonal skills and entrepreneurial leadership. Experienced-based learning, which includes participative activities, has proven to be a very positive method to assist teaching (Brown et al., 1997, 1998; Heineke et al., 1995; Fish 2001). In a freshman-level Experiential Entrepreneurship course objectives include developing a student’s creativity, innovation and technological skills. The ‘Bug Reports’ and ‘Too Cools’ experiential exercises, which are taught within the experiential entrepreneurship course, meet these objectives. By using these two exercises together, an alternative methodology to the traditional business plan model to address creativity and innovation is presented. The lean startup business model starts with opportunity recognition, ideas and moves through analysis, and does not offer a process for improvement. Through the methods presented here, students start with analysis and through the creative process, move to idea generation, and later more extensive evaluation and improvement of the initial ideas. Students learn to generate ideas - and improve upon these - from two perspectives: best and worst. Thus, students learn a process of idea generation, development - and improvement. Students learn to develop new ideas from their own needs (an area which is often ignored in the classroom) by scanning the world for products or services that bother – or ‘bug’ them, and

currently available technological advances, that are ‘too cool’. Through individual and group brainstorming, they develop a process for innovative idea generation, the ability to scan their environment for potentially new and innovative technological products or services, and a better understanding of the impact of new ideas upon other business functions.

The methodology taught here could be modified by other instructors for similar topics. For example, operations management instructors could promote student creativity and learning to improve process design, new product design, and quality management. With respect to marketing, these exercises promote learning and practice of marketing’s 4P’s (product, price, place, and promotion). Thus, while the process that students are taught within these two exercises is primarily aimed at entrepreneurial skills, other business functions can benefit from the methods described here.

The Course

The 100-level, second-semester Experiential Entrepreneurship course is required for the Entrepreneurship major but open to others as an elective. It is divided into two distinct sections. In Part I, the instructor introduces the students to the basic concepts of creativity, innovation, opportunity, idea generation and entrepreneurship; while in Part II, students apply these concepts through experiential

entrepreneurship exercises. The ‘Bug Reports’ and ‘Too Cools’ exercises are integral to the class during Part I and occur during the seventh and eighth weeks. The Experiential Entrepreneurship course develops both individual and team learning by requiring students to first individually explore and present their own ideas, and then as part of a self-managed team, explore and present team ideas. The instructor uses reading assignments, lectures, and classroom discussions to further develop creative, innovative, and entrepreneurship processes. The course meets twice a week for 75 minutes for each session. The class size is roughly 25-30 students are divided into teams of 5-6 students per team.

The Exercises and Classroom instruction

The ‘Bug Reports’ exercise occurs during the seventh week and students explore potential issues for product and service improvements as well as a process to develop opportunity recognition. That is, students explore various potential ‘worst’ case scenarios to develop potential avenues for new concepts. The ‘Too Cools’ exercise that follows and builds upon the ‘Bug Reports’ activities occurs during the eighth week and requires students to seek technological solutions to the issues raised by the ‘items that bug’ them. Students use ‘best’ case technology to seek improvements to the ‘worst’ case scenarios that they previously uncovered. Individual and group assignments are submitted through the computer to the instructor.

Bug Reports

Often, entrepreneurs get new ideas through their own or others’ needs. Similarly, the objectives of the ‘Bug Reports’ are for students to learn to be more creative and innovative through the negative experiences in their daily life by evaluating products or services that ‘bug’ them. The ‘Bug Report’ activities include review of an appropriate article, development of an individual ‘Bug Reports’, and development of a team ‘Bug Reports’.

Homework prior to week 7

Prior to week 7, students must read the article “Developing Creativity and Understanding Innovation” (Kuratko and Hodgetts, 2017) and submit an individual critique of the article. Students also complete the individual ‘Bug Report’ assignment- table and preparation for the 1-minute presentation with a prop. Each student must create and submit a table of 30 products or services that bother or ‘bug’ him, why the item bothers him, and how to improve each item. Each student develops this table by reflecting on his life, personal needs and activities,

hobbies, relationships, observations and so forth. From the ‘Bug Report’, each student selects one product that needs to be innovated, and develops a 1 –minute presentation describing what he wants to change about the item to the class.

First class, week 7:

The first class of week 7 begins with a discussion of the article. Thought provoking questions outline the discussion and lead into the bug report exercise. Example questions include “In your words, state what is meant by the term creativity and innovation? What are the major sources of innovation? Explain and give an example of each.” This discussion leads into the Bug Report activities. Table 1 serves as a partial listing of ‘Bug Reports’ submitted by students. In 1-minute, each student presents the one product or service that ‘bugs’ him the most. The presentation includes a visual prop for the class and if an item cannot be brought to class, the student is expected to bring an internet visual to show the class. Through this process, students are challenged to think about how to develop opportunities for innovation and improvement. Students’ individual (and later group) presentations are evaluated by the class using an appropriate rubric (Table 2 Project: Oral Presentation Evaluation). Then, previously formed teams meet and select an item from the ‘Bug Reports’. The class concludes with a classroom discussion on “How to innovate the item your team selected’.

Table 1 – Partial Listing from Bug Reports Submitted by Students

Item	Description of Problems/Issues	Solutions
Outside gas station	Pumping gas in the cold and wet.	A drive-in gas station with heat in the building that is well-ventilated and includes necessary sprinklers and other safety features.
Chip bags	Chip bags are never filled to the top and at least a third of the bag is empty space.	Fill bags to the top or change package.
Pickle jars	Pickle jars are always too filled with juice.	Put less juice in the jars or change packaging.
Gas can spillage	Spilling gas on my hands while using can.	A new form of gas can that does not require you to unscrew the cap to fill it. Instead on the end it has a fill only adapter and the other end has a long nozzle to pour.

ATM Machines	Banks charge individual for use.	Offer free ATM access.
Desk lamp	Desk lamps are large and take up too much space on the desk	Smaller version to affix to the wall
Wine bottle opener	Difficult to use manual wine bottle openers.	Pneumatic bottle opener.
Salsa or dip jars	Jars are too tall and narrow. You can't reach into when the dip is getting low.	Make the jars shorter and wider so you can easily reach the bottom.
Spray bottle	Straw intake does not reach to the bottom of the bottle. User can't squirt the last little bit.	Make the straw reach to the bottom of the bottle.
5 lb. bags of hot dogs	Who cooks and eats 5 lbs. of hot dogs at a time? Package is not reasonable and user must move the remaining hot dogs to another container to keep them fresh.	Change packaging.

Table 2 – Project-Oral Presentation Evaluation

Presentation Team/Company Name:

Judge (Your Name):

Presentation Date:

Overall Total Grade: A+,A,A-; B+,B,B-; C+,C,C-; D+,D,D-):

Please evaluate the Presentation following criteria: 1=Poor, 2=Fair, 3=Adequate, 4=Good, 5=Excellent						
Content and Organization						
Introduction and body (30 points)						
Gave effective introduction	1	2	3	4	5	Comments
Presented a clear structure	1	2	3	4	5	
Made it easy to follow progression of ideas	1	2	3	4	5	
Gave relevant examples	1	2	3	4	5	
Provided smooth transitions	1	2	3	4	5	
Covered required topics	1	2	3	4	5	
Delivery (35 points)						
Clear voice, could be heard	1	2	3	4	5	
Gave adequate eye contact	1	2	3	4	5	
Demonstrated vocal clarity	1	2	3	4	5	
Selected meaningful gestures	1	2	3	4	5	
Used clear diction	1	2	3	4	5	

Appeared organized and in control	1	2	3	4	5	
Not rushed	1	2	3	4	5	
Management of Visual (20 points)						
Used visual effectively	1	2	3	4	5	
Handled visual adeptly	1	2	3	4	5	
Reflected simplicity	1	2	3	4	5	
Were legible	1	2	3	4	5	
Conclusion and Suggestion (10 points)						
Summarized main points	1	2	3	4	5	
Had a summary and good suggestion	1	2	3	4	5	
Kept within time allocation (5 points)						
Kept time allocation	1	2	3	4	5	
Be sure to provide this evaluation form to the instructor.						

Between classes, week 7

Teams are expected to develop and submit a report on their bug product-what it is, how to innovate and improve it, and a 3-minute team presentation on their bug product.

Second class, week 7

At the next session, the team presents their bug product using the item or an internet visual in 3 minutes. The team also reviews their ideas for an improved product – modified design, features, and functions.

Class discussion follows, led by instructor questions such as: “What kind of additional changes will be challenges to innovate these products or services to the company or organization? What is the estimated additional cost – or cost reduction – for these changes? What organizational or processes changes will be needed to innovate the product? And if we improve the product or services, will the current market expand – and why?”

The instructor evaluates the written individual and team bug reports using a rubric evaluating the originality of the idea; feasibility in the real world; entrepreneurial market opportunity; concreteness of product ideas and functions; and report completeness. Thus, through the ‘Bug Report’ process, students learn to identify needs and brainstorm potential opportunities for new ventures.

Too Cools

The objective of the ‘Too Cools’ activity is to continue to develop students’ opportunity recognition, creativity and innovation skills through positive personal experiences and to develop a better understanding of currently available technologies. The instructor teaches students to look for positive opportunities in what they read and hear in the environment, and a creative approach to a new product or service through integration of the negative (‘Bug Report’) and positive (‘Too Cools’) activities.

Homework prior to Week 8

Students are expected to read and submit a critique of the article “The Complete Guide to Managing Traditional Brainstorming Events” (Baumgarner, 2005). Students are also expected to complete the individual “Too Cool” assignment (Figure 1), which includes a report and a presentation. For the “Too Cool” individual assignment, each student scans the environment for two very technologically-advanced, innovative products, that is, ‘cool’ products. Each student submits a report describing these items, the website, potentially ‘how’ the product was made, and using one idea from his student journal (where weekly entries are made), the potential to integrate the technology to improve it. Possible sources of ‘cool items’ included the world wide web, journals (trade, industry, scientific), magazine, newspapers, and other media. (In these exercises, technology implies the web-based observed technologies and technological processes the students may observe through their searches.) Each student also prepares a 2-minute presentation on the ‘too cool’ item using the product, materials or internet as presentation tools.

Figure 1 – Instruction for “Too Cool” group project.

“TOO COOL” Instructions

Objectives:

- 1) To create awareness of innovation in our surroundings: to help freshman students to look for opportunity in what they read and hear, and to help them to develop a creative approach to new business development.
- 2) To give students practice scanning their environment for new ideas
- 3) To introduce business concepts in short, experiential bursts.
- 4) To be a vehicle for discussion about whether the concepts are just cool ideas or real opportunities.

Group Instructions:

- 1) Each group is required to bring two cool products, ideas, concepts, technologies, information items or whatever is truly innovative and grabs your interest/captures your imagination that you can find, to class. This should be a concept that is totally new to you.
- 2) The class will then select item from those presented, and will brainstorm (either in team with each team selecting a different concept or with the entire class on the same concept) about different ways to commercialize the concept, and discuss some of the barriers and opportunities inherent in the idea.

Possible Sources of Cool Items:

Internet (sites for patents, inventions, new products, MIT Media Lab, etc.), journals (trade, industry, scientific), magazines, newspapers, other media, other entrepreneurs”

First class, Week 8

The class begins with a discussion on the article and highlights such concepts as effective brainstorming processes, and finding opportunities and technologies. Through open class discussion, five criteria for defining “Too Cool”, technologically, innovative products are selected and may include such concepts as the origin of the creative idea, advanced technology involved, and cost effectiveness. Then, the class moves into the “Too Cool” portion of the week as individual presentations are given. Figures 2A and 2B offer example write-ups for “Too Cool” products. Each student gives a two-minute individual presentations on the “Too Cool” item using the product, materials or internet as presentation tools. Following the individual presentations, classroom discussion includes such questions as “What kind of technology may have been used to produce this? What kinds of technology could be used with this ‘cool product’? and Can you find some technology that you could use to do this better?” Then, the teams re-group and initially select the five best cool products, which is then narrowed down to the best ‘cool product’

Figure 2 A. – Example of Cool Product –

Microsoft Surface: “Milan”

1. Microsoft Surface: “Milan”
 - A. Description of item: Commercial surface computer that is in the form of an ordinary coffee table. Current cost: \$10,000 but projected to go down within first 5 years to “more common affordable pricing.”
 - B. Source of Information for Cool Item #1:
Gizmodo.com(<http://gizmodo.com/gadgets/touch-me/microsoft-surface-confirmed-touch+sensitive-10k-minority-report-table-264338.php>)
 - C. Explain the reason why you think this is creative: It has real life attributes in the services it offers. It has programs built into it such as concierge service, photo library, games, art creative programs and many more features. This is ideal for small business meetings, lounges in commercial buildings, or the everyday household living room. You can place a digital camera on the table with your cell phone, then upload the picture, and literally drag it with your fingertip into your cell phone. The innovation deletes the middle man in many features such as this one with the chord to connect your camera to your phone or even your computer.
 - D. Add your own creative idea: Allow all the information stored in the “Milan” to be stored on a portable flash drive so it is easier to do business between offices. It can be even the remote to many devices in your home, the TV, the oven, or even the central air conditioner.

Figure 2 B. – Example of Cool Product –

Sennheiser: MX WI Headphones (Wireless)

2. Sennheiser: MX WI Headphones (Wireless)
 - A. Description of item: The cable-free Sennheiser MS WI Headphones use a wireless transmitter that plugs directly into an MP3 player's headphone jack to beam uncompressed sound to earring-size ear buds. Current cost: \$ 600.00
 - B. Source of Information for Cool Item 2: PopularMechanics.com (<http://www.popularmechanics.com/technology/upgrade/4252208.html>)
 - C. Explain the reason why you think this is creative: The innovation cuts out all competition by getting rid of the chords that consistently get in the way, especially while running. This also allows for a wider range in head motion for looking side to side without the chord coming unplugged because it is too short.
 - D. Add your own creative idea to make this product: Allow a circumference of soft material that suppresses outside noise for better hearing quality and more comfortable fit. This noise-canceling feature will make it ideal for airline passengers to sleep easier.

Between classes, week 8

Teams prepare a report and presentation for the next class on one of these items. The team is challenges to discuss why the technology is innovative.

Second class, week 8

The class begins with team presentations that outline why the team believes this product is creative and innovative, and how to incorporate this technology into improving a team idea. Presentations, creativity and innovation are evaluated using the Creativity and Innovation rubric (Table 3). Typical questions regarding the technology include probing student as to “Where the market for these products is? And what special expertise is needed to start this product or business?” Following team presentations, class discussion revolves around developing opportunities from both a positive (‘too cool) and negative (‘bug report’) perspective, and integrating and improving these ideas.

Table 3 – Creativity and Innovation Part Scoring System

Date: _____

Instructor's Name: _____

Presenter's Name: _____

Total points: _____

5 points per checked box: 1: lowest score, 5 highest score

Content	L				H	Comments
Clearly identified product (bug and cool part)	1	2	3	4	5	
Clearly stated the method of improvement	1	2	3	4	5	
Clearly identified the problem and strengths of products	1	2	3	4	5	
Clearly stated challenges to improve	1	2	3	4	5	
Clearly identified market niche	1	2	3	4	5	
Clearly stated competitors	1	2	3	4	5	
Clearly stated competitive advantages	1	2	3	4	5	
Clearly stated purpose of improvement	1	2	3	4	5	
Clearly stated financial request	1	2	3	4	5	
Clearly stated creative and innovative ideas	1	2	3	4	5	
Delivery	L				H	Comments
Did not exceed time seconds	1	2	3	4	5	
Gaps in content vs. Prepared	1	2	3	4	5	
Slouching appearance vs. Good posture	1	2	3	4	5	
Frozen in space vs. Good movement	1	2	3	4	5	
Staring at floor or ceiling vs. Good eye contact	1	2	3	4	5	
Listener trying to decipher Words vs. Good enunciation	1	2	3	4	5	
Listener straining to hear vs. Good voice projection	1	2	3	4	5	
Backtracking or confusing delivery vs. Confident	1	2	3	4	5	
Weak persuasive arguments vs. Convincing	1	2	3	4	5	
Template delivery vs. Creative						
Deduct 25 points for not stating required content within 30 seconds.						

Instructor grading of the 'Too Cools' reports is based upon the class-defined definition of 'too cool' and technologically innovative products as well as the peer team evaluations.

Summarizing the demonstration and student feedback

In recent years, the experiential entrepreneurship course has been taught twelve times; however, student feedback regarding these exercises was only gathered for the last offering (29 students). As for validation of the exercise objectives, student free responses and a five-point scale feedback were gathered. Student responses (Figure 3) indicate that they felt they learned to 'think out-side the box'. Using a five-point scale, student feedback to the question "The 'Bug Reports' helped and challenged me to be creative and innovative in Entrepreneurship coursework" indicates that 44.8%(13) strongly favor, 51.7%(15) favor, and 3.4%(1) are 'okay' with the exercise. Similarly, with respect to the question "The 'Too Cools' exercise helped and challenged me to be creative and innovative in Entrepreneurship coursework" indicates 51.7%(15) strongly favor and 48.2%(14) favor this exercise. Therefore, indicators are very favorable to these exercises.

Figure3. Student free responses to "bugs and cools" activities. The Experiential Entrepreneurship 10 class has shown me how to learn by thinking outside of the box. This assignment has given me a whole new perspective on group work, learning, enjoying and much more. When looking back at this semester I have found myself to have greater value then before coming into this class.

Aside from group projects we had many individual projects that required us to present in front of the class. Bug Reports and Cool Products where two of the projects that required us to present. Presenting in front of the class really helped with everyone's public speaking and helped everyone to get to know each other better. Also this helped with our group presentations; we became very comfortable and knowledgeable with the technology in the market. This assignment helped me to be more entrepreneurial in many ways; first it forced me to think outside the box and look for new and creative ways to improve products and homework assignments. I will be honest at times I would sit at my computer and just stare because I had no idea what I was doing but, through brain storming and persistence I was able to get through. Group projects aside from brain storming and planning, really helped me to work in groups and I learned to trust people.

This assignment is very unique because it puts all of the important business aspects into practice because students of this class actually create a new business idea, improved products, identify market for it and calculate financial cost and challenges. This is very beneficially for anyone who truly wishes to become an entrepreneur. In addition, this assignment forces students to use their "smart brains" and dig deep into their minds for creative and innovative thoughts, provoked by many projects such as a bug and cool products, fundraising idea and the elevator pitch

presentation. The best part about this class is forcing students to voice their own ideas, for all of the different projects, in front of the class.

This project was more fun for me than anything because of the goal associated with it, which was to represent something using technology. All of the class assignments, including individual and group project such as the bug reports and tool cool products allow each member of the class to express their individuality and creativeness. Every assignment, whether or not it was group or individual, forced each student to actively discover and voice his or her innovativeness. As an entrepreneur, being innovative is one of the most important aspects of this field. In terms of myself, I was able to focus in on the part of business which I enjoy through these assignments and benefit from doing so. My own creativity has become to immense it is almost unbelievable.

Therefore, I conclude that students' creativity, innovation, and technological understanding increases through the 'Bug Reports' and 'Too Cools' exercises. In particular, through these two related exercise, students develop an entrepreneurial attitude, analytical and inventive thinking, synthesis and integration, effectiveness and efficiency, and oral and written communication. Students learn a creative process to developing new products and business ideas by marketing scanning for potential improvement avenues, adding technology, and innovating. They develop their market scanning abilities; a basic understanding of operations, technology, and the new product development process; and explore the barriers and opportunities for this business venture, a potential business model, and new markets. Therefore, I conclude that students highly favor these exercises as methods to develop creativity and innovation, while focusing technological growth.

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Study Related to Factors Causing Foreign Tourists from Taiwan to Select Okinawa

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Abstract

The number of inbound tourists was relatively limited though Japan has been rich in tourist attractions. Sightseeing policies have been reinforced by the Japanese Government starting 2003, and the number of inbound tourists is drastically growing since 2013. This study relates to the case of Taiwan whose people visit Okinawa the most among other inbound tourists, and more particularly to their motivations of selecting Okinawa which is the nearest foreign city for them.

Research showed that there are differences in motivations among the inbound tourists as a whole and those among Taiwanese. About 90% of Taiwanese visitors to Japan are so-called “repeaters”, and the ratio of people using rental cars increases with the “repeat ratios”. However, possibilities of accidents are also increasing due to poor infrastructure improvements and differences in customs, and it was found that there still many problems to be solved for accepting foreign visitors.

Keywords: Visits to Japan, Taiwan outbound, sightseeing in Okinawa

I. Introduction

The number of inbound tourists in 2016 increased by 21.8% to record 24.03 million. After exceeding 10 million (10.36 million) in 2013, the number has increased by 2.3 times in as little as three years. As a matter of cause, values of travel consumption are also continuing to grow, and the value of 3.7476 trillion Yen in 2016 came to account to 0.7% of the Japanese GDP (531.647 trillion Yen).

Due to the significance of promoting visits to Japan to foreign tourists in terms of economic effects, deepening international understanding and regional activation (Tanaka, 2007), Japan has started the “Visit Japan Campaign” in 2003 by the lead of the Ministry of Land, Infrastructure and Transport based on the “Basic Policies for Economic and Fiscal Management Structural Reform 2002” approved in 2002. The campaign aimed to increase the number of inbound tourists from 5.24 million in 2003 to 10 million by 2010, but due to factors such as worldwide depression precipitated by the Lehman Brothers bankruptcy in 2008, the number only increased to 8.61 million in 2010. The Tohoku earthquake and the resulting accident of the Fukushima No. 1 nuclear power plant in 2011 resulted in a decrease in the number of inbound tourists to 6.21 million in 2011 (Figure 1). After 2011, thanks to the fact that the government has focused its policies on promoting revitalization (Matsumoto, 2016) and that the number of inbound tourists has recovered owing to weak yen caused through the Abenomics policies

which started in the end of 2012 (Kita, 2016), the number has first reached the target with 10.36 million inbound tourists in 2013. According to UNWTO (United Nations World Tourism Organization), the number of overseas tourists was 690 million in 2003 and 1.8 billion in 2013 which means that the growth rate is 156% in ten years whereas that of Japan during the same period is 197%, and thus indicates apparent results of the policies related to inbound tourists.

Thereafter, Japan has continued to be in the spotlight after it has been decided that Tokyo will host the Olympic Games 2020, and the number of inbound tourists is also growing beyond the target; as mentioned above, the growth rate from 2013 to 2016 has reached 232%.

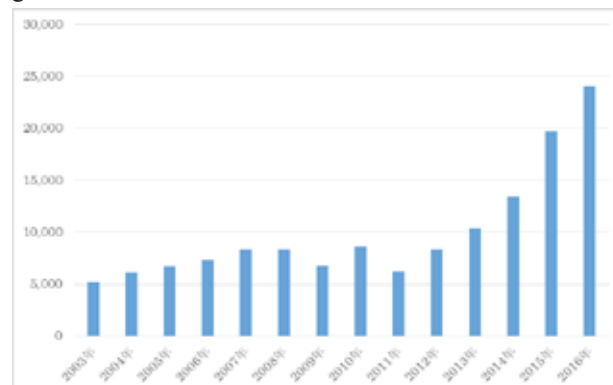


Figure 1 – Number of Foreign Tourists Visiting Japan(unit: 1,000 people)

(Source: Japan National Tourism Organization 2017)

A primary factor of the growth might be the launching of the Japan Tourism Agency in 2008 as an external bureau of the Ministry of Land, Infrastructure and Transport for planning and implementing various policies. This symbolizes increased recognition of the importance of tourism among national policies (Kita, 2016). In this situation, the Japan Tourism Agency drew up the “Tourism Vision to Support the Future of Japan” in 2016. The new tourism vision includes “three viewpoints” and “ten reformations” and new target values for the number of inbound tourists was set to 40 million by 2020 and 60 million by 2030.

Under these circumstances, Okinawa is also enjoying a remarkable increase in the number of inbound tourists; the number increased from 108,000 in 2003 to 627,000 in 2013, resulting in a growth rate of 580%. As many as 2.129 million inbound tourists visited Okinawa in 2016, recording a growth rate of 339% compared to 2013 (Figure 2). This is quite noteworthy compared to the growth rate of 232% of Japan as a whole.

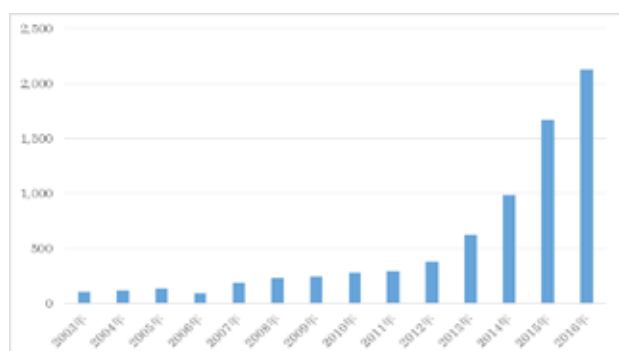


Figure 2 – Number of Foreign Tourists Visiting Okinawa(unit: 1,000 people)

(Source: Okinawa Prefecture Cultural Tourism Sports Department, 2017)

The breakdown of foreign tourists visiting Okinawa by country is shown in Figure 3.

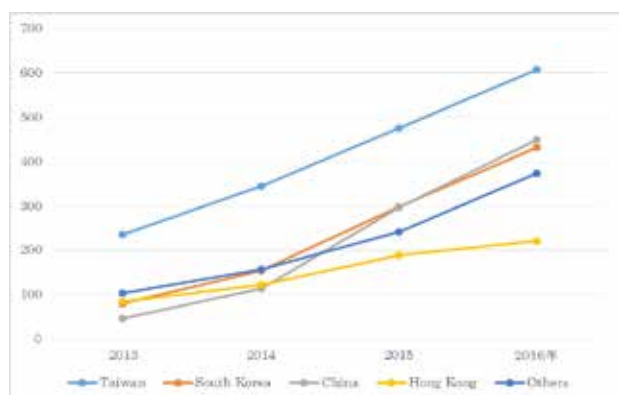


Figure 3 – Number of Foreign Tourists Visiting Okinawa by Country (unit: 1,000 people)

(Source: Okinawa Prefecture Cultural Tourism Sports Department, 2017)

The number of foreign tourists from Taiwan to Okinawa is largest from among all inbound tourists, which accounts to 607,000 and thus 35% out of 2.129 million inbound tourists to Okinawa in 2016. This paper will focus on Taiwan to give an overview and analyze circumstances that caused Taiwanese to opt for Okinawa in selecting gateway cities when planning visits to Japan.

II. Purpose of the Study

There will be given an overview regarding motivations of choosing Okinawa as a city when making visits from Taiwan to Japan to consider future directions of tourism in Okinawa.

III. Methods

1. Overview of Methods of Study

Field studies were made in Taiwan through interviews. Besides, considerations were made based on results of a questionnaire survey of visitors from Taiwan conducted by JTB Tourism Research & Consulting jointly with Navitime Japan.

2. Interviews

Research method: Oral survey in form of interviews

Period of research: February 14 to February 16, 2017

Targets: All Nippon Airways Taipei Branch, Atlas Travel Service, and Okinawa Convention & Visitors Bureau Taipei Office.

3. Questionnaire Survey

Research method: Internet questionnaire survey

Period of research: January 11 to January 17, 2017

Targets: 800 Taiwanese residents (male and female, aged 20 to 68) who visited Japan on individual trips since September 2015.

IV. Results

1. Taiwanese Outbound Market

In regard to the Taiwanese outbound market, overseas travels were liberalized in 1979 when martial laws invoked in 1948 were still in force until 1987. Travels to and from Mainland China were liberalized in 1990 in accordance with economic progresses and appeasement policies of Mainland China. Discussions aiming for normalizing relations between Taiwan and Mainland China started in 2009, and normalization of the so-called three links of trade, traffic and mailing are now in process. Especially in the field of traffic, after the introduction of chartered flights in 2003, regular direct flights came into operation in 2008 which further activated cross-strait traffic. The market is expanding supported by economic progresses and appeasement policies (Konagai, 2009).

2. Travel Destination Choices of the Taiwanese

According to the Taiwan Tourist Bureau, the number of Taiwanese departing Taiwan in 2015 was 13.18 million. The number of visitors to Asian countries accounted to 3.67 million (approximately 27.8%). The breakdown is shown in Figure 4.

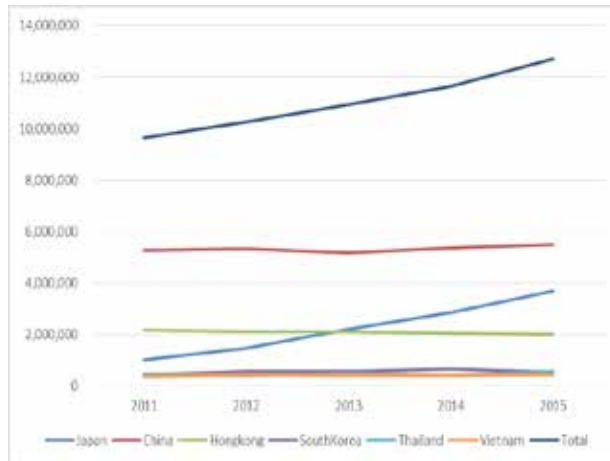


Figure 4 – Number of Taiwanese Departing Taiwan

(Source: Taiwan Tourist Bureau, 2016)

In the Taiwan outbound market, the cross-strait traffic, that is, traffic between Taiwan and Mainland China, was 5.49 million in 2015, accounting to 43.2% out of 12.7 million of all Taiwanese who departed Taiwan. However, compared to 5.26 million out of 9.64 million Taiwanese who departed Taiwan in 2011 (a share of 54.5%), the number has peaked, and no growth in demands can be found.

The only growth can be seen in the number of Taiwanese visiting Japan which coincides with the growth in the whole number of Taiwanese who departed Taiwan. In 2011, the number of Taiwanese visiting Japan was 0.99 million (share 10.2%) in 2011 which increased to 3.67 million (share 28.9%) in 2015.

Based on these facts, it seems that various policies of the Japanese government have been successful in boosting demands.

Primary factors thereof might be the establishment of domestic low cost carriers (LCCs) which went into service in Taiwan; this caused remarkable increases in the number of flights between Japan and Taiwan and also reductions in airfares. Further, enhanced promotion in local cities of Taiwan by the lead of the Japan National Tourism Organization appealed to customers in Taiwan.

3. Trends of Visitors to Okinawa

The number of trips of Taiwanese to Japan obtained by the questionnaire survey are shown in Figure 5.

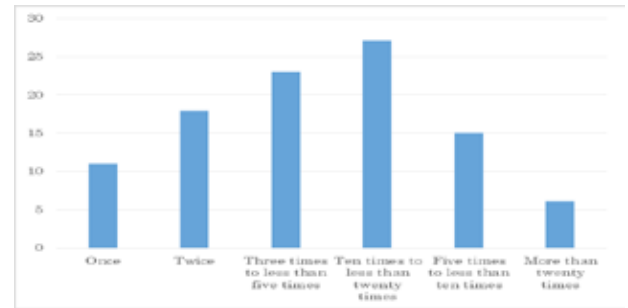


Figure 5 – Average Number of Trips to Japan (n=800)
Results of the survey showed that only 11% visited Japan for the first time and that most of the visitors were repeat visitors.

The destinations were as follows.

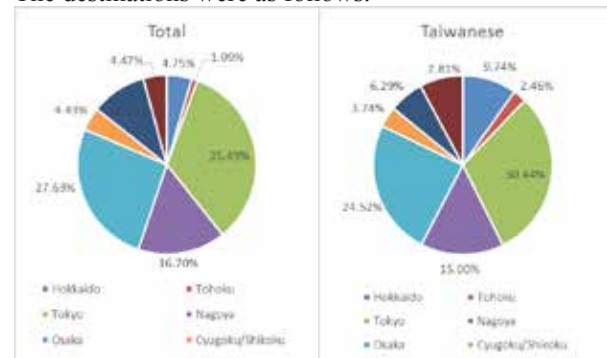


Figure 6 – Destinations (n=57289/n=5326)

(Source: Japan Tourism Agency, 2016)

While the most popular destinations of all the foreign visitors to Japan are Tokyo, Osaka, Chubu region (including Nagoya), Kyushu region, Hokkaido, Okinawa, and Chugoku/Shikoku region in this order, those of Taiwanese are Tokyo, Osaka, Chubu, Hokkaido, Okinawa, Kyushu, and Chugoku/Shikoku in this order. A comparison showed that Hokkaido and Okinawa are popular destinations among Taiwanese. On the other hand, as it is apparent from Figure 7, while the dependence rate on packaged tours of the whole number of inbound visitors is 16.1%, that of Taiwanese is higher at 32.1%. This is due to the fact that visitors to Hokkaido mostly make use of packaged tours.

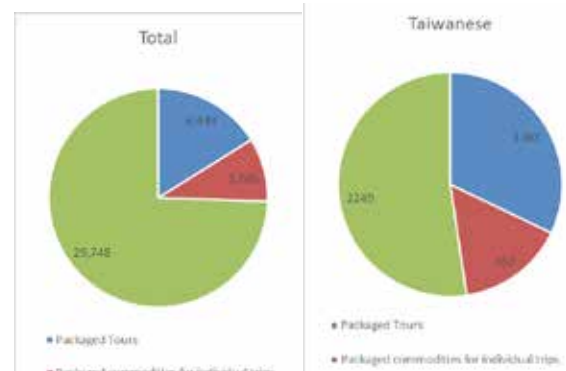


Figure 7 – Used Tour Form (n=39956/n=4297)

(Source: Japan Tourism Agency, 2016)

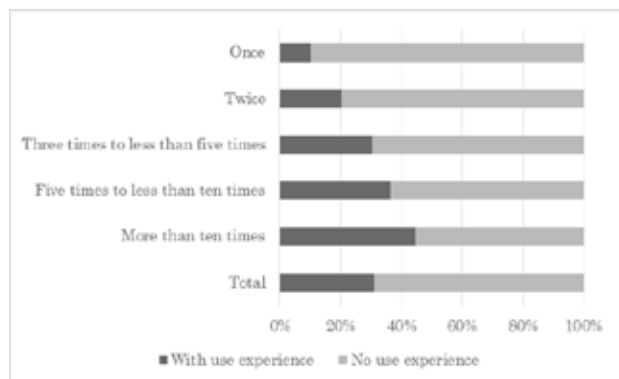


Figure 8 – Utilization of Rental Cars during Visits to Okinawa by Experience (n=800)

The results of the survey show that the number of visits and utilization of rental cars are proportional. 79.8% of users stated that the reason of renting cars is “to visits places that are hardly accessible using public transportation”, and this tendency becomes more remarkable the more the number of visits increases.

Interviews conducted at All Nippon Airways Taipei Branch, Atlas Travel Service, and Okinawa Convention & Visitors Bureau Taipei Office have made the following facts clear:

- In terms of demands of air transportation, there are no declines in prices of existing air routes by full-service carriers, indicating that there are no cannibalization effects of LCCs. Accordingly, the increase in the number of tourists is due to developments in new demands achieved by LCCs.
- Lack of domestic beach resorts attracts Taiwanese to Okinawa being recognized as a beach resort destination.
- Particularly, those who actually want to hold their wedding at resorts such as Hawaii or Guam tend to choose Okinawa considering reasonable costs and travel distance.
- Taiwan and Japan have agreed on the mutual recognition of driver's licenses in 2007, and people are not required to acquire International driver's licenses for driving in Japan. More people tend to choose private trips over packaged group tours since they can use rental cars.
- Okinawa having only a poor public transportation network and being limited in intermodal passenger transport became a destination that is relatively easy to travel using rental cars.
- More people tend to travel in groups of families, including three generation families, and many people opt for Okinawa which is superior in view of distance and costs.

On the other hand, the following problems surfaced:

- There are large seasonal differences, and accommodations are particularly expensive in July and August.
- Accidents often occur with rental cars due to differences in customs such as opposite passing directions in Taiwan and Japan. According to the Okinawa Rent-A-Car Association, out of a total of 206,000 foreign drivers, 9,648 were caught in an accident, resulting in an accident rate of 4.7%. This is a remarkably high rate compared to a usual accident rate of 0.5 to 1.5%.
- While more and more traffic signs are joint-written in Japanese, English, Korean, simplified Chinese characters and traditional Chinese characters in large cities such as Tokyo, this is not yet general in Okinawa, and the infrastructure in Okinawa is insufficient compared to other cities of Japan.
- Heavy traffic jams often cause delays when traveling around tourist sites.

V. Conclusion

The present study focuses on Taiwanese tourists who account to a certain quantity among foreign tourists to Okinawa to consider selection criteria of travel destinations and motivations of choosing Okinawa from the Taiwanese point of view. While all studies were qualitative, the present study points out that the recent trend of increases in the number of inbound tourists is an outcome of policies promoting inbound tourism to Okinawa and other cities in Japan. The number of inbound tourists to Okinawa exceeded 2.129 million in 2016. This corresponds to 339% to the figure of 2013, and is quite high compared to the growth rate of Japan as a whole. The number of flights increased from 35 flights per week during the summer time table in 2013 to 55 flights in 2016, and further to 64 flights, indicating that satisfactory results are being achieved. On the other hand, the infrastructure in Okinawa is still not keeping up with demands. Though demands for use of rental cars are increasing, various problems still leave much to be desired, including establishment of traffic signs or clearing up traffic jams to eliminate delays which might prevent tourists from visiting all sites they had planned to visit. Further, internal demands are increasing as well, so tourist sites need to consider not only foreign but also domestic tourists whose demands might reside elsewhere. While this study focuses on qualitative analyses, it would also be necessary to consider quantification.

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A study of the preferred cognitive style of individuals and team diversity using Kirton's adaption –innovation assessment and its relationship to Snyder's Hope Theory

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Abstract

Adaption-innovation theory by Michael Kirton (1976) offers a measurement of preferred personal style; thinking and problem-solving skills, approach to tasks, and propensity for adapting to change and for risk taking. Each year, this theory is applied with bespoke learning materials to a group of pre-university students (typically 15-18 year olds) attending the Pennsylvania School for Graduate Entrepreneurship programme (PSGE) at the Iacocca Institute, Lehigh University, Pennsylvania. They are assessed for their respective preferred cognitive styles using a questionnaire with thirty three questions at the start of their four week programme. The pedagogy of the programme includes intense activity focused on entrepreneurship development and academic study set within a highly creative environment which is task oriented that requires individual contribution and high level of team work. This is supported with external speakers and study visits. The PSGE Assessment Workshop is carried out over two intensive sessions of two hours each.

The completed questionnaires are analysed and the various patterns of preferred behavior evident in the results are discussed with the class e.g strengths from own preferred style, strategies to overcome areas which are different or not consistent with own style, their respective specific style of leadership, challenges due to personal styles in team working and how to build higher performing teams, managing conflict and producing effective outputs in relation to presentations and preparing reports.

In a Case Study approach, the KAI scores from four groups attending the PSGE over the period 2009 – 2016 have been collected, evaluated and the outcomes are discussed using Snyder's Hope Theory that if individuals are offered a goal, motivation and a process their overall performance can yield more successful outcomes than when left to their own initiatives. It is also envisaged that these show a causal relationship with the development of self-efficacy which psychologist Albert Bandura defined as one's belief in one's ability to succeed in specific situations or accomplish a task. One's sense of self-efficacy can play a major role in how one approaches goals, tasks, and challenges.

Results from relevant earlier studies and twenty six years of professional experience of the researcher in using the KAI inventory reaffirms that the use of creativity based techniques as part of an experiential learning process as with the PSGE helps modify the behaviour of target groups to help them learn to behave more entrepreneurially. This is evident in for example when each participant is routinely given tasks which requires different thinking skills and collaborative teamwork where new ideas and the need to be resourceful and decisive are as much a part as is play. Specific tasks need to be

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completed in order to achieve specified personal and group objectives in line with the objectives of the School while maintaining high energy and engagement.

An important conclusion from this study showed that over the 2009 -2016 period there has been a steady and uninterrupted gradual decrease in the mean values of total scores for recruits. This means that the PSGE is increasingly recruiting more participants with a preference for adaptor style of behavior i.e. those who prefer change to be incremental rather than step changed, fewer well thought out ideas that are improvements on existing ones rather than unique new ideas, and decisions and risks to be spread out so that less coping behavior is needed. This move towards slightly more adaptor type and style of behavior at the School level could be indicative that either the selection process is targeting such applicants or overall as the years have rolled on the PSGE is attracting more applications from students who are more adaptor behavior oriented.

Another important conclusion shows whenever even small teams of 4-6 participants are formed, the diversity within these teams regarding their preferred behavioral style is very significant i.e. the team will frequently have two or more individuals who think and behave in significantly different ways and solve problems differently from each other when dealing with identical issues. Hence, there is a high likelihood that in most teams a diversity of preferred styles is present. Participants are taught how to manage and benefit from such diversity which is also a unique feature of the PSGE programme. They are also encouraged to look out for such diversity in their own networks. Failure to manage such diversity of preferred styles in the PSGE could easily lead to conflict due to differences in preferred styles to addressing team assignments. The Assessment Workshop also presents participants with effective strategies on how to bridge the gap with other styles i.e. when working with those whose styles are very different from their own, and this an important outcome for both the Assessment Workshop and the PSGE.

Keywords: *adaption-innovation theory, experiential learning, KAI inventory, preferred style, Kirton's KAI, style preference of individuals, team styles.*

Introduction

Rajah and Jones (2007) described the term 'creative process' and suggest that it is being used in several ways. It is used to (a) describe the stages used by which creative people define, produce ideas for and solve difficult problems, (b) the rapid changes in perception which occur when new ideas are produced unexpectedly, and to (c) the techniques which people use to produce unusual responses to problems.

Wallas (1926) told how in 1891 the German physicist Helmholtz had described the way in which new thoughts had come to him. Helmholtz had talked about three stages in the formation of a new thought.

Stage Process

- 1 Preparation - in which the problem was 'investigated in all directions.'
- 2 Incubation - in which he was not consciously thinking about the problem, and
- 3 Illumination - which consisted of the appearance of 'the happy idea' together with the psychological events which immediately preceded and accompanied that appearance.
- 4 Verification which Wallas himself added as a fourth stage, which closely resembled the Preparation stage.

Adaption-innovation theory was developed by Michael Kirton (1976, 1994, and 2003) to describe the behaviour

of individuals in relation to their preferred style. There are three ways of finding out ones personal style. These are;

- through observation while carrying out a task,
- asking others, and
- using psychological inventory. This is the route used at the PSGE.

To develop applications that can make use of his theory, Michael Kirton developed an assessment which was used successfully to measure these preferred styles of individuals. The questionnaire is commonly referred to as the KAI, i.e. Kirton's Adaption and Innovation assessment. The KAI is not a measure of ability, personality or intelligence. It is specifically a measure of an individual's preferred style of doing things, i.e.

Sufficiency of Originality, the way in which individuals relate to new ideas,

Efficiency, the processes they use and

Rule or Group Conformity or how individuals deal with uncertainty or when confronted with choices during decision making and even risk taking i.e..

Sufficiency of Originality

- The degree to which we are free or cautious in idea generating situations.*
- An individual's way of thinking in relation to originality and idea generation.

Those more adaptive are likely to:

- Produce few ideas, but they are manageable, relevant, sound, safe for immediate use.*

Those more innovative are likely to:

- Produce many ideas, some may be seen as exciting, 'blue sky' or 'new dawn'.*

Efficiency

- The degree to which we wish to have structure and process in problem solving situations. How an individual will go about completing tasks and moving the agenda forward.*

Those more adaptive are likely to:

- Be precise, reliable, methodical, master of detail*

Those more innovative are likely to:

- Think tangentially, approach tasks from unexpected angles, start to move when most things are in place – 'the big picture' (not necessary all)*

Rule and Group Conformance

- The degree to which we feel the need to comply with rules and group norms. A person's need to have*

structure and the extent to which they can live with ambiguity.

Those more adaptive are likely to:

- Solve problems by use of rule*
- Challenge rules rarely, and usually only when supported by consensus*

Those more innovative are likely to:

- Alter rules to solve problems*
- Challenge rules, customs and consensual views*

A-I theory is extremely robust and properly describes individual styles, Table 1. When used properly to its full potential it is predictive and can deal with the behavior of individuals in terms of their daily activities, their role(s) and contribution within team, as well as leadership style including decision making and risk-taking style. A link also exists between creative motivation and cognitive style (Dew R, 2009).

Table 1: CHARACTERISTICS OF ADAPTORS AND INNOVATORS (Kirton, 1976)

	KIRTON'S Adaptor Innovator Type	
	Adaptors	Innovators
Problem Solving	Take problem as given and generate ways to develop better solutions for immediate high efficiency.	Redefines problem by breaking previously defined restraints and aims solutions at "doing things better."
Solutions	Generate well-thought-out and to-the-point solutions that are sufficient to solve the stated problem but sometimes fail to break the constraints of existing patterns.	Produce multiple ideas that are not obvious and often unacceptable to others, but often contain approaches to solve previously intractable problems.
Policies	Prefer well-structured situations and are best at incorporating new elements into the existing policy.	Prefer unstructured situations to use new data to restructure policies and are willing to accept the greater risk.
Organizational fit	Enhance ongoing functioning, but have difficulty escaping established role in times of change.	Enhance flexibility in times of change, but have difficulty working within ongoing organizational demands.
Perceptions by opposites	Seen by innovators as sound, conforming, predictable, and constrained by the system.	Seen by adaptors as unsound, impractical, risky, dissonance creating, and abrasive.

Some highlights of Kirton's (1976) theory summarized in the paper by Butter and Gryskiewicz (1993) are:

- an individual's problem-solving style is stable and thus does not change with age or over time;

- ii. adaptors and innovators have different attributes, each of which, depending on the circumstances, could be advantageous or disadvantageous;
- iii. one set of these attributes comes naturally to an individual, the opposing set has to be learned and exercised as part of the individual's coping behavior;
- iv. when coping behavior is no longer needed, there is a marked tendency to return to the preferred style;
- v. forms of coping behavior include changing circumstances to suit preferred style or forming part of a team whose assembled preferences cover expected problem situations.

The KAI is a 32-item self-report measure with scores ranging from 32 to 160, with a theoretical mean of 96. The internal consistency of the KAI, over numerous studies (Kirtan, 1976), averaged 0.88, and test-retest reliability is 0.82 to 0.88.

The link between experiential learning literature (Kolb and Fry, 1975) and Kirton's Adaption-Innovation Theory has not been well explored. This study contributes to make that link.

The special climate and culture (Ekvall, G, 1996 and Ahmed, PK, 1998) being created when the participants are responsive to the PSGE programme is core to the success of the School. It is probably the pursuit of excellence to create such a climate and culture that unleashes the personal potential of each individual and therefore contributes towards improved group performance.

This study will also consider how this type of experiential learning resonates with Snyder's Hope Theory (1994a and 1994b). Hope is a core construct of positive psychology that has received only minimal application to work and vocational situations. Snyder (2000) conceptualized hope as a cognitive process with three primary components: goals, agency, and pathways. According to Snyder's Hope theory, high hope individuals possess more goal-related strategies and are more motivated to achieve their goals than their low hope counterparts. It is an assumption of this study that the PSGE attracts high hope individuals.

Finally, these types of personal development processes contribute towards the development of self-efficacy. Bandura (1986 and 1994) describes perception of self-efficacy as people's beliefs about their capabilities to produce designated levels of performance that exercise influence over events that affect their lives. This conceptual process was used by the author of this study in developing entrepreneurial behavior in students at the University of Greenwich during 2001-06 (Sondakh D and Rajah KK, 2006), it was also accepted that self-efficacy shows up in behavior often after about five years when the students are already into their professional careers. Hence, it is important to make these interventions even if the benefits

are not evident immediately. Since self-efficacy beliefs determine how people feel, think, motivate themselves and behave they produce these diverse effects through four major processes: cognitive, motivational, affective and selection processes.

Problem Statement

The main questions in this study were twofold:

- 1) To what extent can students be prepared to gain maximally from experiential learning as offered in the PSGE School?
- 2) Could the KAI assessment be used at the start of the school to provide participants and educators with an awareness and insight into everyone, their respective preferred styles and the implications of this on their thinking, the way they complete tasks and their responses when faced with choices and decisions?
- 3) Equally, do participants learn transferable skills where this is described as those skills that enable one to be adaptable and flexible?

The answers to these questions can be used in leadership, teamwork and entrepreneurial activity and can help to set the scene for the School.

The relevance of this information to learning life skills too need to be considered. Especially where it is necessary or desirable for everyday life.

Objective

1. To establish the relevance of using adaption-innovation theory in supporting the PSGE participants and the programme
2. To determine if such an intervention supports and enables experiential learning to achieve higher levels of success with developing important transferable skills.

Methodology

This type of study would benefit from an approach using Grounded Theory (Glaser and Strauss 1967). As an inductive approach that attempts to generate a theory from the constant comparing of unfolding observations grounded theory would have been very appropriate. Several factors mitigate in favour of this. The author is experienced in working with students in higher education over more than three decades. He has enabled higher performance in his students using creative processes and experiential learning. He has also lived Suddaby's (2006) argument that 'the seamless craft of a well-executed grounded theory study, however, is the product of considerable experience, hard work, creativity and, occasionally, a healthy dose of good luck'.

The conceptual new thinking originating from this study

provides an opportunity to link adaption innovation theory with experiential learning and modified behavior. As the purpose of any such study is to derive a framework (theory) from the data collected and the focus is on a process related to a particular topic, the current study has its limitations. The data was collected from a sample group from four annual episodes of a programme over the period 2009-2016. The author, mindful of Suddaby's (2006) conclusions of what grounded theory is not, recognised the relevance of the data size and has opted to adopt a Case Study approach instead.

A case study approach will help make sense of the valuable data which is available and set the scene for further related research. The definition by Robson (2002) fits with this decision that a case study as 'a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real-life context using multiple sources of evidence'. This decision is also supported by Saunders, Lewis and Thornhill's (2009) summary that 'a case study strategy can be very worthwhile way of exploring existing theory' and 'can enable you to challenge an existing theory and provide a source of new research questions'.

Secondary and primary data collection methods were used in this study. Primary research consisted both qualitative and quantitative research techniques. Qualitative technique involved informal face-to-face discussion with the participants. These were not transcribed although notes were kept. These continued to confirm and reinforce conclusions reached during discussions and observations from earlier years starting 2002.

A quantitative technique using a questionnaire was adopted, i.e. the copyright protected KAI inventory (©M.J.Kirton, 1977 and 2001), to determine the preferred style of the respondents. These assessments were completed during the first week of the four-week programme.

With respect to the sample group of students, the number of students ranged at that time during 2009 and 2016 from between 74-76 students at each School.

Students are challenged with the question, 'What is creative thinking?'

- To think about your thinking
- To be an original thinker
- To be open to other possibilities
- To have many ideas
- To elaborate on ideas
- To put your ideas into action

Vygotsky's Socio-Cultural Analysis of human thought emphasises the social and cultural interactions that underlie human thought and understanding. Vygotsky also saw **adult creativity** as a consciously directed thought process in which individuals change and combine ideas in specific social conditions to create works of

- art,
- inventions, or
- scientific conclusions

He said we can think about things not present or ideas not yet achieved only if we can imagine them. He also foreshadowed contemporary system theories by situating creativity in a particular time and place. He emphasized that creativity, like other learning, emerges through interactions with other individuals. The Social Constructivist Approach of Piaget and Vygotsky have served as major influences on the teaching of these pre-university students. Their theories support creativity as a social constructivist approach to learning and behaviour. They believe that children construct or build their behaviour as a result of learning from experience and from making decisions that lead to responsible behavior

Results and discussion:

Standard deviations and mean values for each of the four episodes (periods).

Table 2: Results for 2016

SO	E	R/GC	TOTAL	
9.258372	5.59226	7.62217	17.44078	Std Dev
42.57895	16.32895	33.85526	92.76316	Mean

Table 3: Results for 2014

SO	E	R/GC	TOTAL	
8.439737	5.540092	7.844443	17.26774	Std Dev
44.58667	17.02667	37.10667	98.72	Mean

Table 4: Results for 2013

SO	E	R/GC	TOTAL	
8.589358	5.676086	8.08121	17.33008	Std Dev
44.36	17.90667	37.69333	99.96	Mean

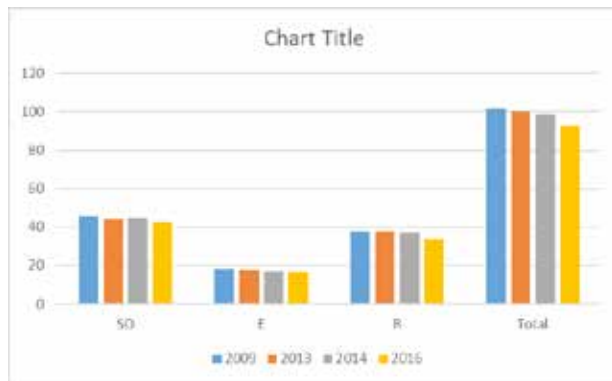
Table 5: Results for 2009

SO	E	R/GC	TOTAL	
8.168693	5.790111	6.972292	16.44577	Std Dev
45.59459	18.04054	37.81081	101.4459	Mean

Table 6: Mean trends for all four episodes.

	SO	E	R	Total
2009	45.59459	18.04054	37.81081	101.4459
2013	44.36	17.90667	37.69333	99.96
2014	44.58667	17.02667	37.10667	98.72
2016	42.57895	16.32895	33.85526	92.76316

Figure 1: The increase towards adaptor style for all groups since 2009 to 2016.



Several observations can be made from the data on Tables 2-6. In total between 74-76 respondents in each School completed the KAI assessment. The mean and standard deviation are as follows.

(a) Sufficiency of originality

Range 13 – 65, Mean 41

≤40 adaptor behavior

≥42 innovator behavior

The results from the PSGE study show a reduction in mean for SO from 45.5 to 42.5

(b) Efficiency

Range 7 – 35, Mean 19

≤ 18 adaptor behaviour

≥ 20 innovator behavior

The results from the PSGE study show a reduction in mean for E from 18.0 to 16.3

(c) Rule/Group Conformity

Range 12 – 60, Mean 35

≤34 adaptor behavior

≥36 innovator behavior

The results from the PSGE study show a reduction in mean for R/GC from 37.8 to 33.8.

According to adoption-innovation theory (Kirton, 1976, 1990 and 2003) the total scores fall on a continuum whereby any score is relative to the other. Although, broadly, those who score as follows show the behavior pattern listed on Table 1, each total score is considered either more or less innovator or adaptor relative to the other.

(d) Total Score Preferred behavior

32 – 94 - Adaptor behavior,

95 - Mean value.

96-160 - Innovator behavior

The results from the PSGE study show a reduction in mean for the total score from 101.4 to 92.7. This indicates an almost 10-point difference

(e) How to assess the relevance of total scores between people:

Overall given that,

It is possible to score: Between 32 - 160

Typical total scores: Between 45 – 145 scored by respondents in typical studies.

For instance, a total score of 76 is more adaptor than a score of 86, The latter score can be described as more innovator type behavior compared to the former while both are distinctly in the area of adaptor behavior.

There is a further distinguishing factor. Respondents with the following scores will show preferences which are discernable:

- Two identical scores: No discernable difference
- Difference of five between two scores: Some discernable difference in preferred behavior between the two.
- Difference of ten between two scores: noticeable differences in preferred behavior.
- Difference of twenty or more: Distinct differences in preferred style.

Based on this information, the preference of the group has evidently moved over the four periods towards relatively more adaptor behavior.

Conclusions:

- The null hypothesis was tested for the average of the three earlier years which were all quite close with the average figure obtained for 2016.

Table 7: Test for null hypothesis between the average for years 2009-2014 and the average for 2016.

0.049976	0.07949	0.000355	0.001613	T-test
44.84375	17.65625	37.53571	100.0357	Av of 3early years
42.57895	16.32895	33.85526	92.76316	Av2016

0.011275

T-test results

This indicates a 99% certainty that there is a significant difference, and so the Null is rejected.

PS: Null = there is no difference between the two figures.

This means R which is about rule and group conformity when lower than earlier shows a preference by participants for a more stable environment and change that is manageable. Students in earlier years were relatively more open to spontaneous activity.

The other two figures for SO (ideas and thinking styles) and E (efficiency and process for undertaking tasks) show

a preference for adaptor styles, but statistically the R figure is the most significant.

So, what is happening here?

- i. Have there been any change to recruitment and the catchment area?
- ii. Change in the mix of students i.e. plausible answers include that more female students would indicate a shift towards 91 but one should be cautious as the sample size here is not large enough.
- iii. Increase in overseas student intake which attracts more participants with a preference for adaptor style

None of the above is negative as style is not about intelligence, capability or ability.

2. When considering the sub- scores put forward by Michael Kirton, these can be summarised as
 - a. Sufficiency of Originality, SO: from 45.5 to 42.5
A three point change is statistically not significant. In practice this may indicate the group having a preference for more focus in their thinking, building on earlier ideas rather than preferring to rush in with new and original ones.
 - b. Efficiency, E: No real change. The original scores already indicate a group committed to attention to detail and systematic execution of tasks. A change from 18.0 to 16.3 show a little extra attention to detail but this is not statistically significant.
 - c. Rule/Group conformity, R/GC: Significant change noted for this group. It shows they are beginning to demonstrate a greater propensity to be cautious, and to engage more slowly with changing scenarios, perhaps requiring more certainty before acting.
3. There is enough evidence from the study supported by the experience and tacit knowledge of the author to show that the KAI inventory can be used to set the scene for the PSGE. The students/participants feedback indicates they welcome this opportunity to find out more about themselves and of their style very early in the School. Also, the individual scores can also be used to explain the leadership style of the respondent; the typical preferred team role, and the likelihood of going in for major change in personal or professional life. All of these appears to matter to these students of the PSGE.

4. The results in Table 5 indicate an average total score of 101.445 for the year 2016 which is on the innovator side of the continuum.

During the 2016 session, students were grouped at random in teams of 4-6 as they sat. Out of the 15 teams that emerged only one team had all members with a score less than 10 between the highest and lowest score. As mentioned under Results and Discussion (e), if two or more individuals were further than five units apart on the KAI continuum it will begin to show in the interaction between them which will have elements of disagreement. They are unlikely to agree easily on common grounds.

Apart from two other teams which had up to fifteen points differences between the highest and lowest score the remaining teams had 20 or more point difference. This was remarkable to observe. We should expect significant diversity between the styles of individuals within most teams that would form during the course of the PSGE programme. The diversity discussed here relates to significant differences in the way ideas are formed and presented, the process adopted to complete tasks will vary greatly and there will be distinct preferences for slow or no change. There will also be those within such teams who would wish for complete change or a significant shift in direction. If managed well, this diversity can be mobilized to generate rich learning and personal and professional development experiences. This is one of the main benefits of using the KAI assessment during the PSGE.

5. According to Snyder (2002), an individual's belief in their ability to realise the components of Hope Theory determines the likelihood they will develop a sense of hope. High hope individuals possess more goal-related strategies and are more motivated to achieve their goals than their low hope counterparts. Therefore, Snyder et al (1998) examined the relationship between hope and job performance. They used three different samples of employees of different job levels and industries. The results were most instructive. They found that more hopeful sales employees, mortgage brokers, and management executives had higher job performance, as measured a year later, even after controlling for their self-efficacy and cognitive ability. Clearly, a strong sense of efficacy enhances human accomplishment and personal well-being in many ways. People with high assurance in their capabilities approach difficult tasks

as challenges to be mastered rather than as threats to be avoided.

In a separate study, they also examined if more hopeful employees attempt to solve problems differently than do those with less hope. They found that higher hope management executives produced more and better quality solutions to a work-related problem, suggesting that hopefulness may help employees when they are confronted with problems and encounter obstacles at work. This supports the conclusions reached in this study that behavior detectable using the KAI inventory can shift if the right conditions are in place. These students seemed to fit the model for 'high hope people'.

6. It should be noted that this is a self-selecting group where highly motivated individuals have chosen to study and experience the PSGE programme. During the four weeks they need to constantly switch between right brain activity to left brain mode or adaptor-innovator behavior. It can be concluded that as the sample group is self-selecting their motivation is already higher than any other normal group.

Hence, the two objectives for this study have been achieved.

7. When reviewing all the comments and feedback presented by the students, important aspects from social cognitive theory are evident (Bandura, 1986). Provision of a safe environment as is the case at the university and Iacocca Institute, exposure to positive role models and opportunities to receive positive and constructive feedback and encouragement from the local and international faculty and mentors all contribute to the sense of personal agency that is important for achieving goals. This 'agentic perspective' is evidently an element of Social Cognitive Theory.
8. That the whole experience from the Assessment Workshop to completion of the programme has stirred the student such that Snyder's Hope Theory (1994a and 1994b) applies and that their hopes are raised and they strive to fulfill them beyond previous limits.
9. It is to be expected that some of the students do demonstrate coping behavior but they raise to the challenge supported by the staff of the Programme Team and peer support from other students who

are themselves driven by the passion and behavior characteristics of creative colleagues.

Recommendation

The study has shown that a combination of a sound environment, encouragement, process and content leads to an increase in personal performance.

1. Hence, there is a real need to continue with this research and add to this study by making sense of all earlier KAI scores from other PSGE groups. These reports were not readily available to this study.
2. A larger sample size should be monitored and assessed using the KAI inventory. This will provide for more analysis and interpretation of the sample group including forming informed judgement on in what way do adaptors and innovators experience and benefit from their experiences of the PSGE.
3. Equally the link between the use of adaption innovation measures, experiential learning and self-efficacy should be explored further. The findings in this study are very instructive if not compelling.

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The Activity-Oriented Usability Model of Software

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Abstract

In this paper, an activity-oriented usability model is proposed. The usability model contains two types of characteristics: special-type characteristics of usability and sub-characteristics of usability. Workability, study-ability, and playability are, but do not exhaust, examples of special-type characteristic of usability. They correspond to working, studying, and playing using the software product, respectively. They represent the goal of using and can overlap each other. They are usability too by themselves.

Navigate-ability, data-prepare-ability, data-input-ability, response-wait-ability, output-examine-ability, and output-utilize-ability are typical examples of sub-characteristics of usability. They correspond to navigating, preparing data, inputting data, waiting response, examining output, and utilizing the output data, respectively. They are not usability by themselves. They constitute usability together as a group.

Assessing is the fundamental and indispensable aspect of quality. Without assessing, the concept of quality has little practical value. Satisfaction, effectiveness, and efficiency are the most typical sub-characteristics of usability in existing quality models, which correspond to the evaluation criteria of usability. In the activity-oriented usability model, however, only the user's satisfaction is included: Satisfaction is regarded as the operational definition of usability in the user's view. As the result, usability can be interpreted as the 'goodness for using, which is evaluated by the user.'

Three fundamental principles regarding software quality models are proposed too in this paper: Principles of Parsimony, Cohesiveness, and Inheritance. Discussions illustrate well that typical existing usability models violate these basic principles. Many authors have tried to define general usability models which can be applied to most kinds of software. The dream of the general and universal usability model, however, may be an illusion. The activity-oriented usability model is expected to serve as a prototype from which specialized usability models can be derived.

Key words: *Software Quality, Usability, Quality in Use*

1. Introduction

The quality of something is, according to Collins Cobuild Advanced Learner's English Dictionary, '*how good or bad it is.*'¹ In this paper, the quality of a software product is defined as 'how good or bad is the product?'

A software product should be good for being used. In

this paper, 'How good is a product for being used' or, shortly, 'goodness for using' is called usability of the product. Since being used is the ultimate goal of all kinds of product including software, usability traditionally has been one of the most important issues regarding software quality.

There are diverse definitions of usability [Boehm et al. 1978; Foraker Labs 2002; González Sánchez et al. 2009b; Grady 1992; ISO 9126-1:2001, 9241-11, 25010:2011,

¹ In this paper, italic font emphasizes that corresponding part is quoted with no or only slight changes from the cited literature.

25021:2012, 25022:2016, 25023:2016; Microsoft Corporation 2000; McCall et al. 1977; Nielsen 2012; Shuja and Krebs 2008 ; U.S. Department of Health and Humanity Services 2017].

It is noticeable that González Sánchez et al. [2009b] regard playability for video game as a special sub-type of usability. Some authors view usability as the quality of a user's experience [Gonzalez Sanchez et al. 2009b; Microsoft Corporation 2000; U.S. Department of Health and Humanity Services 2017] while other authors see it as the quality of the product [Herrera et al. 2010; ISO 9126-1, 9241-11, 25000 Series; Nielsen 2016].

Koh and Jiang [2017] combine these two approaches to define two types of usability: the instance usability as the goodness of an individual user experience and the product usability as the aggregation of all instance usability associated with a product. In this paper, the term usability is used to encompass quality in use, for example, that of ISO/IE 25000 Series SQuaRE.

An activity model that contains two categories of software activity types which are associated with using the software product is proposed in section 2. A usability model based on the activity model, which will be called the activity-oriented usability model, is proposed in section 3. In section 4, three principles are proposed and the validity of existing models and the activity-oriented model are discussed against the principles. The results shows well that the activity-oriented usability model will serve as a robust prototype on which on which usability models specialized according to the goal of using can be built.

2. Types of activity associated with using software

Koh and his colleagues [Koh 2016, 2017a, 2017b; Koh and Jiang 2017] define software activity as the activity which is performed on the software product by a person or a group of persons. They define using as a type of software activity, which is performed through user interfaces of the software product. They distinguish using from other types of software activity which engage the interactions between the software products and persons such as studying the product itself (increasing the user's knowledge or expertise about the product itself), testing (finding out whether the product performs as intended or required), or customizing user interface (making the product better to use).

Working, studying, playing, navigating, preparing data, inputting data, waiting response, and examining output are typical types of software activity which are associated with using the software product [Koh and Jiang 2017]. They can be classified into two categories: special types of using and component activities of using (refer Figure 1).

The classification criterion of working, studying, and

playing is the goal of using. That is, people use the software product to accomplish some goals, for example, to do some tasks in the work place, to study some issues, or to play for fun. It is noticeable that these types are not mutually exclusive since the goals of using a software product can be multiple. Suppose that, for example, an education game software product is used both to study some topics and to play for fun [Koh and Jiang 2017]. Then, this instance of using is also an instance of studying and an instance of playing at the same time.

Navigating, preparing data, inputting data, waiting response, examining output data, and utilizing the output data are the typical examples of component activity type of using. A set of instances of these activity types constitute an instance of using. An instance of these activity types alone, however, seldom constitutes a whole instance of using. An instance of navigating alone, for example, seldom constitutes a whole instance of using.

It is noticeable that accessing is excluded from Figure 1. Accessing is the precondition of using. Accessing, however, can happen independently with using. A person can access a software product, for example, to test or customize the product. Accessing should be classified as a separate type of software activity independent of using.

Assessing is not a type of the software activity. Assessing or evaluating, however, is an essential and indispensable aspect of quality. According to Oxford Learner's and/or Living Dictionaries, assessing means 'evaluating or estimating the nature, ability, of quality of,' and 'evaluating' means '*forming an opinion of the amount of something after thinking about it carefully*;' where empirical and theoretical means '*based on experiments or experience rather than ideas or theories*' and '*concerned with the ideas and principles on which a particular subject is based, rather than with practice and experiment*,' respectively. Assessment of the quality of a software product should be feedback into the development process or post-lifecycle change process of the product to improve the quality of the product. Without assessment, the notion of quality is of little use.

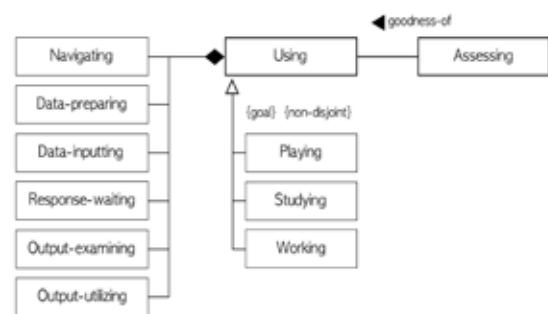


Figure 1 - The activity model associated using software products: A UML diagram

3. A tentative usability model based on the activity model

Effectiveness, efficiency, and satisfaction are the typical quality characteristics which are most frequently cited as sub-characteristics of usability in existing software quality models [Koh and Jiang 2017]. However, they correspond to the criteria by which usability is evaluated (refer Figure 2). In this paper, they are not regarded as quality characteristics. As the result, they are not regarded as sub-characteristics of usability either.

Koh and his colleagues [Koh 2016, 2017a, 2017b; Koh and Jiang 2017] suggest to apply the suffix ‘-ability’ to a software activity type (a verb) to denote the quality corresponding to the activity type; that is, the ‘goodness for the corresponding activity.’ They also propose to apply the suffix ‘-ability’ to the software activity to avoid confusion. Adopting their naming scheme, two types of quality characteristics that correspond to the software activity categories in the activity model in Figure 1 can be defined as follows:

- **Quality characteristic as a special type of usability:** The characteristic corresponding to a special activity type of using, for example, working, studying, or playing.
 - **Work-ability:** Goodness for working,
 - **Study-ability:** Goodness for studying.
 - **Play-ability:** Goodness for playing,
- **Sub-characteristic of usability:** The Sub-characteristic corresponding to a component type of using, for example, navigating, preparing data, inputting data, waiting response, examining output data, or utilizing the output data.
 - **Navigate-ability:** Goodness for navigating,
 - **Data-prepare-ability:** Goodness for preparing data to be input,
 - **Data-input-ability:** Goodness for inputting data,
 - **Response-wait-ability:** Goodness for waiting response,
 - **Output-examine-ability:** Goodness for examining output data.
 - **Output-utilize-ability:** Goodness for utilizing the output. data

Since special-type activities can be overlap each other, the special-type characteristics of usability can overlap each other too.

Usability can be evaluated either directly or indirectly:

- **Sub-characteristics evaluation:** Evaluate navigate-ability (how good to navigate), data-prepare-ability (how good to prepare data), data-input-ability (how good to input data), response-wait-ability (how good to wait response), output-examine-ability (how good

to examine output), and output-utilize-ability (how good to utilize the output data) first, and then aggregate them into usability.

- **Direct evaluation:** Usability is evaluated directly without evaluating its sub-characteristics.

Most existing quality models such as SQuaRE, adopt the direct evaluation. However, the sub-characteristics evaluation will provide much richer information as well as increase the validity and reliability of measurement.

As a special type of usability, workability, study-ability, or playability can be evaluated either directly or indirectly. Suppose that the goals of using a product are multiple. For example, a person may use an education game software product to both play and study. In this case, both playability (how good to play) and study-ability (how good to study) can be assessed separately, and then be aggregated into usability.

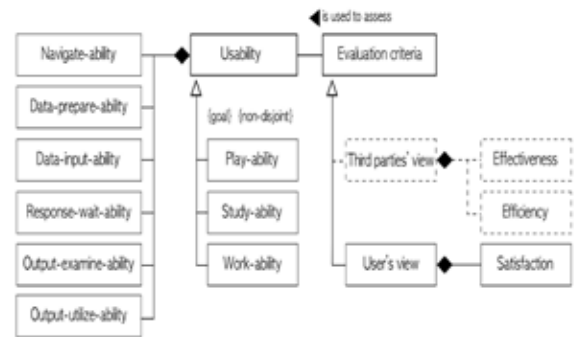


Figure 2 - A tentative usability model: A UML class diagram

4. Discussions

Usability can be evaluated by many stakeholders. Koh and Jiang [2017] classify stakeholders into users and third parties:

- **User's view:** The usability assessed by the users.
- **Third parties' view:** The usability assessed by the stakeholders other than the users. This includes the usability measured by the objective criteria and procedure set officially.

Many existing sub-characteristics of usability correspond to the evaluation criteria of using [Koh and Jiang 2017]. For example, effectiveness, efficiency, and their measures of SQuaRE's quality in use are essentially regarding the evaluation of third parties' view while satisfaction is regarding the evaluation of user's view.

Two different definitions can be made for the sub-characteristics according to the two views. For example, Koh and Jiang [2017] redefine effectiveness, efficiency and satisfaction under the user's view as follows:

- **Effectiveness:** The user's (subjective) evaluation on how well his/her goals are achieved.
- **Efficiency:** The user's (subjective) evaluation on how much the cost is expended.

- **Satisfaction:** The user's evaluation on how much he/she is satisfied.

On the other hand, they can be defined as follows under the third parties' view: For a business application product which is supposed to be used to support a predetermined set of tasks in a workplace,

- **Effectiveness:** The accomplishment of the tasks,
- **Efficiency:** The costs to accomplish the tasks,
- **Satisfaction:** The overall evaluation of the sponsor on how the product is satisfactory.

It is noticeable the definition of satisfaction of third parties' view is quite different with that of SQaRE's quality in use.

A person can be satisfied for various reasons. Satisfaction means, according to Oxford Living Dictionaries, "*fulfillment of one's wishes, expectations, or needs, or the pleasure derived from this.*" The '*fulfillment of one's wishes, expectations, or needs*' is virtually the same as the typical definition of effectiveness. That is, a person is generally satisfied because his/her using experience is effective. One can be satisfied because his/her using experience is efficient too. Or one can be satisfied because his/her using experience is pleasing, comfortable, exciting, or etc. Each of these reasons can be included as a measurement item of satisfaction.

- **Overall measurement:** Ask the user the degree of overall satisfaction: for example, how much satisfactory was your recent using experience?
- **Itemized measurement:** Ask the user the degree of satisfaction for each aspect of satisfaction: for example, how much useful was your recent using experience?

SQaRE uses both overall measurement and itemized measurement [ISO/IEC 25022: 2016]. In itemized measurement, effectiveness or efficiency can be included as a measurement item of satisfaction. SQaRE defines usefulness as the '*degree to which a user is satisfied with their perceived achievement of pragmatic goals, including the results of use and the consequences of use,*' which is virtually the same as its definition of effectiveness. In this regard, Koh and Jiang [2017] define satisfaction as the synonym of usability in the user's view. In other words, satisfaction can be regarded as an operational definition of usability in the user's view.

In fact, SQaRE also take this approach. All the measures of usability in SQaRE's product quality model are regarding user interface, while the factors that influence effectiveness and efficiency are included chiefly in functional suitability and performance efficiency [Koh 2017a]. This implies that SQaRE thinks that the factors which mainly influence satisfaction, effectiveness, and efficiency are different and that the factors should be classified into separate groups. It will not be desirable to

aggregate satisfaction, effectiveness, and efficiency into usability unless the correlation among them is sufficiently high.

Effectiveness and efficiency of Gonzalez Sanchez et al.'s [2009a] playability are virtually the same as the corresponding parts of SQaRE, although their wording is slightly different [Koh and Jiang 2017]. Suppose that a person has used a game software product just for fun. Then, it will be meaningless to measure effectiveness if satisfaction is measured too. Moreover, the time to play (that is, efficiency) may not matter at all in this case. So, the following issue arises:

- **Issue:** Which alternative is more useful?

A1: Let all major evaluation criteria of using included and in usability.

A2: Restrict the scope of usability to cohesive elements only: For example, define satisfaction as the operational definition of usability, and treat effectiveness and efficiency as distinctive and independent characteristics regarding using.

A1 is the approach that the current major usability models including SQaRE adopt. However, our hypothesis is that A2 is more desirable for the reasons as follows:

- The inconsistency, vagueness, and confusions associated the current usability models: Koh and his colleagues [Koh 2016, 2017a, 2017b; Koh and Whang 2016; Koh and Jiang 2017] illustrate this point of argument well.
- The correlation among satisfaction, effectiveness, and efficiency may be low. If so, A1 will make the concept usability vague and of little use. This point of argument should be verified by extensive empirical studies.
- Usability may be more easily and systematically specialized for specific types of software if usability is evaluated consistently only in user's view: The third parties are very diverse according to software type by software type. So, combining the heterogeneous viewpoints with the homogeneous user's view will make it too complex to define a universal evaluation process.
- Satisfaction, effectiveness, and efficiency may be used for distinctive analyses and for purposes. For example, efficiency may be used in an economical or financial analysis in which satisfaction and effectiveness are not used. Or, only effectiveness may be used to confirm that the functional requirements are implemented properly.

Principle of Parsimony: The quality characteristic should be defined as brief and precise as possible.

Principle of Cohesiveness: The quality characteristic should consist of elements that fit together well and form a united whole.

Principle of Inheritance: Every aspect of usability should be able to be inherited by its special-type characteristics, possibly, with proper specializations.

The principle of parsimony translates the famous law of parsimony to software quality version. The existing definitions of usability and quality in use are generally too long, complex, and abstract. They violate the principle of parsimony. Software quality is very elusive [Kitchenham and Pfleeger 1996]. So, it should be defined as specifically and precisely as possible.

The existing definitions of usability and quality in use including those of SQuaRE contain too many things that do not fit together well and do not form a united whole. It is one of the fundamental reasons of why the existing definitions of usability are so long, complex, and vague. The scope of usability should be sharpened to the extent for ordinary users and software engineers to understand and use easily.

The principle of inheritance is the fundamental principle of classification. Efficiency is excluded in Gonzalez Sanchez et al.'s [2009b] playability model. It is effectiveness, however, what is excluded in fact since effectiveness is defined virtually the same as the typical efficiency in their playability model. This seems very reasonable since effectiveness can be effectively addressed in the framework of satisfaction for game software. The only proper goal of playing is getting fun or being satisfied. Moreover, is it really important to shorten the time taken to play? It seems not. The economic or financial aspect is another question.

As the result, the usability model for general software cannot be specialized for game software for fun or pleasure. The usability model for general software should be redefined to be able to be specialized properly for special types of using.

5. Conclusion

In this paper, the term usability is used to encompass quality in use. The benefit of a model can increase as the complexity of the model increases. The cost associated with using the model, however, almost always increases as the complexity of the model increases. If the complexity increases over some threshold, the marginal cost can exceed the marginal benefit. This paper postulates that the typical current usability models including those of SQuaRE are too big and complex.

In this paper, a model of activities associated with using software products and a software usability model based on the activity model are proposed. The activity model contains two categories of software activity type: special-types of using and component activities of using. They are classified according to the goal of using and can overlap each other. The special-type activity is using by itself. Working, playing, and studying are, but do not exhaust, the examples. The component activities constitute using

and each of them is not using. Navigating, preparing data, inputting data, waiting response, examining output data, and utilizing the output data are the examples.

The usability model presented in this paper is based on the activity model. It contains two types of characteristics associated usability: special-type characteristics of usability and sub-characteristics of usability. The special-type characteristics correspond to the special-type activities. Workability, playability, and study-ability are, but do not exhaust, the examples. They can overlap each other. They are usability too by itself. The sub-characteristics correspond to component activities. Navigate-ability, data-prepare-ability, data-input-ability, response-wait-ability, out-examine-ability, and output-utilize-ability are the examples. They are not usability by itself.

Assessing is the fundamental and indispensable aspect of quality. The activity-oriented usability model contains evaluation criteria of usability. Evaluation criteria are classified further according to whose view they are subject to: those subject to user's view and those subject to third parties' view. Satisfaction, effectiveness and efficiency are the most typical sub-characteristics of usability in existing software quality models. In this paper, satisfaction is classified as the evaluation criterion of user's view while effectiveness and efficiency are classified as the evaluation criterion of third parties' view.

Satisfaction is regarded as an operational definition of usability and included in the activity-oriented usability model. Other existing sub-characteristics of usability including effectiveness and efficiency are not included in the model. As the result, usability can be interpreted as the goodness of using, which is evaluated by the users themselves. Effectiveness and efficiency are the concepts valid for the software product without user-interfaces while usability is valid only for the software product with user-interfaces. So, it is proper to separate effectiveness and efficiency from the user's satisfaction.

Three fundamental principles regarding the software quality model are proposed: Principles of Parsimony, Cohesiveness, and Inheritance. Discussions illustrate well that typical existing usability models violate these basic principles. The usability model should be compact and precise enough for ordinary users and software engineers to understand and use easily.

Usability is the most important but illusive concept regarding software quality. Many authors have tried to define general usability models which can be applied to most kinds of software. The dream of the general and universal usability model, however, may be an illusion. The activity-oriented usability model proposed in this paper can serve as a prototype to be specialized according to software type by type.

Empirical studies on the correlation among satisfaction,

effectiveness, and efficiency are required to confirm the validity of the activity-oriented usability model. If the correlation is low, the activity-oriented validity model can be accepted to be more valid and useful than the existing usability models.

Theoretical and empirical studies on how the activity-oriented usability model can be specialized according to the goal of using are also required to confirm the validity and usefulness of the usability model. The general model of usability may be an illusion.

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Tourism and Consumer Behavior

–Investigation Report about The Souvenir in Osaka City

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Abstract

The purchase of souvenirs is always one of the highest ranked travel objectives linked to Japanese sightseers. It is a common sight to see many Japanese tourists purchasing gifts not only in Japan, but in sightseeing spots around the world as well.

In this paper, we investigate the types of souvenirs foreign sightseers visiting Japan are interested in, examine the differences in souvenir purchasing trends between Japanese and foreign visitors from English-speaking countries, and provide proposals regarding Japanese travel souvenirs targeting future foreign visitors.

Keywords: Souvenir, Consumer Behavior, Osaka

Introduction

Within the Japanese travel industry, the souvenir market is growing rapidly, and this trend is expected to continue.

Thus, it is thought that a deep analysis of travel souvenirs would assist in the future development of the travel industry.

The author was interested in the differences in souvenir buying trends between Japanese travelers and foreign travelers who have differing languages and cultures. In particular, our interest is focused on foreign visitors to Japan from English-speaking countries; we examined papers studying travel souvenirs published in English-speaking countries, and confirmed that there is a difference in perception between Japanese travelers and foreign visitors from English-speaking countries.

Methods

I tried surveyed research paper about souvenir and Japanese written in English. In the study of concept related to Japanese gift giving culture, Gifts bind people together and tangibly express social relationships (Sherry 1983).

Japanese treat this giri-based behavior as an empty formality and feel it is a nuisance (Befu 1968)

Also, in research related to Japanese gift giving culture evolved from these religious practices while the household became the basic gift giving unit. The circle of kin, friends, and acquaintances with which-one has reciprocity is termed the kosai (Johnson 1974).

During the times of o-chugen, in July, and Oseibo, near the end of the year, gifts are presented "to those persons to whom an individual or a family feels a special enduring indebtedness" (Condon 1984).

In modern, urban Japan gift giving remains an important social custom for reinforcing a group-oriented self-concept (Green and Alden 1988)

I think that the attitude of Japanese gift travelers about souvenir took over from such Japanese gift giving culture. And, the characteristics for purchasing souvenir is "It is an iron rule for the Japanese that one cannot go on a trip without bringing back omiyage" (Isamu 1963).

The rule applies to both children and adults and for both short as well as long vacations. Japanese travel brochures emphasize shopping abroad and indicate the kinds of gifts that can be purchased (Moeran 1983) 'This research supports most of the theory and anecdotal observation of the buying behavior of Japanese travelers abroad. The respondents surveyed did expend a good deal of time, money, and effort choosing gift for their friend and relatives back home.' , 'Japanese traveling abroad, on the other hand, must look hard to find suitable omiyage.' Terrence H. Witkowski and Yoshito Yamamoto (1991)

I researched what kind of souvenirs are interested in foreign tourist from English speaking countries at the sightseeing souvenir shop in Japan and I decided to verify the difference in souvenir purchase preference between Japanese tourists and tourists from English speaking countries.

Results

From Doshisha University Project-Based Seminar Market Research. (2015,2016),

'Family'28%, 'Friend'52%, 'Myself'20%. And in the JTB Corporation, Japanese target questionnaire survey said, 'Family'32.9%, 'friend'34.1%, 'myself'18.9%. Over all, Japanese people and foreign doesn't found difference. Doshisha University Project-Based Seminar Market Research. I conduct a survey focus Tourist who from English speaking countries. 'taste'51%, 'Famous'19%, 'price'15%, 'design'15%. And also, people wants to buy things are 'Chocolate'36%, 'Mochi'30%, 'Cake'20%, 'Cookie'19%.

I will be announced of a result from investigation.

Conclusion

The culture of gift giving is rooted in Japan where is strong relationship between life and community since a long time ago. It is important to apprehend difference of souvenir purchase preference between Japanese who has unique souvenir culture derive from gift giving culture and foreigners who is buying for memento. The souvenir for tourist who visit Japan will grow big market of tourists industry.

Last but not least, we would like to make a proposal as a conclusion.

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Word of Mouth Effect on Online K-Beauty Sales

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Abstract

In this study, we analyze the effect of K-Beauty brand on sales by analyzing on-line unstructured data by dividing online word-of-mouth information into quantity and direction. We will also study the basic properties of cosmetics. In this study, information type is divided into video, photo, and text considering online delivery information and information form. As a result, the results of this study are expected to identify the market cosmetics market in China and direct them to utilize them as a marketing tool for related companies and to use them as basic data for establishing strategies in the Chinese market.

Keywords: *Information Strategy, Digital Convergence, Visualization, IT Industry*

Introduction

China is growing along with economic growth, national income growth, and growth in consumption of cosmetics. In 2016, total trade volume of cosmetics in China totaled 336.611 billion Yuan [8]. Of the total amount of e-commerce transactions, the total amount is 2.2643 billion Yuan, about 67% of which is purchased through the Internet. Also, 80% of consumer goods such as cosmetics are found to be influenced by information from the Internet searching for the product information before purchasing the product [8]. Consumers can get information about cosmetics through a wide variety of routes. Specifically, the product evaluation sites and SNS were found to have a high proportion, and in the case of SNS, SINA Weibo and Wechat were mostly confirmed by consumers in China. In recent years, beauty related video channel information can not be ignored. One-person content market is growing rapidly and beauty-related videos are attracting attention. Content created on the basis of a free and personal experience compared to traditional media is fast to spread and can transmit information to a large number of people in an instant. Consumers, including video information, acquire information through various channels and media. However, most of the existing online oral researches are limited to media such as Facebook, twitter, and blog. In addition, most of the research methods have been conducted through questionnaires. The informational characteristics of the oral message can affect the communication and the expression form

of online oral information is also diverse. Typical forms are text, images, and video. There is a need to examine what oral information is highly perceived, what types of information are more useful, and how this information is accepted and influenced in the cosmetics field.

In this study, information type is divided into video, photo, and text considering online delivery information and information form. We analyze the effect of K-Beauty brand on sales by analyzing on-line unstructured data and dividing online word-of-mouth information into quantity and direction.

As a result, the results of this study are expected to identify the market cosmetics market in China and direct them to utilize them as a marketing tool for related companies and to use them as basic data for establishing strategies in the Chinese market.

Methods

For this study, we collected about 330,000 data from Meipai, and collected about 110,000 data from SINA Weibo, a photo and text oriented platform,. In this study, we analyze the relationship between the quantity of oral information by type and directional data of oral information and online sales through panel analysis. We plan to use R programming as the analysis tool and analyze the package using the Plm package, which is specialized for panel analysis. The analysis procedure is as following *Figure 1*.

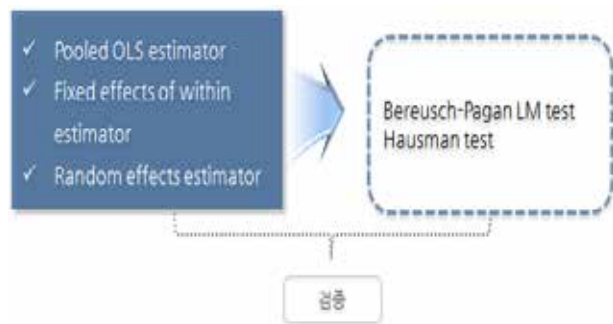


Figure 1. Analysis procedure

Expected Results

This study analyzes the effect of online word of K-Beauty brand on product sales in China. We analyze the amount and direction of online word of mouth and analyze each influence according to the media types: video, photo and text media. Due to the nature of the Internet word of mouth, it has lots of unstructured text properties, and a lot of information is being mass-produced in real time every day. The collected data can be classified into K-Beauty brand positive and negative words through emotional analysis, and the relationship with online commodity sales is analysed by collecting video media and exposure frequencies of photographs and text media respectively. Also, we analyze the difference between the basics cosmetics and the variety of colors and products, and the effect of controlling the number of small intestines. We investigate Meipai as the video media, famous for its Chinese videos and personal broadcasts, while we investigate SINA Weibo for the photo and text media. The number of online videos is expected to affect more than the number of pictures and text.

The results of this study are expected to identify the cosmetics market in China and to suggest ways to utilize them as a marketing tool for related companies and to be used as basic data for big data analysis in establishing strategies in China market.

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Protecting the Environment by Maintaining Forests Through the Reduction of Property Taxes Southern Wakayama Prefecture as an Example

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Abstract

Wakayama Prefecture is called "Kinokuni," a name said to derive from "The Country of Trees," so prosperous was its forestry industry. Currently, due to imported wood and other building materials, this industry has been declining. Forestry is the primary industry, but it is ultimately a recycling industry. It is much easier on the environment, compared to the mining and fishing industries. Trees are planted in the mountains, harvested after a period of 50 to 100 years, to be replanted once again. In that time, as the forests are repeatedly thinned and regrown, they absorb carbon dioxide, a major factor in global warming, especially from nearby metropolitan areas, such as the Osaka Metropolitan area and the Nagoya Metropolitan area. The demand for lumber increased after the Meiji Restoration, and reached its peak in the high-growth period. However, with illegal logging in the southern forests, and the replacement with other building materials, demand has dramatically decreased. Previously, lumber from periodic thinning was used for utility poles and scaffolding, but has been replaced by concrete and steel, making forest cultivation for thinning unprofitable. And with the decline in forestry workers, populations have dwindled in mountainous areas, and many mountain villages have disappeared completely. Despite such difficult circumstances, protecting Japan's ancient forests is an important factor in preventing global warming. This paper will look from the perspective of regional development and coexistence at property tax relief as a measure to protect forests in order to ensure the future of the global environment.

Keywords: Forest, Property tax, Environmental protection

1. Introduction

2. Background of research

With few plains, Japan has made use of sloped and mountainous land for agriculture, using terraced farming since ancient times. Forestry, however, continues to be the mainstay of mountainous areas. This paper discusses southern Wakayama and Nara Prefectures, which have long engaged in reforestation, primarily Japanese cedar and Japanese cypress. However, with trade liberalization comes the increased influence of imported materials, and according to statistics from 2014¹, 29.6% of lumber is produced domestically, with the remainder comprised of

imports. According to Nao Kinoshita of the Museum of Forest and Forestry, Japan is two-thirds forest. Japan is a forested country, and with the reforestation due to lumber demands after World War II, has grown to 3 billion cubic meters of man-made forest - a rich resource. However, with the pressure of cheap imported materials, the forest industry cannot protect forests with periodic thinning. That said, forests are not just a source of lumber resources. They are also important for absorbing the CO₂ contributing to global warming, as well as securing water resources, making forest conservation extremely important. This should be recognized as a serious problem, and not just for forest homesteads, as it is not a situation amenable to industry. Provincial Forestry Departments continually maintain roads, making forestry labor possible even when the forests are uninhabited. For example, in the early 1960s

¹ Learning Museum of the Forest and Forestry, Kinoshita Nao
https://www.shinrin-ringyou.com/data/mokuzai_kyoukyu.php
Retrieved April 13th, 2018

in Wakayama, forestry workers left mountain villages to live in the city centers of Tanabe and Shingu, creating a labor shortage problem. Furthermore, second sons and daughters left for Tokyo and Osaka. However, just as an example, this author owns forested land passed down through several generations near Sasumi in Wakayama Prefecture. In the 1960s in Tanabe City, from Kiitanabe station to Esumi station on the Kisei Main Line took one hour thirty minutes. Additionally, there were only three Meiko Buses a day, taking approximately one hour. Now, the Kisei Expressway is a free, direct route taking approximately 40 minutes by car, making it possible to live in Tanabe City and engage in forestry work in the outlying areas. This paper holds the conviction that the future of the forestry industry is not completely bleak. From the perspective of environmental protection, it is necessary to consider a mitigation or abolition of local property taxes on forests. This paper envisions a nature-rich land by thinking of the future and protecting the global environment.

3. Previous Studies

Forestry, agronomic and practical research has been ongoing for some time. There are also many forestry related organizations and academic societies. However, research into the issue of taxation is scant. The Forest Management Association of Japan, in their monthly report in 1999², made a request for action regarding the drop in value of forests due to property taxes, but there have been no major changes since then. Aoyagi and Yamane (1992)³ also discussed the Kobe suburbs. However, there has been little discussion around the problem of property tax in provincial forests.

4. Policy Recommendations for Government and Local Authorities

5. Policy Recommendations

This paper does not take an agronomic perspective on topics such as the selective breeding of lumber. Also, it will not look at medical issues such as hay fever measures. To be sure, those topics are important, but first it is necessary to revitalize the current lumber market in Japan.

2 Forest Management Association of Japan "Rinkeikyo Monthly" (486), 39-44, 2002-03□

3 Aoyagi Midori, Yamane Masanobu, "On the Precedent of the Forestry Preservation Policy's Loan for Use in Suburbs." Journal of the Japanese Institute of Landscape Architects 55(5), 343-348, 1992-03-31

The demand for lumber continues to decline. The Great Hanshin Earthquake revealed the weakness of wooden homes, resulting in lightweight steel and reinforced concrete structures becoming the mainstream. But there is a tranquility in wooden homes. This is something that cannot be understood from only the promotional materials for wooden homes. But to protect the forests, it is necessary to plant saplings and periodically thin after 10, 20 and 30 years. With the current state of the forestry industry this expense cannot be met. Lumber from thinning was previously used for utility poles, scaffolding, disposable chopsticks and bento boxes, but has been replaced by concrete, steel and plastics. The forestry industry cannot deal with this problem through their efforts alone. There is also the problem of illegal logging through the influx of foreign lumber. However, if there is a total import ban on foreign materials, demand will decrease further, spurring the transition to other building materials. Thus, it is necessary to adjust tariffs to bring levels equal to domestic lumber. This runs contrary to the age of free trade, but is an important issue when considered from the perspective of the absorption of CO2 and environmental protection. Forests near city centers where many people live and use automobiles are especially important. For example, the forests in the Kinki Area and around Tokyo are particularly important. But the current tax system is too harsh. An environmental tax is being considered to protect the forests, but it is not clear how this will be used. Currently, there are a number of grants available, but property taxes are being collected as a portion of local taxes. For the forestry industry, graduated taxation on income tax is avoided by split taxation, but forestry companies are still burdened with property tax. The forests are important for absorbing CO2 and preventing global warming. Individual private forests that make no profit are nonetheless being taxed. I think it would be appropriate to levy a tax if the forested land were sold at a high price. But property taxes for forests should be abolished. Even with the collapse of the forestry industry, forests continue to absorb CO2. Again, in the example of southern Wakayama Prefecture, the scenery of the world cultural heritage Kumano Kodo is protected by private forest owners, and yet they are being taxed. It's as if there are vested interests in local governments.

6. Forestry Labor Issues

As mentioned above, with the development of roads, it is not necessary for forestry workers to live in mountain

villages, as they did in the Showa Period. With the establishment of a road network, it is possible to commute from regional city centers. Even outside of the example of southern Wakayama, such as in Ukyo Ward of northern Kyoto Prefecture, famous for its northern mountain cedar, it is possible to commute back and forth to forestry sites. Also, with the advance of mechanization, hard labor forestry work is decreasing. There are still forestry associations, and it would be beneficial to center organization work around them.

7. Development for Demand

Even now, new demand is being developed for biomass power generation and engineered wood, but this demand is still insufficient. In Kyushu, wood growth is fast due to volcanic ash, and high-quality Japanese lumber is being exported to Korea and China, but this, too, is limited. In the area of agriculture, there are fields collapsing because of free trade, but there are also fields succeeding because of exportation. High quality lumber is being marketed as brand lumber, and overseas markets should be sought.

8. Summary

The forestry industry is in danger of collapse, and yet forest conservation is a serious environmental problem. It is unsuitable to only place the burden on private forest owners. Protecting forests is a problem shared by the nation. We have long discussed the problems concerning the environment, but there is still no concept of preserving forests. If the purpose of use for the land were changed to something other than forest, then collecting property tax is appropriate. But the current system of levying property taxes on forested land is contrary to environmental protection. Much of Japan is mountainous, and to revitalize regions, it is necessary to stimulate the forestry industry. This is considered the trump card of regional creation. This paper only touches on the definition of the problem and the tax system, but the author plans to continue working towards innovation and the development of new forestry markets.

Environmental issues are important global challenges, and thus the property tax system needs to be reevaluated.

Status and Characteristics of Tourism Development of Olle Road in Jeju Island

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Abstract

This study aims to investigate the current status and characteristics of tourism development of Olle road in Jeju Island. In order to achieve this purpose, an investigation of the relevant literature and an interview with officials of Aggregate Corporation Jeju Olle," the organization that manages and operates Olle road, were conducted.

The results showed that Olle road is not artificial and that it enables tourists to enjoy the eco-friendly development method and the history, culture and nature of Jeju. In addition, it was also found that the local community, volunteer organizations, users of Olle road and corporations support the maintenance and management for routes of Olle road and that Jeju Olle, a nonprofit organization, is their leader. Moreover, local residents were voluntarily participating in the development of routes of Olle road and the guidance of routes. Olle road's tourism development method is consequently contributing to revitalization of the local economy.

Keywords: *Olle road, tourism development, characteristics*

Introduction

Recently, a walking tour is receiving attention in Korea and especially, the Olle trail in Jeju Island, where a lot of tourists visit is considered as a successful case. Also, diverse studies on a tourism to Olle Roads have been conducted. A noticeable thing is that many of tourism studies targeting Olle Roads, such as research on the boom of a walking tour to Jeju Olle Roads (Ogasawara and Nakajima, 2015), research on tourism motivations of Jeju Olle Road tourists (Park and Hyun, 2009), research on market segmentation depending on tourism motivations (Noh, 2011) and comparative research on satisfaction and eco-friendly behaviors (You and Seo, 2017) have been conducted mostly from the perspectives of Olle Road users. Although Olle Roads for tourism have been developed with their own different and distinctive structures, there is yet a shortage of research on tourism development of Olle Roads. Therefore, this study aims to analyze the present state of Olle Road tourism development and consider the characteristics.

Methods

For this study, data about Olle Roads and tourism were collected, and literature research and previous research were considered. Then a semi-structured interview with two officials of Jeju Olle Association, Inc. was performed

with regard to the present state of Olle Road tourism and development. The interview was conducted for nearly 3 hours on November 2nd 2016.

An Outline of Olle Roads and the Present State of Tourism

Ollegil was formed on Jeju on September 2007. Myeong Sook Seo, the President of Jeju Olle Corporation, found the association between walking and spiritual healing when walking on a pilgrimage in Santiago, Spain in early 2007. After she returned to Jeju, she developed the walking trails currently there. 'Olle' means 'an alley to go home' in the Jeju dialect and 'gil' from the modern Korean language is added to it (Im, Yoon and Lee, 2013).

There are total 26 courses of Olle Roads that have a length of 425.4 km. (Shin and Choi, 2017).

Since the first course was open on September 2007, visitors to Olle Roads increased quickly. In 2007, there were 3,000 visitors to Olle Roads and after a year, the number of visitors rapidly rose to 30,000. 250,000 people in 2009 and 787,708 people in 2010 visited Olle Roads and in 2011, over a million people visited Olle Roads. But since 2015, the number of visitors reduced due to the foot-and-mouth disease and bird flu and in 2017, about 643,000 visitors used Olle Roads (Jeju Olle Association, Inc. Data Center, 2007-2017).

With the development of Olle Roads, a visit of tourists is contributing not only to the tourism industry of Jeju but to the activation of regional economy.

The Present State of Olle Road Development and characteristics

Characteristics of Olle Road Course Development¹

The development of Olle Road courses has been led by voluntary participation of citizens focusing on a nonprofit incorporated association, Jeju Olle, not by the government. This means citizens and the local community have created roads in cooperation with each other, and Olle Roads reflect the intact history and culture of the region.

Also, there are some common principles for development of Olle Roads. One principle is to use eco-friendly methods, which don't damage nature and to avoid asphalt roads and artificial installations when creating new roads. For example, every Olle Road course has signs to show where to go. Among those signs, Ganse (Figure1) is made out of eco-friendly, special materials extracted from corns that are not harmful to the human body and environment, and when it was hard to install guideboards on the ground, they hanged blue and orange ribbons (Figure 2) on the trees to show directions.



Figure 1 Ganse and guideboard arrow marking

Source: Photographed by the author



Figure 2 Guide ribbon

Another principle is to develop roads for creating profits of the local community. Olle Road courses are designed to pass through not only natural roads like mountains and oceans but also traditional markets, accommodations and restaurants run by local people to activate regional economy.

Development of Olle Road Courses and Management

Led by Jeju Olle, Olle Roads are maintained and managed with supporting funds from local residents of Jeju, volunteer organizations, Olle Road users and finishers, individuals and companies. Corporate sponsors include individual members and corporate members, and corporate membership is divided into friend companies and special sponsors. Local residents and volunteers are participating in Olle Road course development and guide voluntarily.

Jeju Olle has also promoted the creation of local businesses by educating people inside and outside the region about the history, culture and nature of Jeju and connecting them with local companies.

In addition, Jeju Olle is developing designs of souvenirs and selling and running a café and a guesthouse.

This demonstrates that many companies and people inside and outside the region are putting efforts into developing and maintaining Olle Road courses in cooperation with Jeju Olle.

Conclusion

Olle Roads have been developed and managed through voluntary participation and sponsorship of communities and businesses inside and outside the region centering around a nonprofit incorporated association, not led by the government and large-scale capital investment-based tourism development policy.

There are few cases of voluntary participation of companies and citizens inside and outside the region in Olle Road development and management. This tourism development method is important for sustainable future tourism development. Furthermore, there would be a need to seek plans for continued maintenance of the current management system and to consider tasks of tourism development in future.

Acknowledgments

I would like to express a word of gratitude to the two officials of Jeju Olle that allowed me to have an interview with.

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- 1 The content of this part was written, based on the internal data of Jeju Olle Association, Inc. and interview with Jeju Olle Officials.

Media's Framing Effect in Cases Related to Social Issue

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Abstract

In 2011, a Korean athlete acquired Russian nationality and received Koreans' support as people regarded it a result of faction. They were indirectly supporting him as a form of criticizing endemic faction of Korea. Recently, a hotel employee lost the job after calling wife of Korean Air chairman, a "grandma". Since Korean Air was already being criticized, the incident was introduced by the media as another example of 'Gapgil', which is overusing one's power.

The two incidents are related to social issues that were endemic, and the media framed focusing on the issue rather than on specific details of the situation. However, they go beyond unilateral framing, and shows a bilateral interaction between society and media. Media's framing was effective because of pre-existing social context, and because media managed to timely detect interesting frame. Society and media continuously interact to change the effective and acceptable framing "tool".

Keywords: Media's Framing Effect, Social Issues and Public Opinion

Introduction

On June 17, 2011, Korean short track speed skating national athlete, Ahn Hyun Soo, acquired Russian nationality to play for Russian team. His choice was not well known among Koreans for two years and a half, until 2014 Sochi Olympics began. Ahn Hyun Soo, wearing Russian uniform, entered the Olympics as a Russian athlete. He won bronze medal in men's 1500m on February 10th, gold medal in men's 1000m on 15th, gold medal in men's 500m and men's 5000m relay on 21st. He won the most medals at the Olympics, presenting three gold medals and one bronze medal to Russia.

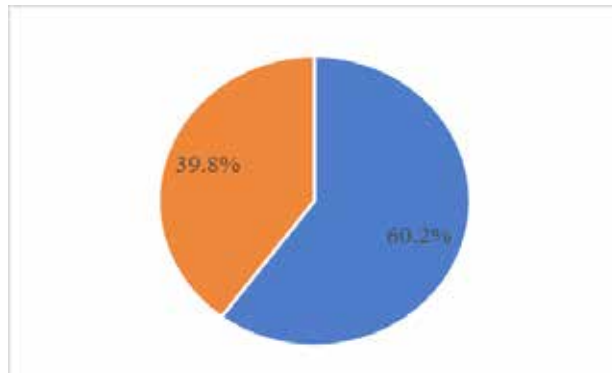
If a country's national athlete acquires another country's nationality and play for the other country, and when he wins over his original country at a world festival like winter Olympics, it is normal for the citizens of the original country to feel betrayed. He was one of the well-known athletes with huge fan base in Korea, and it was expected that Koreans will criticize him for betraying them. However, the public opinion supported his choice and wished for his well-being.

Body

Serious faction issue in Korean ice sports is publicly known between Korean citizens, even for those not interested in sports. It was especially well known that former Korea Skating Union vice-president, Juhn Myung Kyu was powerful, and athletes not in his favor lose a factional dispute and suffer disadvantage throughout career. Ahn Hyun Soo was originally supported by Juhn Myung Kyu since high school, but when he refused Juhn's offer to enter graduate school, he suffered Juhn's obstruction. It is assumed that Ahn experienced unfair treatment from Korea Skating Union in terms of treatment and chance to play in games. When Ahn won medals as a Russian athlete, the media once again focused on Ahn's father's interview at CBS Radio <Kim Hyun Jung's News Show> on January 15th, where his father mentioned Juhn Myung Kyu as part of the reason for him acquiring Russian nationality. On February 6, his father appeared on KBS <News Talk> and mentioned Korea Skating Union, triggering the media even more to frame Ahn's choice of acquiring Russian nationality in relation with faction within Korean ice sports. Therefore, the public approached Ahn's choice not as a personal issue but as an issue related to Korea Skating Union and their faction.

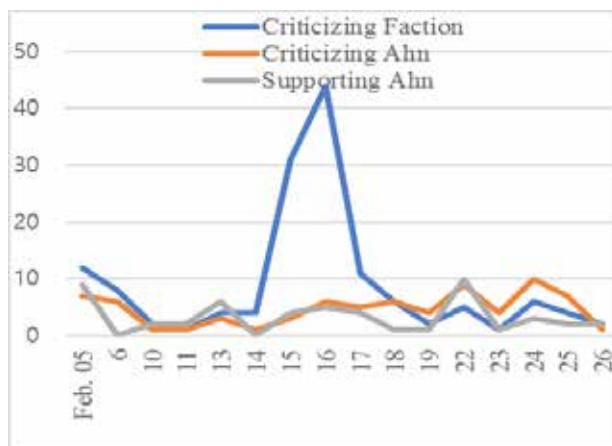


Graph 1. Popular Tweets Mentioning "Ahn Hyun Soo"



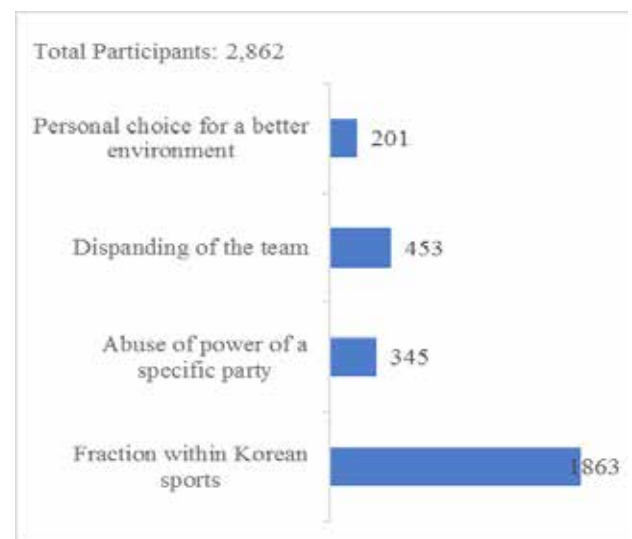
Graph 2. February Popular Tweets Mentioning "Ahn Hyun Soo"

Twitter is a social media specialized in sharing two to three lines of opinion. The first graph shows popular tweets mentioning "Ahn Hyun Soo" from February 2014 to November 2014. There is a notable increase in the number of tweets in February in the Olympics season, showing the public's attention towards Ahn in the specific month. (See Graph1) For a month in February, there were 299 popular tweets mentioning Ahn Hyun Soo, and 119 out of 299 also mentioned Korea Skating Union with Ahn. (See Graph2) This shows that about 40 percent of tweets grouped the two topics together.



Graph 3. Comments by Category

Graph above shows comments of JoongAng Daily, one of the main newspapers in Korea, from February 5 to 26. The comments are gathered from top 20 most commented articles of the day covering Ahn Hyun Soo and his choice to change his nationality. The comments are largely divided into three categories: 1) comments criticizing faction within Korean society or Korean ice sports, 2) comments criticizing Ahn for betraying his country, and 3) comments genuinely supporting Ahn's choice and his future career. Interestingly, the number of comments genuinely criticizing or supporting Ahn does not change drastically throughout the month. On the other hand, when Ahn won his first medal on February 15 and received a lot of attention from the media, the number of comments criticizing faction and related social issue temporarily surged. (See Graph3) It can be inferred that the number of personal fans or haters is comparatively fixed, but most of the people, or public, that focuses on Ahn after being exposed to media approaches Ahn's choice not as a personal problem but as part of a social problem. Hence, they are only indirectly supporting Ahn's change of nationality, regarding him as a scapegoat of faction. In other words, only a very few of his advocates genuinely support his choice, and most of them are respecting his choice as a way of criticizing faction.



Graph 4. Survey:

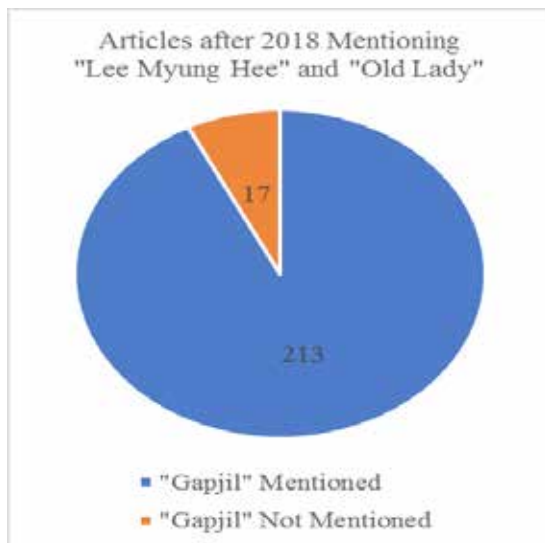
What is the Reason Behind Ahn's Choice?

A survey from February 16 to March 2, 2014, on Chosun Ilbo, another main newspaper of Korea, looked into people's opinion regarding the reason behind Ahn's choice. On February 22nd, Ahn hold his press conference and made an official announcement that although faction did exist, it was not the major reason behind his change in nationality. He added that his choice was to continue his sports career under better condition. Yet, among about 2,800 participants of the survey, only 7 percent thought it was a 'personal choice for a better environment', and 65

percent thought it was because of ‘faction within Korean sports’. (See Graph4) This shows that public opinion is resistant to change once formed through continuous media exposure. It is also notable that only 12 percent of the people thought it was a matter of a specific party’s, possibly Juhn Myung Kyu’s, abuse of power. Although Juhn was behind the faction within Korean sports, the public refuses to blame on a specific person and choose to approach from a macroscopic, social perspective.

On February 13, before Ahn mentioned that his choice was not because of faction, former president Park Geun Hye announced on Ministry of Culture, Sports and Tourism business reporting at Seoul Institution of the Arts that, “We should look back on irrationalities and structural problems of Korean sports such as faction.” Overheated criticism towards the issue relating with social problem caused such unusual response from the president. Also, as there has been continual public criticism against Korea Skating Union even after Ahn’s press conference, former KSU vice-president Juhn Myung Kyu resigned voluntarily on March 17.

The incident shows how public opinion towards a certain issue was formed through media’s framing effect. Media’s framing effect suggests that how something is presented to the audience influences the choices people make about how to process that information. Although Ahn personally announced that he changed his nationality for his future career rather than because of faction, the public approached from a perspective critical of faction that was previously formed through media. Hence, advocative public opinion towards Ahn was formed.



Graph 5. Articles after 2018 Mentioning “Lee Myung Hee” and “Old Lady”

Recently, there has been another incident that showed similar framing effect of media. On April 2018, it was

discovered that four years ago, a worker of Incheon Hyatt Hotel told an old female VIP customer at a garden on second floor, “Old lady, this is not a place for you.” and was fired the very day. Looking from various point of view, the worker showed an inappropriate attitude towards a VIP customer, judging only by the appearance. Nevertheless, firing on the very day may be considered an excessive punishment. It is possible to have different opinions on the incident, but the public opinion almost unanimously criticized the customer who engaged in firing the worker. The customer was Lee Myung Hee, wife of Korean Air chairman. As Korean Air family’s ‘Gapjil’, which is overusing one’s power, was already introduced repeatedly by the media starting with heiress’s ‘water rage’, Lee’s incident was also introduced by the media as another example of their Gapjil. Among 230 articles written in 2018 mentioning “Lee Myung Hee” and “old lady”, 213 articles also mentioned “Gapjil”. (See Graph5) Consequently, the public opinion was formed not solely based on the specific situation, but based on the party’s former events related to Gapjil. The public opinion was once again criticizing Lee Myung Hee, apart from right and wrong of the specific situation, but as a part of criticizing Gapjil.

Conclusion

The two incidents are both examples of media’s framing effect, how media frames an issue in relation to another topic, and public opinion is formed based on the frame. Yet, we should focus on the fact that this media effect was effective only because there was a pre-existing public criticism towards the related social issue. Faction and Gapjil was an endemic social problem of Korea, and the media approached focusing on the social issue, which is why the public sympathized and was affected by the frame. Hence, the two cases mentioned above goes beyond unilateral framing, and shows a bilateral interaction between society and media. When the society is already focusing on a topic, media uses the topic to frame an incident for greater attention from the public. In other words, media’s framing was effective mainly because of pre-existing social context, and because media managed to timely detect interesting frame. In such way, society and media continuously interact to change the effective and acceptable media framing “tool”.

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Quadratic Effects of Hedonism and Uniqueness on Global Luxury brand Purchase

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Abstract

As literature on luxury branding research is very much limited, this paper reports the first attempt to examine the quadratic effects of hedonism and uniqueness on global luxury brand purchase (GLBP). Adopting the systematic sampling technique, a survey with a sample of 801 luxury Chinese consumers are drawn in Hong Kong. The sample consists of 438 Mainland Chinese luxury consumers who came to Hong Kong for shopping and 363 local Hong Kong luxury consumers. Shopping mall intercept personal interviews with structured questionnaires were conducted in the busiest shopping areas in Hong Kong where Mainland tourists like to visit for luxury brands.

Findings of the data analysis reveal that a positive quadratic effect of the uniqueness orientation between uniqueness orientation and GLBP is exponential. On the other hand, the negative correlation between hedonism orientation and GLBP suggests that for low values of hedonism orientation, the correlation might be positive, but for high values of hedonism orientation it becomes negative. Finally, the implications of the findings are discussed with limitations of the study.

Keywords: luxury brand, consumption, purchase, China, Hong Kong, hedonism, uniqueness, quadratic effects.

Introduction

Luxury consumption has long been an important component of the economy and has evoked a great deal of interest among marketing scholars. Despite a large body of research on luxury consumption, most of the studies have been conducted in Western developed countries (Dubois & Duquesne, 1993; Dubois & Laurent, 1994; Vigneron & Johnson, 2004). However, China is becoming an attractive market for luxury brands (Wong & Ahuvia, 1998) and a growing number of research scholars have developed interest in understanding luxury consumption in this market. The concept of luxury consumption has extended from providing functional utilities to providing social esteem and prestige to luxury consumers. Extant literature has widely discussed luxury consumption from different perspectives: (1) Economic perspectives; (2) Sociological perspectives; (3) Psychological perspectives; and (4) Measurement and typology perspectives. Although it is argued that four important luxury orientations: face, uniqueness, hedonism and investment are most influential in the luxury purchase of Chinese consumers (So and

Yau, 2017), uniqueness and hedonism do not have a linear relationship in their impacts on the luxury consumption in China market. Hence, the aim of this paper is to explore the non-linear consumption effects of the luxury orientations of both uniqueness and hedonism in China.

Modelling Hedonism and Uniqueness with Global Brand Purchase

Hedonism

Hedonism is a motivation to meet inner thoughts and feelings, pleasure and excitement. Hirschman and Holbrook (1982) define hedonic consumption as “consumers’ multisensory images, fantasies and emotional arousal in using products.” Multisensory means the experiences received from multiple sensory systems: taste, touch, smell and visual. These sensory systems are emotional as well as mechanical in that they are affected by personal preferences. People who rely on their inner preferences and are not susceptible to interpersonal influences, for example, role-relaxed consumers or inner-directed consumers, are more likely to have hedonic

motivation (Vigneron and Johnson, 2004). Aesthetic appeal, sensory gratification and intrinsic enjoyment represent forms of hedonic experience (Rossiter and Percy, 1987; Horiuchi, 1984; Richins, 1994; Wong and Ahuvia, 1998; Dubois and Paternault, 1997; Vigneron and Johnson, 1999).

Luxury researchers have found that luxury goods are used more for hedonic purposes while necessities are used to meet utilitarian purposes (Khan et al, 2004; Dubois et al, 2001; Kivetz & Simonson 2002a, b; Strahilevitz & Myers 1998). Dubois & Laurent (1996) suggested that there is an increasing number of consumers who purchase luxury goods primarily to gratify themselves rather than to impress others. This tendency is more obvious among individuals with high personal orientation (Vigneron & Johnson, 1999). For consumers in developing countries, Batra et al. (2000) examined the extent to which the impact of a non-local country of origin is affected by a consumer's admiration of lifestyles in economically developed countries. They suggested that these consumers admire lifestyles of western developed countries. In other words, consumers enjoy the feeling of being associated with the western lifestyle which gives them the unique self-identity, and finally might affect their consumption orientation.

It is argued that hedonism does not have a positive effect on luxury purchases (Wiedmann, Hennigs and Siebels, 2009). The Introvert Hedonists segment is the smallest group among Materialists, Rational Functionalists and Extravagant Prestige seekers. Introvert hedonists are less likely than such other consumers to be enthusiastic about luxury goods. This signals a weak correlation between Hedonism and luxury brand purchases of the Chinese.

Further, it is pointed out that independent construal of the self is dominant in Western cultures while the interdependent construal of the self is commonly found in Southeast Asian cultures (Wong and Ahuvia, 1998). In Southeast Asian Confucian traditions, conformity to the group is seen in a more positive light (Yang, 1963). Therefore, it seems that Western consumers assign greater importance to hedonic experience while Southeast Asian consumers place more emphasis upon publicly visible possessions. In other words, Asians place more importance on the symbolic value especially when they are consuming luxury products in public (Wong and Ahuvia, 1998).

Another study by Monkhouse, Barnes and Stephan (2012) discovered that face saving serves as a dominant predictor of luxury consumption and face conscious consumers have low levels of hedonism. Hedonism orientation is not a strong predictor of luxury consumption among Asian consumers. Further, Monkhouse et al.(2012) suggested that marketers should steer away from featuring any forms of “self-indulgence” in creative advertising.

This concept was further endorsed by Shukla (2012) who provides empirical evidence that personal pleasure seeking and the symbolic benefits relating to hedonism are important to consumers in western developed markets, but not in eastern emerging markets. These findings relating to materialism contradict Sharma (2010) who suggested the increasing role played by materialism in emerging markets.

Overall speaking, Asian consumers are less likely to be influenced by a hedonism orientation in luxury brand purchases. Hence, it is expected that the hedonic orientation is not positively related to global luxury brands.

Uniqueness

Kumagai and Nagasawa (2015) examined the determinants of consumer attitudes toward luxury brands in Japan and China and suggested that perceived rarity does not always have a positive impact on consumers' attitude towards luxury brands, which supports Kapferer's (2012) view. In other words, these arguments indicate that rarity is not always positively related to luxury brand purchase nor are they in a linear relationship.

In recent years, luxury brands have been actually selling symbolic and magic power to the masses and are not just restricted to the wealthy upper class. Particularly in the Chinese market, high luxury brand awareness among the masses (non-buyers) is important for luxury buyers to feel superior and for gaining face and status by possessing luxury brands. There exists a cultural gap between Asia and the West where Asian consumers feel safer buying prestigious Western brands with which individuals around them are familiar. Therefore, simply remaining unique and scarce may not be the effective strategy for luxury brands, while awareness among the non-target consumers and perceived rarity are effective strategies for luxury consumption.

Modern Chinese consumers are now more aware of different niche and uncommon luxury brands; ninety percent of modern Chinese women bought niche luxury brands on their last trip abroad (Red Luxury 2015). They use these items as a way to reflect their personality and express their individuality. These trendsetters are very fashion-forward, young and knowledgeable. These consumers usually spend on unique, limited editions and curated pieces from popular luxury brands as well as less famous products (Red Luxury 2015). This highlights the preference of Chinese consumers on luxury brands with unique characteristics, particularly global brands as they are less common in the local market.

A study conducted in Korea by Park, Rabolt and Jeon (2008) demonstrated that the need for uniqueness is positively related to purchasing intentions toward global brands. The recent influx of global brands in the Korean

market reflects the high demand of global brands among the consumers who are seeking the scarcity value to differentiate themselves in a rather uniform society. The report indicated that young Korean consumers' uniqueness is often expressed through expensive foreign brands with scarcity value, i.e. brands globally well recognized. These brands help visibly demonstrate self-images and social status. In the same token, Chinese consumers with high need for uniqueness tend to have higher preference for global luxury brands as these brands are rare, more expensive and fewer people can afford to buy them. Uniqueness orientation, therefore, is expected to be impactful for global brand purchases among Chinese consumers.

Methodology

This section is divided into two parts: qualitative and quantitative studies. The first part consists of some pilot studies which were conducted before the main survey. The second part is related to the survey research design which includes the sampling frame and questionnaire design.

Pilot Studies

In order to explore insights on the luxury market from practitioners' point of view, three in-depth interviews with luxury jewellers are conducted in Hong Kong. The three luxury retail brands are: Cartier, Chow Sang Sang (CSS) and the third one is CSS's young and modern line, Emphasis. Since majority of the luxury business in Hong Kong are relying on the Mainland shoppers, Hong Kong marketers can give a very useful picture for understanding the behaviour and consumption values of Mainland and Hong Kong Chinese shoppers.

In addition, in-depth interviews were also conducted among consumers. The sample composes of a total of 14 respondents, 7 from mainland China and 7 from Hong Kong. All females aged from 23 to 50. Respondents are classified into "experience" and "occasional" luxury buyers. 4 experienced and 3 occasional buyers are identified in the group of mainland consumers, and the same for Hong Kong.

Consistent with the past literature of luxury consumption (Vigneron and Johnson 1999, 2004; Berry 1994; Dittmar 1994; Corneo and Jeanne 1997; O'Cass and Frost 2002), regarding the motives for consuming luxury brands, many Chinese interviewees care about the importance of "buying to impress others" or the interpersonal influence, particularly the Mainland Chinese interviewees. To conclude, the two groups of Chinese luxury buyers are not behaving exactly the same although both are them are influenced by Chinese culture. It can be observed that luxury consumption is growing rapidly in China, but in the meantime, the complex underlying motivation of

luxury consumption is a growing important marketing issue for understanding this huge segment.

Survey Research Design

To explore the Chinese luxury consumption motives, this research study adopted two scales: hedonism orientation and uniqueness orientation as motives to luxury brand consumption among the Mainland Chinese and Hong Kong Chinese.

Population In this study, the population is defined as Chinese consumers who tend to consume luxury products. To draw a sample, the sample framework is defined as the Chinese luxury consumers in Hong Kong and Mainland China. In order to select Chinese luxury consumers in Hong Kong, according to the sampling frame, a sample which consists of Mainland Chinese female luxury consumers who come to Hong Kong for shopping, and local Hong Kong luxury consumers were drawn. Maddux (2009), people are more persistent to do sales planning and presentation, and self-efficacy displays people's competency and their belief in task-oriented undertakings.

Questionnaire Design A questionnaire was designed as a result of the qualitative work mentioned above. Results of the literature review and in-depth interviews with practitioners and luxury consumers have led us to adapt two inventories of the Hedonism Orientation and Uniqueness Orientation scales. Respondents were asked to rate these statement using a 6-point Likert scale, ranging from strongly disagree (1) to strongly agree (6).

The subjective measures of the Scale for the two scales may introduce the risk of common method variance. This is the reason why various measurement scales were used in the questionnaire as a precaution (Podsakoff, MacKenzie and Lee, 2003; Malhotra, Kim and Patil, 2006). We also examined the proposition of single-factor phenomena in the exploratory factor analysis of the two scales, which was found not supported (Harman, 1976). Thus, this risk of common method variance is less problematic for us.

The whole questionnaire, administered in Chinese, was back-translated to ensure that the meanings of all items in the Chinese version were the same as in the original English version.

Data Collection for the Survey

Shopping mall intercept personal interviews with structured questionnaires were conducted in the busy shopping areas in Hong Kong where Mainland tourists like to visit. Systematic sampling method was used to select respondents in the five major shopping districts in Hong Kong. During the time of our fieldwork, Hong Kong was the most popular shopping location for the Mainland shoppers. Although Hong Kong is still one of the most popular shopping cities, the appetite of the Mainland

Chinese consumers is declining due to the political and economic reasons. The questionnaire interviews were taken place in front of the most popular high end luxury brand boutiques where usually a long line of shoppers are waiting outside the stores for the chance to get in. These shops are: Louis Vuitton, Chanel, Cartier, Gucci etc. There is a huge amount of Mainland shoppers flooding in Hong Kong to shop every day, therefore with the heavy traffic of visitors the average waiting time for shoppers is around 30 minutes which is long enough for our interviews (15 to 20 minutes) to be successfully completed. The Total sample size is 801, with 363 Hong Kong females and 438 Mainland females.

Data Analysis

Profile of Responding Consumers

To understand who the respondents are, Table 1 provides findings of their characteristics as indicated on the questionnaire. As nationality type is concerned, almost half of the sample (53.4%) are consumers from mainland China and the other half belong to private enterprises (44.3%) (see Table 1).

<<Insert Table 1 here>>

With respect to gender, Table 1 indicates that female contributes about 85% of the sample whereas male 13.7%. While the sample was divided into two groups: Hong Kong respondents and Mainland China respondents, Male in Hong Kong contributes a higher percentage (16.7%) as

Classification Variable n		China N=438 (54.68%)		Hong Kong N= 363 (45.32%)	
		%	n	%	
Gender	Male	73	16.67	39	10.74
	Female	365	83.33	324	89.26
	Total	438	100	363	100
Age	20 or below	14	3.20	13	3.58
	21-30	132	30.14	136	37.47
	31-40	146	33.33	122	33.61
	41-50	106	24.20	75	20.66
	51 or above	40	9.13	17	4.68
	Total	438	100	363	100

Table 1. Profile of Respondents (Gender and Age)

Table 2: Profile of Respondents (Monthly Personal Income)

Categories	China		Hong Kong	
	n	%	n	%
RMB10000 or below	200	45.66	117	32.23
RMB10001-25000	97	22.15	117	32.23
RMB25001-40000	73	16.67	72	19.83
RMB40001-55000	27	6.16	30	8.26
RMB40001-55000	23	5.25	16	4.41
RMB55001-70000	6	1.37	8	2.20
Total	426	97.26	360	99.17

Compared to that of Mainland China (10.74) (see Table 1). Table 1 shows the age distribution of both Mainland China and Hong Kong samples that both samples are similar and with majority of the respondents fall into the categories of adult age 21 to 40 (Mainland: 64.47%, Hong Kong: 71.08%) which represents the group of consumers who have strong purchasing power. As for the education level, the Hong Kong sample is slightly more educated than the Mainland sample with more people from Mainland have just received primary education or below (Mainland: 9.36%, Hong Kong: 1.38%) while more Hong Kong respondents comparing with the Mainland respondents to have received tertiary education and post-graduate education (Mainland: 55.93%, Hong Kong: 69.98%). Overall speaking, both samples represent a group of respondents who are relatively well educated and in the meantime in the age bracket of high power of purchase.

Reliabilities of the scales for Hedonism Orientation and Uniqueness Orientation

Adapted from, Zhou & Su (2003) and opinions from the in-depth interviews, the Scale for Hedonism Orientation (hereafter labelled as HO) consists of five items as shown in Table 3. It has a Cronbach Alpha Coefficient of 0.857. Similarly, the reliability coefficient of the Scale for Uniqueness Orientation (hereafter as UO), which was made of seven items was found to be 0.834 (see Table 4). Both coefficients were considered as reliable as they are larger 0.7. As such, we proceed to examine their effects on global brand purchase.

<<Insert Table 3 here>>

<<Insert Table 4 here>>

Table 3. Items of the Scale for Hedonism Orientation

15. People buy luxury goods to feel that wearing them makes them feel different
16. People buy luxury goods to feel special
17. People buy luxury goods to feel different from others.
18. People buy luxury goods to be among a few prestigious people that own such products
19. People buy luxury goods to make themselves stand out
20. People buy luxury goods that are not mass-produced
21. People buy luxury goods because they are exclusive

Table 4 Items of the Scale for Uniqueness orientation

27. People buy luxury goods to make themselves dream
28. People buy luxury goods for a feeling of fulfillment
29. People buy luxury goods for their self-indulgence
30. People buy luxury goods for their own pleasure
31. People buy luxury goods to bring joy

Quadratic effects on global brand purchase (GBP)	Path coefficient	t-statistic	P-value
Uniqueness Square → GBP	0.098	3.30	0.00**
Hedonism Square → GBP	-0.052	1.619	0.05**

Table 5. Quadratic Effects of Uniqueness and Hedonism Orientations on Global Brand Purchase

Table 5 and Figures 1 and 2 show a nonlinear relationship or quadratic effect between two orientations (uniqueness and hedonism) and global luxury brand purchase respectively. Previous studies (Cadogan et al, 2009; Sorensen and Madsen, 2012; Lengler et al, 2013) have examined quadratic effects of marketing orientation on business performance. As most firms have budget constraints, they often need to prioritize their investments and exercise discretion in spending their resources (Codogan et al., 2009). The significance of quadratic terms in this research signals that the relation is non-linear. A positive quadratic effect of the uniqueness orientation suggests that the relationship between uniqueness orientation and GBP is exponential. On the other hand, the negative correlation between hedonism orientation and global luxury brand purchases suggests that for low values of hedonism orientation, the correlation might be positive, but for high values of hedonism orientation it becomes negative.

motivation is the drive of a person to be their own boss or to work independently (Taormina & Lao, 2007).

Figure 1. Quadratic Effect of Hedonism Orientation on Global Brand Purchase.

Figure 2. Quadratic Effect of Uniqueness Orientation on Global Brand Purchase.

For HO, Figure 8 shows that different levels of hedonism generate different levels of effects on global luxury purchases. There is a negative quadratic effect of HO on global luxury brand purchases (p -value < 0.05 and path coefficient = - 0.052). The higher the degree of HO is, the less are the global brands purchases. The graph in Figure 8 shows a declining slope at a decreasing rate, indicating the degree of decline in GLBP is not in equal proportion as the hedonism orientation increases. Hence, the negative quadratic effect of HO on GLBP creates a concave curve.

As indicated in Figure 8, HO can be classified into low levels (from points A to B) and high levels (from points B to C). Low level HO consumers tend to purchase more global luxury brands than high level hedonism oriented consumers. The most important implication for marketers is that high hedonism oriented consumers do not care too much about buying global luxury brands and purchasing behaviour is declining, but the rate of decline is slowing down. Hence, marketers of global luxury brands need to focus on low level hedonistic consumers.

In contrast, there is a positive quadratic effect between the UO and global luxury brand purchases (p -value < 0.01). This effect has a convex curve (see Figure 2).

The consumer implication is that the more uniqueness oriented the consumers are the more global luxury brands they purchase. Figure 9 demonstrates that the uniqueness oriented consumers' global luxury brand purchases curve is increasing more rapidly after point B. As such, the curve before point B can be considered as low level uniqueness while after point B, it is high level of UO. Consumers who are at a high level of UO speed up purchases of GLB compared with lower level of UO consumers.

Although many earlier studies have already mentioned the effect of uniqueness, none have examined the effects caused by different levels of uniqueness. In this study, the most important implication is that the high uniqueness group (HUG) tends to be more positive about purchase of global brands. This explains that low level uniqueness oriented Chinese consumers tend not to have high level of purchases for global luxury brands. Only those who are high in uniqueness orientation tend to buy global luxury brands in an increasing trend, i.e. the more uniqueness oriented the consumers are the more they buy global luxury brands. In other words, consumers in LUG do not have a strong need to differentiate themselves from others, and may perceive themselves as ordinary consumers.

As discussed in earlier Chinese cultural value studies (Yau, 1988; Hofstede, 1980), Chinese consumers are group oriented and tend to be more brand loyal than their counterparts in the west. They endeavor to conform to group norms and therefore tend to purchase the same brand other members of the group recommend. In other words,

Limitations and Directions for Future Research

This study is not without its limitations. Perhaps the key finding of this research study is that among the Chinese luxury consumers examined, consumers with high face orientation tend to have strong positive attitudes toward purchasing both global and local brands. This finding suggests the need for future research on the phenomenon of global brands, including work to clarify the meaning and measurement of this construct. Future research also needs to examine how the perceptions of global image are formed through marketing communication strategies.

As this research concentrates on Chinese luxury shoppers in Hong Kong, the sample is limited. Only luxury shoppers waiting in the line outside luxury brand stores were interviewed. Therefore, the attitude measured is mainly focused on luxury shoppers who already have intention to purchase luxury brands. The results might be emphasized the behavior and attitudes of Chinese consumers as a whole. Future work is needed on non-shoppers to analyze perceptions of luxury brands so that comparisons can be drawn between shoppers and non-shoppers. The non-buyers might have very different opinions on luxury brands which are worth exploring. However, in fact, it would be quite difficult to find these samples nowadays as no longer so many Chinese visitors in Hong Kong due to economic and other reasons, such as the anti-corruption campaign. The long queues waiting outside luxury brand shops have disappeared in recent years. Therefore, the sample and information collected in this study are actually very valuable because there are no longer long lines of waiting shoppers outside shops now. It is suggested that future fieldworks can consider co-operating with local and global brands to conduct survey on their sites or in-store to examine loyal customers' attitude toward buying their brands.

In addition, attitudes and behavior of luxury consumption of different Chinese communities may not be identical due to their different experiences and exposure. The Chinese might perceive luxury very differently from their counterparts in the US or Taiwan. In order to avoid over generalization, future research is needed to understand different Chinese consumers' attitudes from different

countries by extending the sample to other Chinese societies, including Taiwan, Singapore and other overseas Chinese communities (US, Canada, Australia, UK).

This study focused on only one culture, i.e. a Chinese consumer sample. As a developing country, Chinese consumers tend to prefer luxury brands to demonstrate their social status. Therefore, global brands are highly preferred by this group of consumers. However, it would also be interesting to examine the attitudes and behavior of consumers in developed countries to measure the differences. From a cultural perspective, future studies can attempt to explore the differences between collectivistic and individualistic cultures on the degree of luxury preferences on global versus local brands.

The current research is based on one single product category i.e. jewellery brands, which might limit its generalizability to other luxury products. Further studies may explore the phenomenon of luxury orientation with different product categories in different countries. Also, it is worth studying the development of Chinese consumers in terms of their preferences over the years as they open up to the western culture. Hence, in the future, there is a need for a longitudinal study to measure changes in luxury orientations of Chinese consumers.

This is the first research of this kind, and hopefully the scale and its underlying dimensions will be useful to managers who are or will be marketing luxury products or services in Chinese societies, as well as for researchers who conduct studies in relation to Chinese consumers of luxury products. In addition to face orientation, this study contributes to the knowledge of important luxury orientations for Chinese consumers by successfully developing a comprehensive model of uniqueness and hedonism orientations and actual purchases. Some managerial implications which were derived from the relationship between the variables and actual purchase behavior could prove valuable in helping managers develop effective marketing strategies in the China market.

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Tourist Behaviour: A Literature Review

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Introduction

It is being observed a high growth in tourism creating socio-economic progress. Tourism is competing with the number of businesses and surpassing them with generation of income to the country.

The personality of individuals depends on social, economic and up to certain extent to changes in technology also. The behavior of an individual and role of personality are inter dependent. Some people like to travel with family, some without family, some in group of friends and some in the groups of colleagues. However it is always interesting to know about whether surroundings affect the behavior? It is also necessary to understand the relationship between behavior of an individual and mode of travel used by tourist. In ancient India the mode of travel was mostly pedestrians, bull cart only. After wheel transport, steam engine and the air transportation has become the means of transportation.

Now it is a great difficult decision on to choose the mode of travel if available all. It will depend on the economic condition of the tourist also, however if we assume that tourist can afford all (Road/ Rail/AIR) , If we keep rest of the factors constant like time etc., which mode will be best suitable for him he should know. Normally the tourist prefer convenience of boarding and lodging facility. In current technology scenario many online resources website are helping to decide lodging facility like in India OYO rooms, goibibo and other agencies in India. etc. The facilities of staying in India are huge and in various dimensions, basically covering all economic sectors. In India young generation is normally double income group as a result earning capacity of one family has almost become doubled. The technology assistance in India has increased a lot, however it is also to be seen what percentage of population take help of technology. (Gupta,2011). The wireless technology (Mobile) has

assisted a lot for tourism in India. Safety of an individual is also covered up to certain extent with the help of technology. The parents are in direct connect with children if they are out of station and help them to relax. The technology also helped to decide the best mode of transportation, in one place of website one can identify and compare the best mode of transportation. More easy way of travel make more comfortable and leisure travel for a tourist.

The tourism infra structure is a major factor to affect mood of an individual. It has become easier for travel as ministry of tourism also improved the infrastructure. Transportation especially hilly areas required to be safer as compared to travel in plane areas. A high expenditure may be between 40-50% goes for transportation cost. Can the mode of transportation be based on solar energy or any other alternative source of energy? The minimization of cost of transportation will not only increase the tourist number but also enhances the pleasure and happiness of tourist (Roday et.al. 2009).

Literature Review

It has been a major topic for decades under academic scrutiny in tourism research literature.

Tourism is a central part of understanding the social organization of destination and is no longer simply a specialist consumer product or mode of tourist consumption (Inglis, 2000; Framke, 2002). In other words, tourism is not only about supply and demand but also relates to the behavior of tourists.

International tourist arrivals continued their upward trajectory in their seventh straight year of above-average growth despite many challenges, reaching 1.2 billion in 2016. With growth comes responsibility and the tourism sector can and is firmly committed to play its part in the new Sustainable Development Agenda.

TABLE1

S.n.	Title	Author	Objective	Methodology	Finding
1.	Approaches to seniors' tourist behavior (2014)	1.Karina Nielsen	To identify main approaches to seniors' tourist behavior	Approaches: 1. Life cycle theory and Generational theory	1.Age affects the behaviour. 2. Four approaches, that reflect intertwining characteristics of seniors' tourist behavior, are found: analysis of constraints, comparative analysis, analysis of heterogeneity and temporal analysis.
2.	Does Nationality Affect Tourist Behavior? (1995)	1.Abraham Pizam 2.Silvia Sussmann	To explore the explanator-y value of nationality regarding tourist behavior.	Data Collection: 1.Questionnaire (289 respondents 252 questionnaires) Dimensions 1.Social Interaction Factor 2.Commercial Transactions factor 3.Activities Preferences Factor 4.Bargaining Factor 5.Knowledge of Destination Factor Statistical Analyses: 1.factor analysis 2.One-way analysis of variance.	1.90% (18/20) of the researched behavioral characteristics, the guide respondents perceived a "significant difference" between the four nationalities. 2.20% variation in social interaction factor
3.	A study of gender differences: young tourist behavior in a UK coastal resort(2000)	1. Anmin Huang 2. Honggen Xiao	To find gendered differences, in terms of leisure activities of young tourists.	Data Collection: 1.Questionnaire (face to face application 200 tourists) Statistical Analysis: Kolmogorov-Smirnov (K-S) tests.	1.No gender differences. 2.Spending leisure time on beach-oriented resort.
4.	The Tourist Behavior in Different Environments: A Literature Review (2017)	1.Asra Zaliza Asbollah, 2.Norhaslina Hassan, 3.Safiah @ Yusmah Muhammad Yusoff, 4.Hanizah Idris4	To identifying and examining the elements of tourist attractions, tourist preferences, the values which characterize the tourism demand and their relationship to the environment.	Literature Review: 1.Formation of Travel Motivation 2.The Formation of Travel Motivation and Travel Actions 3.Tourist Behavior Model	1.There is the variation of tourist behavior, especially their perceptions, expectations, experiences and motivation, depending on the characteristics of the environment.

5.	Changchun: case study(2000)	1.Anmin Huang 2.Honggen Xiao	Leisure based tourist preference.	Data Collection: 1.Postage-Paid Mail Survey 2.Field Survey (Sample 720) Data Processing: 1.Computer-Aided Formula.	1.Key attraction are not known. 2.Issues of customer dissatisfaction with destination management and marketing
6.	Impact of Spiritual Marketing on Different Segments of Tourists and Their Evaluation of the Site (2014)	1.Rachin Suri 2.Jitender Rao	to know the major motivating factors for tourist visit.	Data Collection: 1.Primary (Questionnaire) 200 questionnaires distributed and 130 respondents' data was collected Factors 1.Good Experience earlier 2.Belief 3.Inner peace 4.Family/Friends suggestion 5.Advertisements 6.Marketing promotion	1.There is no significant difference in experience of respondent at spiritual destination based on their occupation.
7.	Health tourism contribution to the structural dynamics of the territorial systems with tourism functionality (2016)	1.Cristian Constantin Drăghicia*, 2.Daniel Diaconua, 3.Camelia Teodorescu, 4.Radu-Daniel Pintilii, 5. Ana-Maria Ciobotaru	To identify the role of health tourism (SPA) in developing the territorial systems, characterized by the tourism functionality, in Romania, for the period 2000-2012, a period marked by spectacular transformations, especially for this economic sector.	1.Four basic indicators (number of companies, turnover, profit and number of employees), 2.R Software	1.Evident economic benefits at the level of the local economies. 2.The results show the important role of health tourism in generating multiplier effects on other components of the economic subsystem.

Several retrieval strategies were used to identify relevant published and unpublished studies. First, we carried out a computer search of 140 research papers related to tourism behavior from Scopus, the largest database of peer-reviewed literature. We searched for all published research papers. Second, we carried out a computer search of highest cited research paper from Scopus. Finally, we examined the 8-research paper related to tourist behavior which can explain significant factors that affect tourist behavior.

Discussion

On the basis of Table 1 the factors affection Tourist behavior are

1. Nationality: There was significant perceived differences in behavioral characteristics between the four nationalities.

Tour guides perceived the Japanese to be the most unique among the four, and the Italians as the most like others. A pair-comparison found the Italians and French to be perceived as the most like each other. The least similar were perceived to be the French-American pair. (Abraham Pizam, Silvia Sussmann (1995))

In the country like India it has been observed that internationally medico tourism is increasing. Simultaneously within country spiritual tourism is highly common. The Indian Tourist prefer to combine tourism with any other objectives like social connection with relatives or Worship of God or even after marriage immediate married couple will connect with visit to family god or to take blessings of the elders. The factors affecting the behavior also have strong connect with the objectives of the tourism.

2. Gender differences: The results highlighted in this paper have indicated that, within the limits of the sample and data collection site selection, there seems to be little difference in the leisure activities of young men and women tourists. The explanations provided for their behavior by the tourists who took part in the in-depth interviews also seem to be similar, irrespective of gender.

Indian females in general will avoid to travel alone however male tourist travel frequently. The social culture of the nation enhances to travel in family, if travel is personal then it goes through family and if it is professional travel then such professional jobs are not preferred by females in India.

3. In the ancient history of India long travels have prevailed and stories about experiences in tourism are very common. The role of multicolor culture and diversified practices make more attractive tourism in India.

Tourist behavior is sum of attitude of tourist before travelling, on travelling, and after travelling. Tourist behavior can be influenced by micro and macro factors. Micro factors are tourist personality, income level of tourist, education level of tourist, tourist past behaviour and interest of the tourist. Macro factors are associated with nature of destination, national culture, currency of tourist destination. There are 5A's affordability, accessibility, accommodation, amenities, activities and these A's determine the tourist behaviour. Accessibility is considered as one the most important factor in order to visit tourist destination. Accessibility includes how tourist destination is connected, what are the modes of transport is available and are these modes of transportation affordable, safe and entertaining. There are three modes of travel air, water and train. Most of the tourist travel by air transport because time constraint.

Conclusion, Implication And Limitation

In general, we can analyze that behavior of tourist depends on age, gender, category like senior citizen is significantly different from young as senior citizen.

Tourism destination, mode of transportation also affect the behavior of the tourist as senior citizen's motivational factor is comfort, safety and ease with which they can enjoy their holiday. Disabled tourist's behavior depends upon accessibility of tourist destination. For a pleasant experience of tourist their destination environment should not be harsh. Tourist behavior is affected by nationality. The history of the nation, culture and societal aspects also affect the tourist behavior. The future of tourism is virtual and space tourism. The technology has affected the virtual tourism but also affected the psychology of tourist. Does interpersonal dynamics of a family will be remain same without communicating to each other? The social binding of the family will remain same? The tourism also have a major part of service to other human beings. Does the servant leadership with devotion and commitment will remain same? In country like India where Atithi Devo Bhav(Guest is God) values prevail what will happen to virtual tourism? Similarly the tourism at space will be a different variable with unfolding dimensions which time will explore in due course of time.

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Factors Influencing Credit Risk Management at Saving and Credit Cooperative Societies

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Abstract

The main focus on this study is to evaluate factors influence for credit risks at the Savings and Credits Co-operative Societies (SACCOS) in Kathmandu. This study has used qualitative and descriptive approach to assess factors affecting credit risks on saving and credit Co-operatives. It reveals that loan size and years of timing of borrowers contributed positively to the loan and risk of credit. The factors such as interest rate, loan duration, value of collateral, management inefficiency, boards vested interest in investment, inadequate follow up and lack of training to the staff were affect the loans status. This had noticed that absence of proper credit risk management practices resulted into huge amount of overdue loans. This study recommends that board of directors should not be intervene in the Savings and Credits Co-operative Societies' activities and SACCOS should make sure that they abide by their regulations.

Keywords: Management, Risk Factors, Credit risks, Savings and Credits Co-operative Societies, Regulations.

Overview

The cooperative concept in the form of Guthi, Dhikuti, Parma, Dharmabhakari etc. have been used from a very beginning in Nepalese society. The characteristics of these social institutions are almost similar with primary cooperatives. The formation of Savings and Credit Co-operatives Societies (SACCOS) in Nepal was endorsed by the Government since 1953 as a way of promoting access to financial services to rural and poor under privilege people who are not served by formal banks and financial institutions.

Modern cooperative movement initiated through the U.S. aided Rapti Valley Development Project in Terai region where the first registered 'Bakhaanpur Saving and Credit Cooperative' was establish in 4th April 1957 with unlimited liability in Chitwan district as part of a flood relief and resettlement program (Sharma, 2006). There were 34,512 cooperative societies all over the country and the cooperative society having 73,178 million rupees share capital, savings and loans were 302,164 million rupees and 2,73,710 million rupees respectively up to mid July 2017 (Department of Co-operatives, 2017). Due to its growing number and role in Nepalese economy it has faced various risk factors which are existing in cooperative sector. The degree of risk factor seems more in saving and credit cooperative than other types of cooperative societies due to its financial activities.

Cooperatives are mainly related to financial activities. Risk is inherent in financial sectors. Therefore saving and

credit cooperative society cannot afford to be risk avoiders. That's why risk management is essential for Nepalese cooperatives. Credit risk is defined as the potential that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. It is arising due to the poor quality of loan delinquency. Credit risk arises from uncertainty in counterparty's ability or willingness to meet its pre-committed contractual obligations (Njanike, 2009). Credit risk is the largest portfolio in the balance sheet of SACCOS, so it is important to manage. Lack of professional and skilled manpower, inadequate collateral and unscientific valuation system, lack of project base loan are the major affecting factors of arising credit risk in SACCOS.

Wenner (2010) urges that since rain fed agriculture is the main activity for rural people, it is more risky to lend them. Therefore the objective of this study was to analyze the factors affecting credit risks for SACCOS because to the best of my knowledge there is no empirical study done to assess factors affecting the credits default risks facing SACCOS in Kathmandu. This study focused on both quantitative and qualitative approach in describing and identifying the factors influencing the credits risks. The discussion will clarify how qualitative and descriptive variables associate with loan default risks in SACCOS.

Credit Risk Management System

The financial system comprises of commercial banks, development banks, financial institution and co-operative society. The functioning of banks and financial institutions

are overseen by the Nepal Rastra Bank and the functioning of cooperative societies is overseen by department of cooperatives. Cooperative department has limited staff and they have no expertise to monitor saving and credit cooperatives. Nepalese saving and credit cooperatives are fully concentrated to financial activities as like banks and financial institution over its members. So it is necessary to strengthen the monitoring and supervisory capacity of cooperative department.

The Regulator has a formidable task of pursuing the financial sector reforms for deregulation and also introduces regulation in critical areas relating to credit risk management. It has a catalyst role for transformation of the financial system by coordinating with the government agencies for bringing in required legislation, for setting up credit information center and for setting up institutions for imparting banking education etc.

Objectives of the Study

The general objective of this study was to evaluate the influence factors of credit risk on saving and credit cooperatives. These studies are aims:

1. To determine the factors of credit risk on saving and credit Co-operatives.
2. To evaluate the advantage of member training to credit risk management.
3. To find out influence factors of credit risk in saving and credit cooperatives.

Literature Review

Saving and Credit Co-operative Society is an association of persons varying in number, who are grappling with the same economic difficulties and who voluntarily associate on a basis of equal rights and obligations. They endeavor to solve those difficulties mainly by conducting at their own risk undertaking to which they have transferred one or more of such of their economic functions as correspond to their common needs, and by utilizing this undertaking in joint cooperation for their common material and moral benefits (ILO, 2005). A saving and credit cooperative is a financial cooperative. It is a democratic, unique member driven, self-help cooperation. It is owned, governed and managed by its members who have the same common bond, working for the same employee, belonging to the same Church, labour union, social fraternity or living / working in the same community. These members are agreeing to save their money together in the saving and credit cooperatives and to make loan to each other to reasonable rate of interest (Saving and Credit Cooperative League of South Africa [SACCOL], 2010).

Sainju (1972) state that the then government established the department of cooperatives in 1953 in order to promote and assist the development of cooperative. The modern cooperative movement initiated in Nepal through

the U.S. aided Rapti Valley development project in Terai region where the first registered 'Bakhaanpur Saving and Credit Cooperative' was establish in 4th April 1957 in Chitwan district. First five years cooperatives were independent from the government. At the same time the vibrant socialist leader and first elected prime minister BP Koirala's government introduced the first cooperative act in 1959 (Sharma, 2006). Strategic Plan for Cooperative Development (2012 - 2016) suggests the necessities of separate act for SACCOS. It highlights the probable risk on SACCOS are as boundary on the determination of competitive interest rate, difficulties on the insurance of deposit and loan amount, problems of financial discipline maintained, difficulties on the PEARLS monitoring system, and difficulties on the coordination and cooperative fund mobilization etc.

National Cooperative Policy (2013) states that the 'Deposit Guaranty Fund' should be established for the securities of deposited amount of the cooperative members as well as effective monitoring system and credit information center should be managed for the guarantee of investment by the cooperatives. It was suggest the banks to reduce their bad loans and improve their lending strategy through rigorous selection of client, strengthening and broadening the network, promotes banking products and services through marketing, uses specific level of interest rate and other charges, supporting and strengthening the position and image. The researcher recommended the bank that they maintain appropriate level of liquidity and interest rate risk, improve profitability, decrease in total risky assets, reinforce the climate of confidence and use new technology (Manta, 2009).

Acharya (2007) in his unpublished PhD thesis entitled "Agriculture Cooperative Societies in Nepal: Performance and Member Participation", explains about the agriculture cooperative societies. Acharya concludes that agriculture cooperative play a vital role in the socio-economic development of the poor and unprivileged rural farmers but most of the agricultural cooperatives are running as traditional cooperatives and lack enterprise skills. The researcher recommended that the legal balanced representation of different segments of the society, audits are to be made concurrent and regular, cooperative education and training should provide to the members. Risk management entails the process by which risks are identified and evaluated and decisions then made and implemented for the most effective and efficient means of managing the risks (Known, 2010). Sharma (2006) in his unpublished PhD thesis states that saving and credit cooperatives as well as multipurpose cooperatives were giving membership to the public when they approached for loan. This system is against the cooperative principle. The impact of saving and credit cooperatives in the grass root level is recognizable to crush the high interest rate charged by the money lenders.

According to Fiedler (1971), credit risk is the probability that a loan will not be repaid according to the terms of the contract. Ikomi (2012), comments that risk taking is closely associated with profitability. Hence it is better to know the factors that affect the credit risks in order to manage credits in rural SACCOS well. The following studies depict factors affecting credit default risks in MFIs and Cooperative financial institutions in Africa and various parts of the world. Most of these studies were done to assess factors affecting repayment performance or default risks for farmers, fishermen, informal sector borrowers in Community Based Organization (CBO) and Cooperative financial organizations and few studies were done to assess credits risks for borrowers who took loans from banks. Risk is a situation that could be dangerous or have a bad outcome (Oxford University, 2005). Oni et al (2005) applied multivariate regression and probit model where they find that income of the farmers have positive influence on loans repayment performance in Ghana, South Africa and Iran respectively.

Sharma (2012) conducted a research on the topic “Saving and Credit Cooperative as a Poverty Reduction Program: A Case Study of Rupandehi District”. His study is concerned with the poverty reduction through saving and credit cooperatives. He concluded that due to access of cooperative up to the rural level people have been freed from high interest rate with individuals. In rural area most of the people fulfill their financial necessities through saving and credit cooperatives. His study did not been cover risk factor of saving and credit cooperatives. Sharma suggests the primary cooperative societies to educate their members and provide training facilities to their staff for better performance and the government plays a role of facilitator through monitoring.

Research Methodology

An explanatory research design was used in this study because it built on exploratory, descriptive and identified the reasons for the occurrences. It looked for causes and reasons of the current status of the subject in the study. Explanatory research design explained the effects of cooperative strategies and intervening variables on the selected saving and credit Co-operatives in Kathmandu.

The data was obtained from both primary and secondary sources. Secondary data sources were mainly through a review of previous works in the subject matter with a view to finding out any existing gaps that the research study tried to fill. These secondary sources included information sought from journals and government reports. The technique of primary data collecting was questionnaires (structured and unstructured) and the questions were well examined and made unambiguous. The data collected was processed and analyzed by tabulating the data and performing statistical computations.

Nature and Sources of Data

This study was adopted both primary and secondary data for collecting required information from different sources. It has used primary data by collecting information from sampling area's population which has adapted by submitting survey item of questionnaire to the respondents. Primary data was collected by submitting structured and unstructured questionnaire to the management and staff. These survey terms were used for different sampling saving and credit cooperatives of Kathmandu.

Secondary data was obtained from different sources such as annual report of saving and credit cooperatives, published books and periodicals, publications and reports of different national and international organization, national and international journals, research reports, newspapers, magazines, publish and unpublished dissertations etc. The secondary data was collected from different saving and credit cooperative societies, ministry of cooperative and poverty alleviation, department of cooperative, division cooperative offices, NRB, CBS, ILO, WOCCU, review of published data and figure.

The population interest in this study consisted of 9 selected Saving and Credit Co-operatives. The target population was selected by using random sampling methods, where saving and credit co-operatives were selected. The researcher choose Kathmandu Area because of the limited of time boundary, economic and budgetary constraints, prevalence of SACCOS, and being a pilot area for all types of business venture initiative in Nepal.

Analysis and Result

This study shows the positive relationship between loan sizes, loan duration, value of collateral, interest rate, managerial efficiency, boards vested interest, follow up and monitoring by the cooperative society, good governance and following cooperative rules and regulation. Huge amount of loan seems much more risky than small amount and short term loan seems less risky than its counterpart long term. The study shows that 47% of loan either used by board of directors or provided without any collateral by the recommendation of board of directors. It seems the vested interested of board of directors while providing loan, so strongly recommended to minimize this percentage for safety investment of saving and credit cooperatives.

Bank and financial institutional forced to increase the basic interest rate at the deposit of normal public due to the heavy interest rate provided by the cooperative society to its depositors. The spread rate of saving and credit cooperatives also less than bank and financial institution. The study shows that 48% of saving and credit cooperative society maintain only 3-4% spread rate. That's why profitability ratio of saving and credit cooperatives seems less than bank and financial institution. Interest rate and credit risk has the positive correlation.

The study shows that 78% saving and credit cooperatives have the problem of collateral valuation and collect proper documentation. Similarly 72% Board of directors are unknown about cooperative rules and regulation and they treat cooperative business as their own business. Mostly cooperatives are unknown about insurance and only 65% SACCOS insured of cash at vault and counter only. There is no any insurance provision for deposit and loan.

Similarly, the study shows that 42% of the borrowers were males and 58% were females. The results show that there is good sensitization for females SACCOS member to take loans from Co-operatives. Co-operatives help to provided loan for woman without any collateral but only for member's recommendation. The study shows that male borrowers have high default rate compared to their counterpart's female borrowers. Implying that it is more risk to lend male than female Co-operatives members. The analysis indicates that majority of borrowers (75%) were having from out of Kathmandu valley.

The study shows that the credit risk is influenced by dozen of factors in saving and credit cooperatives in Kathmandu. The major factors such as, lack of professional management, lack of trained and efficient manpower, lack of regular follow up, unnecessarily pressure of board of directors in investment, dual financing, lack of credit information center, lack of portfolio management, lack of cooperative education, lack of credit appraisal, ignorance of cooperative rules, regulation and directives, weak legal provision, lack of supervision and monitoring, passive members etc. These contributed for higher level of impaired debt specifically in the saving and credit cooperatives in Kathmandu.

Risk in Cooperatives

Saving and Credit Cooperative society are suffering from various types of risk such as; credit risk, market risk (i.e. liquidity risk and interest rate risk), operational risk, investment risk etc. Out of these various types of credit risk suffers most saving and credit cooperatives. The risks can be the basic strategy in all of the organizations, as well as Co-operatives. Through the assessment of the risks, the organization can create a weighted decision and well plan. This all can help the success draw out from the process. In the classification of various system that are involved in the assessing and managing the risk, the credit risk management is an emerging activity that lies within the organization. Many researches attempted to answer the benefits of the credit management within the organization. However, it remained unclear for the management on how to manage and the purpose of the credit risk management and well manages of saving system.

The credit risk management is popular among Co-operatives and other financial resources. The main purpose of the credit risk management is to lessen or diminish the effects of the non-performing loans came from the consumers. The procedures and processes of the

Co-operatives affiliates create a great impact in the flow of the financial resources. However, various economic uncertainties, international markets, or financial constraints can cause the financial status to be unstable. Out from the financial deficiencies, the other causes of the financial constraints are the lack of confidence among the financial market to provide external help for the needed consumers, lack of capability to gather the information of the consumers, and the lack of push to have an aggressive debt collecting. The non-performing loans can definitely cause too much stagnation of the financial sources.

Credit risks appear in Co-operatives institution because of the uncertainties plagued the financial system. The uncertainties remain a major challenge in country. Still, the major approaches applied by Co-operatives are the continuing efforts on research and close monitoring. Banks believe that the research and monitoring are the key sources of uncertainties like data generating institutions and the treasury (Uchendu, 2009). The market structure is important in Co-operatives for it influences the competitiveness of Co-operatives system and companies were access to funding or credit investment. The economic growth affects the structure and development of the Co-operatives system. In addition, the vast knowledge in risk assessment and managerial approach is recognized as part of the development. Moreover, because the banks and the processes are highly regulated, it became very useful in assessing the effects or impact of the credit risk management in the banks and even in other financial sources (Gonzalez, 2009).

Credit organization

A strong credit risk management program must be supported by appropriate organizational structure. Delegations of authority and responsibility; reporting lines; and separation of duties among and between lenders, management and administration need to be defined, with clear accountability, and vital credit risk functions must be sufficiently staffed and organized. Our professionals evaluate organizational structures, management competency and staffing sufficiency. We advise and assist institutions in designing organizational structures to ensure that they are efficient and clear.

Risk tolerance

The board of directors and other committee must establish risk tolerances and set expectations for management in taking and managing credit risk. Account supervisory committee of every saving and credit cooperatives should be activated and its role should enhance to reduce credit risk and establish good governance. Simply defined, risk appetite, risk tolerance, and risk limits are the boundaries of risk that the board was willing to accept. Both regulators and industry observers have noted that excessive concentrations and undisciplined credit contributed to the most serious Co-operatives problems.

Credit risk reporting for senior management or the board of directors was often historical and saturated with large amounts of data but lacks real and actionable information. Risk reporting should be forward-looking and facilitate risk management decisions. Promontory assists clients in reviewing their current risk reports and in benchmarking against industry practice and regulatory expectations in line with the size and complexity of the respective institution. Working with management, we recommend improvements and develop appropriate reporting templates for effective risk reporting. Where reporting is complicated or inhibited by multiple lending platforms, risk systems, and end-user applications, Promontory can assist by reviewing production and aggregation processes, identifying bottlenecks, and making recommendations to improve data management in order to achieve improved risk reporting.

Findings

The various processes and functions that support credit risk management are highly interdependent and must operate effectively. For example, inaccurate credit risk ratings can render ineffective management reporting, Allowance for loan loss estimates, problem loan management and portfolio risk monitoring. Similarly, poorly conceived compensation schemes, unspecific and unclear policies can lead to unwanted and unwarranted risks. As a result, Promontory promotes and takes a holistic approach to credit risk management. Reduce of credit risk: All saving and credit cooperatives has minimized of their credit risk. It believes that their policies and procedures promote a strong culture of risk management only to find that those positions are not uniformly followed. Many times, communications, management reporting, and compensation and reward structures are not aligned with desired risk standards.

Manage of Credit risk: Boards of saving and credit cooperatives are ultimately responsible for risk management. More than 70% respondent has replied that board of directors should strong for controlling of credit risk. On the other hand trained and efficient staff must be properly and regularly informed of institutional risks and trends, as well as the efficacy of risk management policies, processes and practices. It is able to improve clients' credit risk governance processes by evaluating and benchmarking practices against industry standards and regulatory expectations, and advising and assisting with necessary improvements to existing committee missions, structures, membership, practices, reporting, monitoring, and decision making.

Credit training: Cooperatives institutions must ensure that each individual employee, manager, board member were familiar with credit policies and procedures, credit processes, and regulatory expectations. On about 45% staff was un-trains, remaining were familiar for credit training but not well trainer.

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Eco-tourism and Sustainability: Opportunities and Challenges in Nepal

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Abstract

Ecotourism is very emerging issue and one of the fastest growing sectors in current world tourism industry. particularly in many developing countries like Nepal are trying to use ecotourism as a tool to achieve sustainable development. It is aiming to study about the current state of ecotourism in Nepal. The article also attempts to give critical analysis of ecotourism impacts and challenges in the case of Nepal and point out some recommendations for better practice of ecotourism. The paper tries to answer the following question: Is ecotourism opportunity or challenge in Nepal? How is ecotourism practiced in the country? Can ecotourism be a beneficial tool for sustainable development of the country? How can ecotourism be very effective means of development and conservation?

Nepal has plenty of opportunities in ecotourism. Unfortunately, its effective practice and implementation is not promising due to lack of commitment of governmental policy and planning strategy with combination of integrated conservation and development. Thus to run ecotourism project properly, principles and theories of ecotourism must be considered a major base while make its policy and planning.

Keywords: *Ecotourism, Nepal, Opportunities, Challenges, Conservation, and Sustainable Development*

Background of the study

Tourism has become the largest business sector in the world economy, responsible for over 230 million jobs and 10 percent of the gross domestic product globally (TIES, 2005). Based on these overall reviews, it is clear that the trends of mass tourism have been contributing the considerable impacts on local communities and the natural environment of the host destinations. Mass tourism has also brought environmental and cultural degradation and also economic disruption in many pristine sites of the world. In this context, Stronza and Durham express their views that there is both promising and worrisome aspects of tourism since it has direct contact with the host environment and people having a significant impact on them (Stronza & Durham, 2008). Holden (2008) agreed that tourism has both problems and opportunities.

Tourism is a system that brings together many interrelated issues such as society, nature, and environment. It is also true that studying tourism means relating its different components and analysing its outcomes – both positive and negative. However, many scholars have come to agree that the mass tourism of 21st century is becoming unsustainable. Problems introduced by mass tourism of this age include overcrowding and disrupting of local communities, massive commercial exploitation of cultural heritage, social conflicts, disturbance to natural

heritage and wildlife, increased economic dependency, the emergence of black markets and increased illicit trade in every item from exotic pets to drugs and sex (Butler & Hinch, 1996; Desmond, 1999; Chambers, 2000; Wearing and Neil, 2003; Williams, 2004; Holden, 2008). The rapid growth of tourism during the last three decades has led to an increasing concern related to its impacts. And the great environmental movements of 1970's and 1980's also contribute to consider critical towards the mass tourism. These have been the major components which forced people to think about more responsible tourism, which has become known under different names like sustainable tourism, eco-tourism, green tourism, soft tourism, adventure tourism, nature-based tourism, agro-tourism, village tourism etc. (Butler, 1991). These alternative tourisms differ from the mass tourism in different ways that the alternative tourism is labelled in various types like 'eco', 'responsible' and 'sustainable' tourism to check the negative impacts of mass tourism and support sustainable development by maximizing the positive contributions to destination where there is a number of social and environmental challenges. In this way, ecotourism has been very popular in many developing countries like Nepal where it is believed that it might be proved as the best way of practising tourism in the time of modern age when traditional tourism has been losing its charm and its core values. This Paper is

trying to explore how ecotourism is practising in Nepal and also to see critically its potentialities and challenges when it has become a strategy for supporting sustainable development in the context of the country. It is also believed that ecotourism in Nepal can be the best model of achieving the real sustainable development when all actors cautiously plan and implement its principles. Ecotourism is regarded as responsible and quality tourism which undertakes to contribute balance between conservation and development, provide maximum incentives for local people and tourists as well, promote local culture and economy, and increase the maximum local participation. Although it seems a challenging in Nepalese tourism, it is also true that Nepalese tourism can only be made more responsible and sustainable though the real implementation of ecotourism that will surely provide real income and benefits in both national and local level.

Problem Statement

Nepal is very rich with cultural, natural heritages and geographical beauties. Nepal lies in between two emerging economy Asian countries India and China. With the huge potentialities for the tourism Nepal can't be developed as a proper tourism destination. Nepal is the country with highest peak Mt. Everest, Lumbini-birth place of Buddha, Pashupatinath- a centre of faith of Hindu, ten heritage cites of the world, many mountains over 8,000 meters, so many rivers, lakes, hills, forests, valleys, temples, wild life reserves, national parks, suitable climate, natural and cultural diversities. However, Nepal is facing with many problems in the management and development of tourism. Academic institutions and tourism organizations and other tourism related sectors are also trying to tackle with those problems but they are still being faced by the lack of skilled human resources and others social, political and economic problems. Tourism products available in Nepal are based in nature and culture. Therefore, the tourism organization, tour and trekking operators and related organization must aware about the impact of tourism in the destinations. Nepal is the country where there is economic prosperity is possible through only tourism but due to the lack of implementation of system and policy now the tourism sited, conservation areas, preserved areas are being affected and decreasing the value of the destination. Although many organizations and the government of Nepal itself has taken initiation in this regards, still there are many challenges in those areas. If these problems are not properly addressed the existing and probable sites of ecotourism will be in trouble there there will not be a sustainable growth in tourism industry. By the lack of government efforts and the organizations and academic institutions are unable to implement the code of conducts in the destinations. The root problem of tourism sectors is weak practices in supervision and monitoring in the policy framework.

Therefore, this research has taken to see the practices, opportunities, challenges and policy implementation deficit of ecotourism in Nepal,

Research Objective

The main objective of this article is to investigate the status of ecotourism in Nepal and see whether it has become opportunities or challenges for achieving sustainability. Following are some specific objectives:

1. To study how ecotourism is practicing in Nepalese tourism industry
2. To analyze ecotourism impacts and challenges in the case of Nepal
3. To study ecotourism policy implementation and deficit in Nepal

Limitations of the Research

The findings of the research study are restricted to ecotourism practice, opportunities and. This research is limited in Nepal. This research mainly focuses on ecotourism and sustainability.

Methodology and Material

This is the qualitative model based on secondary data. The sources used to complete the paper are previously published and unpublished articles and journals, study reports, progress reports, and books in ecotourism subject. An extensive internet search has also been used to gain more recent information on ecotourism. Visiting different libraries is also another important method to gather information. Some books such as Ecotourism and Sustainable Development by Martha Honey (2009), The Encyclopaedia of Ecotourism by David B. Weaver, and Ecotourism in Nepal: actors and Projects and implementation by Elin Carlsson (2001) are very significant sources of information to accomplish the paper.

Ecotourism in Nepal

Annapurna Conservation Area Project: This project is established in 1986 covering vast area of almost five district of western development region of the country. The project, supported by many national and international organizations, is well-known for its outstanding model for natural resource conservation and community development (MoCTCA, 2002).

Ghalegaon – Sikles Ecotourism Project (GSEP): It is also one of the successful ecotourism projects of the country, established in 1992, designed by KMTNC and ACAP, and funded by Asian Development Bank for tourism infrastructure development. The main aim of the project is to contribute conservation of natural resources and local community development through responsible tourism. The project has been doing various significant tasks in the

field of nature conservation such as foot trail construction, forest zoning, river training, sustainable forest harvesting, promoting alternative energy device from solar, micro hydro projects and fuel efficient ovens (Basnet, 2003).

The project also actively involves with other various activities like sustainable infrastructure development, school education, community toilets and drinking water programmes, various trainings related with tourism, vegetable production and leadership training.

Kanchenjunga Community Based Ecotourism Project: The project initiated its major plan since 1998 with 84 tourists. However it facing overcrowd with trekkers whom leave out much garbage and rubbish. Thus the project has major duty to manage wastes and conserve natural environment with the help of maximum involvement of locals. In the area, there two major projects, the Kanchenjunga conservation project and Tourism for Rural Poverty Alleviation programme which are working together for sustainable development of infrastructure, nature and culture conservation, ecotourism development, agro-forestry, and capacity building for local people (Basnet, 2003).

Manaslu Nature Based Ecotourism Project: The project was established 1999 with special purpose of conservation and community development. The area is now being managed by KMTNC to develop the area as Annapurna Conservation Area Project model to manage the area effectively for the promotion responsible tourism to provide the maximum benefit to local people through their genuine involvement (Basnet, 2003). To conserve the area and develop ecotourism in the park, there is a project named Tourism for Rural Poverty Alleviation Programme which is working for environmental conservation, participation of local people, supporting local economy, development of infrastructures, and supporting disadvantaged gender, ethnic groups (Basnet, 2003)

Upper Mustang Biodiversity Conservation Project: It is established in 2000 with key aim of preserving biodiversity and cultural heritages through sustainable tourism management. The project also basically focuses on capacity building of local for their active participation in planning, management, and monitoring of the project which can enhance the lifestyle of local people and conservation of local environment (Basnet, 2003). The project was supported by ACAP in various aspects to gain the required success of the projects.

Tourism for Rural Poverty Alleviation Program (TRPAP): The project is funded by great international organizations such as UNDP, DFID, and SNV keeping major goal of alleviating poverty in Nepal through sustainable tourism development policy. Project's major focus on basically disadvantaged and underprivileged

men and women, lower castes, and marginalized ethnic groups. The programme also emphasizes for maximum participation of grassroots for decision making in policy making so that they can get maximum benefit.

Simikot, Humla Development Package: The project mainly emphasizes on conserving Buddhist cultural and religious heritages and natural resources of north- western region of the country which comprises trekking route to Mt. Kailash and Mansarovar Lake – a centre of pilgrimage. The package is getting financial support from Netherland Development Organization (SNV) and local networks in Humla to run various significant works such as paving the trails, management of waste, sanitation and drainage, improving different lodges and religious heritages. And it also conducts skill development training to village guides, porters, local lodge owners to increase the involvement of locals (KMTNC, 2001).

There are so many other ecotourism projects which are effectively though various way to support ecotourism directly or indirectly. They are Makalu Barun

Development Package, Tansen Development Package, Dolpa Development Package, The Partnership for Quality Tourism Project etc. are other more ecotourism projects work in various natural and tourism sites for promoting ecotourism effectively.

Ecotourism: Challenges and Opportunities

Challenges of ecotourism

Day by day the importance and scope of ecotourism is expanding globally because the sustainability dimension of ecotourism doesn't only advocate for safeguarding of the biodiversity but also incorporates many areas like social, cultural and economic issues. The ecotourism concept, which was incepted in the 1960s, became a key issue of discussion for ecologists in the 1970s, accepted by tourism researchers in 1980s and considered as a fast growing sector of tourism in the 1990s, has been considered theoretically sound but hard to implement (Weaver, 2001 and Fennell, 2002 cited in Higham, 2007). Blamey (1997) also agreed that most ecotourism definitions are too abstract and a challenge to its operation.

Complex Concept: The concept embraces various issues with a complex web of stockholders that must be addressed carefully to practice true ecotourism. And it also overloaded with environmental, social and economical imperatives. So it seems very broad area that should be handled with care to achieve sustainability. Considering these all issues, sustainable ecotourism is not as easy as it is envisioned.

Misuse of the Term: The term 'ecotourism' today unfortunately sometimes used so loosely that all travels qualify (Shore, 1996). Due to this abuse it cannot be anchored with its core value. Honey also adds " In

many cases, opposite trend is dominant: the principles underlying ecotourism are being 'green- washed' by superficial, feel-good rhetoric and minor cost saving modification that do not transform tourism into a tool that protects the environment, benefits local communities, and educate the tourists" (Honey, 2009 p. 33).

Lack of Certification: Although the concept of ecotourism is one of the most significant issues today, there is no clear standard set of guidelines for ecotourism, and no formal system accreditation by which green businesses can be rated (Lindsay, 2003).

Leadership and Strategy Formulation: Concrete strategies for ecotourism development in various developing countries are, in fact, challenging issue. In addition, to encourage the active participation of all interested stakeholders – local people, tourism organizations, state bodies and tourists themselves is not an easy task (MOPE, 2004). To accomplish the main goal of ecotourism, there should be concrete leadership and a strategy that can help to facilitate the communication among stakeholders, access to development resources, local support and participation, local capabilities to maintain ecotourism development and development power and control over natural resources (Neth, 2008).

Capacity Building: The next challenge of ecotourism development is capacity building in local communities and other interest groups who should be capable with knowledge, money and skills. Generally, capacity building in ecotourism development in many developing countries like Nepal is run by different NGOs, and is very short and entirely fund dependent. In order to be able to run the programme on a long-term and autonomous basis, it should be local and community based.

Implementation Deficit: Problems with the implementation of ecotourism seems very common in this age. To implement effective ecotourism development is a great challenge, because we have to take into account in various issues like eco-business and eco-marketing strategy, sustainable energy systems, proper waste management, respect of human and animal rights, women's empowerment, sustainable consumption systems, political instability and controlled corruption, power and benefit sharing among rich and poor, management of conflict among interest groups and controlling social problems.

Impact of Ecotourism in Nepal and Challenges

Impact of ecotourism is diverse and the attempt is made to the impacts in both ways: positive and negative impact in relation with mainly three dimensions of sustainability – economical, social, and environmental.

Economic Impacts and challenges

Income and Employment: In Nepal, tourism is playing a main role for generating income through foreign exchange

and employment opportunities. It contributes more than 16% of foreign exchange and 4% percent to GDP and also provides direct and indirect employment for more than 200,000 people of the country (NTB, 2008). In 2002 tourism generated more than 170 million US dollar, creating 714,991 jobs or about 7 percent of total national employment. Moreover it is expected that by 2012 the number of jobs to be increased up to 1,115, 670 or about 8 percent of total national employment (NTB, 2008). Particularly ecotourism has a special focus on promoting local business and industry and also the money to be used for the enhancement of local community development. One target of ecotourism in the case of Nepal is to promote cottage and small local industries that can run by locally available resources – forest product, local agriculture products, animal herding etc can be appropriately utilized. Ecotourism in Nepal can provide various jobs and business opportunities to local communities close to national parks, mountain climbing routes, and trekking routes. For example Sherpa are famous for working as tour guides and porters, and also some businesses like hotels, lodges, guesthouses, restaurants and shops around the destinations are also owned by local people who are economically benefitted. However ecotourism in Nepal is not able to provide that much benefit to local residents due to maximum leakage of the income which must be acknowledged by policy makers.

Regional and Community Development: According to Honey (2009), "ecotourism had become a significant economic activity, especially in developing countries, and was being used as a tool for conservation and community development." Ecotourism, in case of Nepal, can be used as a tool for regional and community development which is very essential for the sustainable development of the country where there has always been problem with regional variation and discrimination. Proper practice of ecotourism can contribute to fill the gap between different regions of the country and all people will experience development equally. And dynamic promotion of ecotourism, rural community development can be easily facilitated by encouraging local investment, enhancing agriculture and empowering socio-economy (MOPE, 2004). For example the impressive economic growth of Pokhara, the development of Annapurna region and fast developing communities around the trekking and protected areas are the precise examples of how ecotourism play a vital role for fast community development.

Marketing and Green Washing: Effective and sufficient marketing is the backbone of any business and especially in the tourism industry. "The tourism industry has come to view eco-travel as a marketing tool to attract the growing number of environmentally and socially conscious travellers (Honey, 1999, cited in Buchsbaum, 2004)." In recent years many tourists prefer to support environmentally friendly tourism companies which accept

the need to practise eco-friendly business and attempt to conserve the environment.

Environmental Impacts and Challenges:

Conservation of Biodiversity: The prime goal of ecotourism is to preserve environment and improve the welfare of local people. That is why it is also believed that ecotourism can be a “tool for overall environmental preservation in the areas where there is weak presence of government” (Wunder, 2000 cited in Buchsbaum, 2004). In Nepal there are many tourist destinations with pristine and fragile natural ecosystems, where there is a poor presence of the state and only some private and local level efforts through ecotourism processes have been made for conservation that are prone to environmental degradation due to tourism activities. For example some ecotourism projects in protected areas and other tourism destinations are very effective in their attempts at conservation and sustainable community development. They are Annapurna Conservation Area Project (ACAP), Ghalegaon- Sikles Ecotourism Project, The Upper Mustang Biodiversity Conservation Project (UMBCP), Sagarmatha Pollution Control Committee (SPCC), Kanchenjunga conservation Area Project (KCAP), Eco-Himal, Kathmandu Environmental Education Project

(KEEP), Partnership for Quality Tourism Project (PQTP), Lumbini Development Project (LDP) and many other projects that are contributing for the development of ecotourism in Nepal, although there are many challenges in their path. Besides these significant contributions, ecotourism is also having various negative impacts. Ecotourism generally occurs in areas that are environmentally sensitive and fragile.

Social Impacts and Challenges

Like impacts of ecotourism on environment and economy, the socio-cultural dimension cannot remain untouched from the impact of ecotourism. Ecotourism has both negative and positive impacts on socio-cultural issues. And socio-cultural impacts of ecotourism usually occur slowly over time in an unspectacular fashion that is also invisible and intangible. Generally these impact are negative rather than. However ecotourism can be a key tool for conservation of socio-cultural heritages which are considered as essential base of ecotourism (Swarbrooke, 1998). It includes valuable human values in relation to history, religion, culture and ethnicity. Ecotourism, indeed, also is based on various socio-cultural attractions of different indigenous and traditional people. Thus it is essential for ecotourism to preserve local cultures, which is considered a delicate issue since it is always a matter of risk with the invasion of foreign cultures.

In the case of Nepal, ecotourism is playing an important role for the enhancement of various factors of the communities lying around tourist destinations, especially

in mountain trekking and protected sites (Carlsson, 2001). Ecotourism in Nepal helps to develop various infrastructures, promoting local cultures, conserving important historical, cultural and religious sites which are also regarded as main attraction of tourists in Nepal.

Capacity Building: Generally capacity building, related to empowerment, is a process to develop one's own potentiality in order to enhance performance.

Capacity building is a process through which we can bring multi-dimensional positive changes, such as organizational, financial, intellectual, practical, social, political, cultural, and physical changes. Ecotourism also aims to enhance the long-term prospects of communities and provide them with maximum opportunities to excel in well-being (Bachsbaum, 2004). The goal of ecotourism can be achieved through capacity building process which primarily focuses on empowerment, competencies enhancement, development, facilitation, and sustainability. Ecotourism in Nepal launches capacity building programmes in different tourist destinations to enhance the capacity of local people over all dimensions. Annapurna Area Conservation project (ACAP) is the most well-known for its performance in community and tourism development symbiotically on the one hand and effective conservation programme on the other hand (Carlsson, 2001). However, it is also very true that effective capacity building in many developing countries like Nepal is very challenging due to poor policy making and its implementation.

Some Potential Ecotourism Sites in Nepal

There are so many areas which can be developed as ecotourism destinations but due to lack of strategic ecotourism policy and scientific research, political instability and feeble economic and social integration, they are lagging behind. According to report published by NTB and organizations working in ecotourism field, some major sites have been highlighted as potential ecotourism in the paper below:

1. AntuDanda and Adjoining Areas: This area (1,703km²), lies in eastern part of Nepal, has an abundant of spectacular natural, cultural and historical sites and also vast repository of biodiversity due to geographical and climatic diversification (MOPE, 2004). The area has also spellbinding scenic vista of Mt. Everest, Kanchenjunga, and Makalu with sunrise and sunset views.

2 Basantapur and Adjoining Areas: Being very rich in cultural items and different ethnic groups with 21 different languages and variety of religious and cultural events, the area is also very rich with natural and biological diversity. The area is also famous for its surrounding sites which have immense potential for ecotourism development.

3 DhanushaDham and Adjoining Areas: The areas lie in the eastern lowlands of the country. The area is very popular and of religious significance because the place is believed to be the birth place of Sita, wife of Lord Rama, according to Hindu mythology. And the area also contains the very famous Janaki Temple, which is well-known as religious destination for all Hindu people. DhanushaDham areas have maximum potential for both cultural and village tourism which will promote Maithali culture and community (MOPE, 2004).

4 Tansen and Adjoining Areas: Tansen, a beautiful place, has many promising tourism resources, and lies in the middle part of the country. There are various cultural and religious events and festivals that make the place attractive as an ecotourism site. The area has potential for ecotourism activities like boating, rafting, camping, rock climbing, bird watching, and many more (MOPE, 2004).

5 Khaptad National Park and Adjoining Areas: This area is the far-western part of Nepal. It is in a remote region having complex geo-physics and unique ecosystems with rich flora and fauna. The place has religious and spiritual significance.

6. Chitwan and Adjoining Areas: Chitwan, most popular tourist destination, lies in the central plain part of the country that is linked with all kinds of transport system. Owing to the park the place has various opportunities for ecotourism development like village tourism, nature tourism, canoeing, cultural tourism, wildlife watching, jungle safari, elephant ride etc

Ecotourism Policy in Nepal

The tourism Ministry in Nepal is primarily responsible for tourism planning and policy and other important tasks like licensing, regulations and overall monitoring. Another important institution is Nepal Tourism Board (NTB) which also has a significant role in the development of tourism in Nepal by conducting planning, research, and developing products and marketing for sustainable tourism.

It is very implicit that tourism in Nepal is one of the main economic contributors of the country. Therefore it should be managed scientifically through the formulation of effective planning and policy to support sustainable development. Respecting this idea, the Eighth Five Year Plan (1992-1997) had given main emphasis on tourism to boost the national economy by maximizing foreign exchange earnings and the Ninth Five Year Plan (1997-2002) also envisaged the policy and implementation strategy for establishing Nepal as a 'premium tourist destination of the world' with introduction of ecotourism including the strategy of developing village tourism, new trekking sites and other required tourism infrastructure (NPC, 2003; MOPE, 2004).

Policy Deficits

a) Though poverty alleviation is the main objective of ecotourism policy in Nepal, the objective is very insignificant in reality. There is an unusual distribution of tourist income where a few people, who are not usually locals, own major tourism business in the ecotourism destinations such as Khumbu, Annapurna, Chitwan National Park, where local and indigenous people are deprived of the real income and opportunities of tourism (MOPE, 2004; Carlsson, 2001).

b) Policies and strategies for tourism have failed to address effectively in many factors of ecotourism like environmental planning, urban and rural planning, waste management proper traffic regulations, and energy utilization. Ecotourism is a multifaceted sector and the government of Nepal has been unable to formulate a strategic policy that could integrate all factors of ecotourism. There remain many environmental and socio-cultural hazards of tourism - for example deforestation, pollution, eroding cultural values, and these - are prevalent in various tourism areas of Nepal (Carlsson, 2001).

c) Although the government of Nepal has been advocating a lot for the development of quality tourism, the policy of tourism is effective in the practice to promote quality tourism. In the name of quality tourism, many businesses only provide low levels of services without meeting the standards of quality, because the regulation has failed owing to corrupt bureaucracy.

d) It has been stated in an earlier section of this paper that Nepal has various places with ecotourism potential. However, owing to policy deficits, tourism is merely confined to three major sites - Kathmandu, Pokhara, and Chitwan - which receives more than 70 percent of the tourists of the nation (Carlsson, 2001). In fact, tourism sites such as Khaptad, Sheyphoksundo, Rara, Dhorpatan, Shukhlaphanta, have been neglected, although they have maximum potential of ecotourism development.

e) The tourism policy has not planned effectively to utilize tourist revenue for the development of tourist destinations. For example, according to Carlsson, Annapurna, Everest, and Lamtang are the tourist destinations where a very low percentage of tourism revenues have been used for the welfare of the regions. And the problem of leakage of tourism income is also common where barely 10 percent of the incomes has been retained in these areas (Raj, <http://www.nssd.net/country/nepal/nep07.htm>).

Conclusion

Ecotourism is very fast growing sector in the world tourism industry. Nepalese tourism industry also cannot stand without embracing ecotourism. Although the history of ecotourism in Nepal is not that much long, its importance in Nepalese tourism industry is inevitable

because it can be regarded as one of the best approaches to promote sustainable development that can be helpful to alleviate poverty by developing local economy and society and also conserving environment. Ecotourism principles basically focus to increase local community involvement in the planning mechanism that can support economic development, environmental conservation, social and cultural awareness, capacity building, and effective policy implementation.

Nepal is unique land of abundance of tourism resources which can only be used properly through ecotourism. Tourism has been the main foreign income sources of the country and it also supports the economy of the country. So ecotourism can be a promising industry in Nepal, if Nepalese government is committed to develop integrated and innovative ecotourism policy and planning that must address all the existing problems and challenges for better implementation. Nepal needs effective ecotourism because whole mass tourism of the country has been creating various adverse impacts such as environmental and social pollutions, deforestation, and other many and they can only be checked properly if there is ecotourism practices with holistic planning and innovative leaderships of concerned authorities. Furthermore ecotourism in Nepal always needs more scientific studies and researches and evaluation of ecotourism practice and scientific eco-certifications and accreditation system to the institutions and originations involving in the field.

Thus besides various challenges and problems in the fields of ecotourism, it can be a great opportunity for Nepal if all tourism resources are handled and utilized responsibly and it can be phenomenal instrument to achieve real sustainable development of the country by promoting different aspects and sectors – economy, environment, culture, and conservation procedure.

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An Analysis on Unique Selling Point of Multinational Hotels in Kathmandu

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Abstract

Differentiating the product is one of the most important strategic and tactical activities an organization indulges with. The Hotel industries in Kathmandu have enormous potential to grow. There are some 500 tourist standard hotels in Kathmandu that can accommodate 20,000 visitors each night. Nepal recently achieved it's high ambition project of achieving 10 lakhs visitors (FY 2017) first time ever in history. Thus, Hotel industry has many potential aspects which the multinational companies have already realized. For example many five star chain Hotels are residing in Kathmandu and many more are under construction. This paper is the study about the unique selling point of Multinational Hotels as a competitive advantage, guest perception and are compared for the analysis to illustrate it's emerging market. This study is descriptive and exploratory in nature and uses the primary and secondary data for further analysis.

Keywords: Unique Selling Proposition, Chain Hotel, Hotel Industry, Multinational Companies.

1. Introduction

Every organization has their own selling points that differentiate their product from among the rivalry in same industry. Hotel industry is also not different from this concept of selling proposition. Thus, every hotel differentiates their product in every possible way they can. This makes them competent as their mission in the market is to separate them from their nearest competitors. The competitive advantage in their target customer is distinctively noticeable.

The unique selling point is a factor that differentiates the product or service from its competitors. Some of the acclaims such as, the lowest cost, the highest quality, the first-ever etc could be USP of the company. Using a USP is a great marketing tool to help position and sell the product. The analysis of USP has frequently been studied by academics.

Nepal is very fertile land for a tourism industry, hotels being as a vital infrastructural component to attract visitors. The hotel industry occupies a significant place in Kathmandu and USP is one strategy they have sought in to overcome competition. The tourism sector, formed primarily by services, is currently one of the largest growing sectors. This sector is composed of various interdependent sub-sectors, such as transportation, accommodation, food, leisure, recreation, many others. The hotel market is considered the 'back bone' of the tourism. Nepal presents

very significant numbers in generating employment and income. According to World Travel and Tourism Council (2017), In 2016 Travel & Tourism directly supported 427,000 jobs (2.9% of total employment). This is expected to rise by 6.0% in 2017 and rise by 2.9% pa to 604,000 jobs (3.2% of total employment) in 2027.

This paper illustrates the analysis part of USP among two chain hotels (MNC) in Kathmandu. Nepal is among the most popular destinations in the Southeast Asia. According to NTB, There are some 500 tourist standard hotels in Kathmandu that can accommodate 20,000 visitors each night. Nepal almost achieved it's high ambitious project of targeting 10 lakhs visitors (FY 2017) first time ever in history.

Fig. 1 Total Number of Tourist Entering Nepal



Source: Department of immigration, Government of Nepal

The characteristics of the hotels as stated in USP, the location, modus operandi, the local infrastructure have an influential effect on hotel service. Hence, important issues for the industry research are highlighted with special reference to Hotel Radisson and Hyatt Regency.

1. What are the selling point strategies of 5 stars chain Hotels in Kathmandu?
2. Do customers in different hotel categories have different expectations in relation to the attributes of the selling point?
3. Does the service offered by hotels surpass the expectations of customers as committed?

Every hotel needs to discover what is unique about them and promote that in their marketing and advertising efforts. Typically one thinks of USPs by comparing oneself against the competition or hotels around one's own. If there is a more modern decoration the hotelier will tend to think of that as the USP. If the interior design was done by a famous designer many a hotelier will choose that as the USP. But there is something that is often omitted when working out a USP and that is customer perception.

Objective

The main objective of this research is to analyze the selling strategy, focusing on the differentiation of the product and the actual commitment as offered by the 5 star chain hotel in Kathmandu. Also it identifies SWOT of these Hotels and to assess the service quality and contrast them with the level commitment as promised.

Methodology

The methodology is used to understand the competitive strategies of two 5 star chain hotel among their target audience. Considering the differences between two 5 star hotels of same category (MNC), it is important to investigate which service attributes are more important to guests and to what extent they are satisfied with the service they receive from the hotel and their differentiating slogan. A questionnaire to 100 guests (50 each) from two 5 star chain hotels during check out was done to ensure about USP recall. The sampling was done randomly.

This research represents an exploratory study conducted to know USP as strategy which is measured by the difference between expectation (importance) and the actual service (performance) asked to customer. The questionnaire included the following attributes in order to examine the USP of chain hotels and their strategies perceived from customer point of view.

Table 1. List of attributes researched.

Courtesy at reception	Satisfaction rating
Brand recall and service	Recall USP
Staff appearance	Front desk service
Room ambience	Recycle and reuse of resources
Cleanliness of the room	Swimming Pool's safety and cleanliness
Cleanliness of the Bathroom	Luxury service
Price of services	Adoption of latest technology

On the other method, SWOT analysis of both the hotels was carried out to compare and contrast the strategies and look into the differentiation they made from their respective competitors. Radisson operates the brands Radisson, RadissonBlue, RadissonRed and Park Inn by Radisson with more than 990 locations in 73 countries.

Table 2. Radisson at a glance

Parent Company	Carlson Rezidor Group
Category	Hotels and Resorts
Sector	Tourism
Tagline/ Slogan	Hotels That Love to Say Yes!
USP	"Yes I Can!" Service philosophy, aims at 100% guest satisfaction
Segment/Target/Positioning	
Segment	Leisure travellers, Wedding parties, Honeymooners, Business travellers
Target Group	Upper middle and upper class
Positioning	A powerful, globally consistent, first class brand that delivers vibrant, contemporary and engaging hospitality characterized by the "Yes I can" service philosophy.
SWOT Analysis	
Strengths	1. Top notch service and excellent customer service 2. Global presence 420+ hotels globally in over 75 countries 3. Goodwill from Employees and customers 4. They offer really go deals and promotional offers hence attracting more customers 5. Parent group adds to brand value 6. High Brand Recall

Weaknesses	1. The brand name comes with a perception of being expensive 2. Current economic status is bound to take a toll on spending power 3. Still trying to establish itself in the emerging economies
Opportunities	1. Using current economic scenario to increase clientele through special packages 2. Expansion of the global tourism market 3. Travelers are looking for novel destinations
Threats	1. Shift from 4-5 star hotels to lower ones 2. Terrorism events affect the tourism 3. Huge number of strong competitors

Hyatt Hotels Corporation is an American multinational owner, operator, and franchiser of hotels, resorts, and vacation properties. The Hyatt Corporation came into being upon purchase of the Hyatt House, at Los Angeles International Airport, on September 27, 1957. As of September 30, 2017, Hyatt has 739 properties in 57 countries.

Table 3. Hyatt at a glance

Parent Company	Hyatt Corporation
Category	Hotels and Resorts
Sector	Tourism and Hospitality
Tagline/ Slogan	You're more than welcome
USP	Delivering authentic services that reach out guests from each of their targeted segments
Segment/Target/Positioning	
Segment	Leisure and business travelers
Target Group	Upper class, business travelers, wedding groups, diners
Positioning	Luxury and latest technology
SWOT Analysis	
Strengths	Company's worldwide portfolio consisted of 488 properties / hotels Food and beverage, banquet facilities Collaboration with top corporate Technology upgrades from time to time Hygiene standards and customer experience One of the most popular hotel chain brands

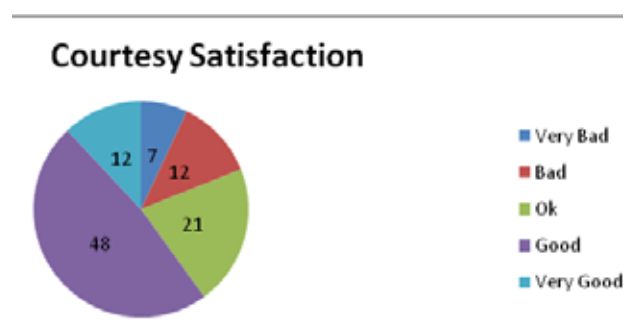
Weaknesses	Discontent amongst employees based on salary issues due to global penetration Limited market share due to tough competition from international and domestic players
Opportunities	Improvement on membership plans, customer loyalty programs Employee retention to ensure better services Set higher standards for rooms division
Threats	Better room facilities offered by competitors Loss of major business travelers to domestic group of hotels Security levels

Results

The result presented here reflects 100 valid answer, 50 each from two different 5 star hotels. Since both the hotels are chain and Multinational so the data analyzed here is not separated as it has been used to identify the effects of USP and importance of differentiation. Most of the respondents were women. The importance of the attributes in order to analyze the USP and product differentiation were included in the questionnaire. Following were the ranking order of the importance of attributes and to surprise none of the customer recall USP slogan as stated in their brand.

1. Courtesy at Reception:

Fig 2. Respondent Satisfaction Level for Courtesy at Reception.



The indication of the results is that the customers are well received at the reception and their service is satisfactory as 48 respondents liked the courtesy.

2. Brand recall and service.

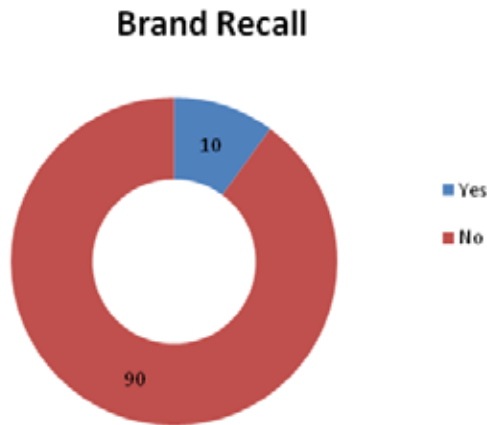


Fig 3. Brand recall and overall services

The question asked on the brand to illustrate its Tagline, 90 respondents didn't even spell the first line of tag. However, 90 percent believed in the brand and were satisfied with overall services of the hotels.

Question asked on the appearance of the staff, 80% told, they are neatly clean. Room ambience and cleanliness, 73 respondents told attractive and suitable, while 27 told there need to be some improvements.

The question asked on the overall satisfaction and satisfaction of the price they paid for has some close linkage. The rating was dissatisfied-satisfied-highly satisfied, only 10 respondents told they were not satisfied with the overall service and 20 respondents told the price and satisfaction comparison were relatively low.

90 respondents were greatly concerned with the use and re-use of the resources that can be recycled.

The rating for the cleanliness and safety of the pool with low-average-good-very good was 9-41-47-3 ratio.

Comfort and luxury level satisfaction was high in the ratio of 92-8, satisfied-dissatisfied and the adoption of the latest technology like door card, wifi, smart technology were of the great concerns and almost 96 respondents were actively using it during their stay.

Conclusion

Conclusions made based on the data illustrates the brand tagline remembrance of the customer is relatively low but they truly trust on the multinational brand. From the part of the SWOT analysis the chain hotels are concerned with their Selling point and are more concerned to targeting customers. Hotels have maintained the USP as far as possible with quality enhancement strategy. What separate

these two chain hotel is on their mission and USP one being "Yes I Can", 100% guest satisfaction (Radisson) and other being "delivering authentic services" (Hyatt)

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Transparency is the Important Element for NGOs Operational Management in Context of Current Federal Nepal

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Abstract

NGOs should operate with the openness and transparency within organization as the operation of NGOs is for public benefit rather than private benefit. Nepal has recently transitioned from unitary system of governance to federal structure with governments at local, provincial, federal levels. NGOs have crucial role in national sustainable but Nepalese NGOs are less transparent, the government and public also have doubt that all Nepalese NGOs are transparent and managing resources and fund in effective and intended purposed.

Transparency at all level of operation within NGOs are the important element because it will make easier for NGOs to learn from each other in pursuit of common goals. Nepal has been receiving aid and various resources for over six decades through different development partners and donor agencies.

The researcher has used sequential explanatory mixed method. This research article intend to explore the status of Nepalese NGOs transparency in their operation. Basically, NGOs need to be transparent in programmatic and financially to maintain NGOs accountability but this article is focus on financial transparency for financial accountability of Nepalese NGOs.

The study reveal that the Nepalese NGOs are concerned about their transparency and access to information but they are weak in disclosure of information. This means that Nepalese NGOs do not appear to be effective enough in information and transparency practices for financial accountability, and that there is still a lot of room for improvement.

Keywords: NGOs, Transparency, Financial Accountability, Sustainable Development, NGOs Operation, Federal Structure.

Introduction

In Nepal, accountability, transparency and internal governance issues are still considered a taboo within Nepalese NGOs, they are blandly accused of doing “dollar farming” NGOs. The long history of the reliance of Nepal in the foreign aid and the NGO sector mobilizes a significant proportion of aid, hence there is pressure on the NGOs sector to be more accountable and transparent. Now, NGOs must demonstrate high standards of transparency and accountability both from within and outside. Transparency measure within NGOs operation will definitely help NGOs to delegitimize as immoral and greedy “dollar farmers”.

Nowadays, different stakeholders of NGOs are started to asking questions their integrity, transparency and poor governance but not even the government that has authority to check, regulate and monitor in the Nepalese NGOs activities. NGOs have to answer to the government

for their credibility and donors for their proper and meaningful fund utilization. Their operations need to be transparent to all stakeholders.

Literature Review

Operational Opportunity and Challenges of NGOs in Federal Structure

The Constitution of Nepal 2072 BS promulgated by the duly elected Constitutional Assembly has changed the governing system of Nepal from a unitary model to federal one. Now, Nepal is a federal, democratic, republican State on the path to implement its constitution in federal structure. The Ministry of Finance (MOF) is developing new policy guidelines for foreign aid mobilization and to facilitate the foreign assistance by the federal Government to State and local Governments (GON, 2017) The federal government of Nepal is taking some immediate steps to amend existing law and policies and have started to take

bold challenging measures to establish robust checks and balances in NGOs outline rights, responsibilities, and standards of accountability and transparency to comply and penalize unlawful activities.

There is also challenges and opportunity to manage Non-Government Sector in the Federal Set Up to government and NGOs to justify their operation. In this context, NGOs' calls for greater scrutiny and public oversight of the non-profit sector have become louder than ever.

The Social Welfare Council (SWC), is the official institution to control all NGOs and /NGOs in Nepal, however there is shared responsibility with other line ministries. The MoF is one of the key ministries that coordinates the development cooperation fund mobilizing through the NGOs. According to Spokesperson for the Ministry of Women, Children and Social Welfare said that the Social Welfare Act, 2049 was now outdated and the new legislation would replace it. The ministry has prepared draft of the legislation by incorporating suggestions and recommendations from stakeholders, including NGOs and INGOs. Similarly, the draft legislation has a provision of imposing a fine or terminating registration of any NGO found violating the law of the land. Currently, 46,200 NGOs are registered with the Social Welfare Council. Of them, only 10,000 are functional and regularly submitting their annual reports to the council (Raya, 2017).

According to Nepal government rules and regulation, the development agencies and INGOs cannot implement development programs and projects by themselves. Development agencies must come with the implementation partners i.e. local NGO to implement the projects (SWC, n.d.). Hence, NGOs have important roles in development process as implementing partners implement the programs. The Government of Nepal acknowledged the role of NGOs in national development, delivery of services in rural areas, enhancement of quality of life of the people and human capital development. The non-profit sector gained momentum in Nepal since 1990s. Since then, Non-Governmental Organizations (NGOs) gained increasing influence over the national policy and priority being assertive across a broad spectrum of interventions. NGOs have enormously contributed to enhance people's capacity to bargain with the state and hold it to account for its actions.

From beginning of the Eight Plan (1989), the Government of Nepal has been insistently paying concerns over the accountability and transparency of NGOs. Although many NGOs are undertaking some useful developments works, their intentions, transparency, accountability, commitment, and capability of independent action- all have been questioned at various levels and the gaps are still visible.

Ahmed (2004), internal control system is needed for accountability and transparency of NGOs. The literature shows that accountability of NGO is necessary

to be transparent on financial information, because it is determined by the rights to information public, communities and donor. The transparent financial information plays a key role in maintaining standards, improving accuracy by providing detailed financial reports in timely manner.

Nepal Sustainable development Goal and NGOs roles

Non-governmental organizations (NGOs) have a major role in pushing for sustainable development. Nepal has incorporated, the SDG goals have been incorporated in the current 14th Five-Year Plan, and Nepal has embarked on a journey to achieve the goals by 2030. The SDGs have clearly laid out a policy of encouraging self-regulating mechanisms of the poor and vulnerable communities. Forging partnership among the civil society members, local governments and private sectors within the country is a must to realize the SDGs. From self-regulatory mechanism to certification scheme by third party monitoring to stricter government policies, Nepal has to put in place different mechanisms to regulate the NGOs.

As we know, there is significant support and aids are receiving to the government optimally targeted to respond to development needs at various levels. As a middle income country like Nepal need to utilize aid and development partners support efficiently and transparently to contribute the development results and achieving the SDGs by 2030.

Transparency and Accountability Status in Operation of Nepalese NGOs

There are many NGOs that contribute in development goals and the betterment of Nepalese's quality of life. But questions are raised in credibility and operational management system in NGOs because of the lack of accountability. NGOs are accused of corruption, waste, inefficiency and mismanagement in Nepal because of improper financial accountability and transparency. There is no accountability mechanism for NGOs. NGOs have in-house flexible rules and regulations and diverse operations make NGO vulnerable to corruption as there if they are accountable to anybody than it is with the donors (Karki, 2009).

Nepalese NGOs lack system of transparency in the total fund flow from various international NGOs partly due to some INGOs choosing not to conclude agreements with Social Welfare Council and partly due to weak capacity of the Social Welfare Council in monitoring (WB, 2003). Because of these reasons, there are always questions on financial control, accountability and transparency of Nepalese NGOs.

In some NGOs in Nepal there is syndicated membership, non-transparent working culture, weak internal control system, nepotism and family hegemony which are very visible traits that has resulted in poor internal

governance. The study seems that District Administration Office a sole government agency to penalize NGOs for misconduct, is already overburdened with other tasks and has failed to take actions against the perpetrators. The NGOs are responsible to deliver timely, transparent and comprehensive information on aid flows because it is directly connected with organizational integrity. In two decades of history, we have not heard any non-profit organization being disciplined or deregistered for unlawful activities (THT, 2013).

Strategic Accountability System for NGOs Operational Management

Building strategic accountability system is needed which is relevant for most of NGOs to achieving NGO accountability. There are legal accountability mechanism that are needed to create a supportive enabling environment for NGOs. The key legal regulatory mechanisms identified by their work include the following; like legal standing of civil society organizations, renewal and registration procedures, membership requirements, tax treatment and disclosure and public reporting requirements. Civic accountability mechanism is another tools which focus on encouraging, enabling NGOs better performance and accountability, which encourage participatory and consultative mechanisms through where NGOs can include its key stakeholder in different aspects of their operation, governance, monitoring, evaluation and reporting processes.

Self-regulatory mechanisms is establishment individual and collective mechanisms for NGOs themselves, usually on a self-regulatory basis. Which include mechanisms like voluntary certification, peer review and learning network and collective codes of conduct.

Objectives of the Study

The main objective of this study to identify current transparency status of NGOs and to highlight transparency as important element for NGOs operational management in the context of federalism in Nepal.

Research Method

The researcher has chosen the mixed methods research to entail collecting, analyzing, and mixing both quantitative and qualitative methods (Teddlie & Tashakkori, 2009). The researcher has adapted the sequential explanatory design and based on the deductive approach. The researcher has presented the key informant interviews in order to fulfill the triangulation approach adopted for the study. The researcher has integrated quantitative and qualitative methods during the qualitative phase while selecting the participants for in depth interview and developing the interview questions based on the results of the statistical tests.

Result and Discussion

The table 1 shows, there is moderate of the employee of the organization participation during budget preparation process. 38.8 percentage respondents denoted their organization involve them and team during preparation process. There is association/linkage between the organizational financial accountability and transparency with budget preparation process. It has significant role in the level of organizational transparency.

The table 2 survey respondents indicate that the information and transparency practices of Nepalese NGOs. The indicated respondents of the NGOs surveyed relatively disclosed that they have regular meeting/ interaction where they shared information. The Nepalese NGOs are concerned about their transparency and access to information, as the data range from the survey show that Nepalese NGOs are average in regards to access to information and transparency in all variables since the mean value is within 3.00-4.00 range. This means that Nepalese NGOs do not appear to be effective enough in information and transparency practices for financial accountability, and that there is still a lot of room for improvement.

Table 3 shows that there is positive correlation (.068), the value is greater than 0.05, information and communication with the number of year NGOs working in Nepal, which means NGOs who are working continuously and for a longer period in Nepal are effective in information sharing and transparency. NGOs need to decentralize information and communications with the use of technology, and promote public hearing and public audit to improve transparency in the sources and uses of funds by the government and civil society organizations (Manandhar, 2017).

Table 4 shows ANOVA of access to information and transparency level to be Financial Accountability according with organizational status (local vs. National). In the ANOVA test F value of on access to information and transparency level to be Financial Accountability according with organizational status (local vs. National) in all variable/aspect as $p > 0.05$ which indicates that there is no significant difference and effect of status of NGOs (local or National) on access to information and transparency level to be Financial Accountability. Table 4 shows “p” value are 0.369, 0.310, 0.502, 0.967, 0.325 and 0.447 with regard to access to information and transparency statement and status of NGOs respectively on the statement of NGOs has a policy on disclosure of information, information widely and accessible to relevant stakeholders, responds to all request for information and provides on time, have communication focal person within organization, regular meeting/interaction where information are shared and regular Publication through notice board, magazine or newsletter.

Regression Analysis to Construct Possible Statistic Model to Measure Transparency of Nepalese NGOs

The researcher has used linear regression in order to see whether transparency of financial data and performance can be ensured by introducing system so that a model can be developed and suggested liner regression analysis to be used transparency measure. The researcher considers the linear regression model that could identify the factors most likely to influence transparency for financial accountability using a set of predicting variables.

The below table 5 show R2 value which seems .297 which is very lesser than .6. Hence, there is no predictability of variable for transparency. There is not possibility to construct the statistic model to measure financial transparency from the analysis of the study.

The study shows that Nepalese NGOs need to explore reliable variable to justify transparency and to be more focus on transparency as the all variable of transparency are not predictable.

Predictors: (Constant), regular publication through notice board, magazine or newsletter, have communication focal person within organization, information widely and accessible to relevant stakeholders, regular meeting/ interaction where information are shared, has a policy on disclosure of information, responds to all request for information and provides on time.

Dependent Variable: Ensure transparency of financial data and NGOs operation

The researcher considers this linear regression model that could identify the factors most likely to influence transparency for financial accountability and NGOs operation using a set of predicting variables.

Furthermore, the researcher has done ANOVA analysis to verify the results predictability of variable transparency for financial accountability. The ANOVA table 6 also shows that p value is greater than .05 so predictors cannot assume from the independent variable currently Nepalese NGOs practicing.

The table 7 displays the coefficient of each variable on predictable variables. The coefficients are so small and no significant as the p value is less than .05, with the exception of 'have communication focal person within organization'. Its standardized coefficient is in negative. It means the analysis shows negative transparency of Nepalese NGOs from variable that NGOs currently practice.

Another key weakness of Nepalese NGOs is that they do not seem to be able to justify transparency. The researcher has asked key informants opinion regarding NGO transparency

SWC representatives stated that *"There are some NGOs*

that seem less transparent and running as family based NGOs, where one person is leading and operating NGOs in small scale. These type of NGO don't have proper internal control system and very poor in documentations. We have doubt that NGOs are mainly focus on their member's key interest and motive behind to run NGO is to make easy money. The public audit/ social audit for those types of NGOs are not applicable and not possible to justify beneficiaries." (Field note, 2 March 2015)

SWC representative further stated that *"Nepalese NGOs don't wish to disclose their annual budget and asset of organization, it also indicates Nepalese NGOs don't have optimal level of transparency Nepalese NGOs are weak in disclosure of information, their information is not widely accessible and it is highly depend on working years of NGOs."* (Field note, 2 March 2015)

The result shows that Nepalese NGOs have the information and transparency practices in some extend. The respondents shared that Nepalese NGOs are practicing a regular meeting/ interaction where they shared information. The Nepalese NGOs are concerned about their transparency and access to information and have average in access to information and transparency as they are within 3.00-4.00 range in all variables such as on disclosure practice, information sharing, accessibility of information on time, publication for transparency. There seems to be no compelling reason to argue that Nepalese NGOs need improvement on access to information and transparency.

Findings and Conclusions

Transparency and accountability are two important features, without these good governance is not possible, these are factors to be considered the operation of NGOs. In current context and the study shows that Nepalese NGOs don't have optimal level of transparency. Another key weakness of Nepalese NGOs are not able to justify transparency. In budgetary preparation and disclosure aspects, Nepalese NGOs still need improvement to justify their transparency as NGOs are following for transparency variable doesn't proof that NGOs are transparent.

Considering current complexity of Nepal's transition from to a federal system, NGOs can significantly support to respond to development needs at various levels in Nepal's sustainable development goals of emerging as middle income country and achieving the SDGs by 2030. Hence, NGOs also should start from their internal mechanism that should prove their operations transparency to all stakeholders. NGOs also need to take sensible judgements while considering transparency, hence NGOs should have policy on what information is appropriate to publish and withhold, based on the presumption of transparency. NGOs can use self-regulatory initiatives to improve transparency and accountability. The resources of

NGOs can be used more effectively if there is transparency in their operational planning, budget preparation and activities implementation; which will definitely support NGO sector to move toward high degree of accountability and transparency. There is need of further study in the operation and management aspect of NGOs for the future in perspective of federal government considering federal restructure of Nepal.

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Table 1: The organizational member's participation during budget preparation and operation process

Participatory budget preparation	Frequency	Valid Percentages
Very Low	15	12.9
Quite Low	12	10.3
Moderate	45	38.8
Quite High	30	25.9
Very High	14	12.1
Total	116	100.0

Source: Field Survey 2014/2015

Table 2: NGOs access to information and transparency level on operation

Information and transparency level	Has a policy on disclosure of information	Information widely and accessible to relevant stakeholders	Responds to all request for information and provides on time	Have communication focal person within organization	Regular meeting/ interaction where information are shared	Regular Publication through notice board, magazine or newsletter
Mean	3.38	3.61	3.70	3.51	3.93	3.16
Std. Deviation	1.268	1.168	1.214	1.429	1.255	1.261

Source: Field Survey 2014/2015

Table 3: Correlations of Number of years NGOs working in Nepal and Information and Communication System

		How many years this organization working in Nepal
Information and Communications System	Pearson Correlation	0.068**
	Sig. (2-tailed)	0.471
	N	115

Source: Field Survey 2014/2015

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

Table 4: ANOVA of access to information and transparency level according with organizational status (local vs. National)

		Sum of Squares	Df	Mean Square	F	Sig.
Has a policy on disclosure of information.	Between Groups	1.308	1	1.308	.813	.369
	Within Groups	181.857	113	1.609		
	Total	183.165	114			
Information widely and accessible to relevant stakeholders	Between Groups	1.415	1	1.415	1.038	.310
	Within Groups	153.977	113	1.363		
	Total	155.391	114			
Responds to all request for information and provides on time	Between Groups	.672	1	.672	.454	.502
	Within Groups	167.276	113	1.480		
	Total	167.948	114			
Have communication focal person within organization	Between Groups	.004	1	.004	.002	.967
	Within Groups	232.727	113	2.060		
	Total	232.730	114			
Regular meeting/interaction where information are shared	Between Groups	1.537	1	1.537	.976	.325
	Within Groups	177.906	113	1.574		
	Total	179.443	114			
Regular Publication through notice board, magazine or newsletter	Between Groups	.927	1	.927	.581	.447
	Within Groups	180.255	113	1.595		
	Total	181.183	114			

Source: Field Survey 2014/2015

Table 5: Predictability of transparency variable for financial accountability

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.297 ^a	.088	.037	.795

Source: Field Survey 2014/2015

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.587	6	1.098	1.735	.120a
Residual	68.334	108	.633		
Total	74.922	114			

Table 6: ANOVA analysis for significant effect of independent variables

Source: Field Survey 2014/2015

Table 7: Regression coefficient of independent variables on predictable variables

Model	Unstd. coefficient		Std coefficient	T	Sig
	B	Std. error	B		
(Constant)	4.034	.283		14.256	.000
Has a policy on disclosure of information.	.135	.088	.212	1.537	.127
Information widely and accessible to relevant stakeholders	-.123	.100	-.177	-1.230	.221
Responds to all request for information and provides on time	.049	.104	.074	.473	.637
Have communication focal person within organization	-.151	.068	-.267	-2.223	.028
Regular meeting/interaction where information are shared	.123	.088	.190	1.394	.166
Regular Publication through notice board, magazine or newsletter	.060	.086	.094	.701	.485

Source: Field Survey 2014/2015

Distance Learning in Higher Education: A Journey from Traditional Methods to Virtual Environments.

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Abstract

The scope of higher education is for and wide. It is popular among the millions of adults in Nepal as it helps them be able to cope with challenges in personal and professional life. There has been advancement from mainframes in the 1960s to microcomputers in the 1980s, to the web and internet II. The system of higher education has anticipated using computers to improve educational outcomes on a large scale. Initially it was explored to teach technology dependent content such as computer science, computer graphics. Then it was explored to open access to education for students who couldn't fully participate on campus. Now the efforts have been taken up in the direction of integration of technology in education to make it appealing, and interesting for the students. To make them capable for independent learning, a new paradigm of teaching learning process has emerged into an information age and developments in information technology have opened up new and cost effective approaches for providing the reach of higher education to all. As a result, the purpose and objective of higher education have overhauled and all that has become is "a journey of exploration in the information world". Nepal is also entered in distance learning in higher education by opening Nepal open university in 2074.

Keywords: *Techno-scientific, multidisciplinary, virtual university, online learning, pedagogy*

Introduction

There has been advancement from mainframes in the 1960s to microcomputers in the 1980s, to the web and internet II. The system of higher education has anticipated using computers to improve educational outcomes on a large scale. Initially it was explored to teach technology dependent content such as computer science, computer graphics. Then it was explored to open access to education for students who couldn't fully participate on campus. Now the efforts have been taken up in the direction of integration of technology in education to make it appealing, and interesting for the students. To make them capable for independent learning, a new paradigm of teaching learning process has emerged into an information age and developments in information technology have opened up new and cost effective approaches for providing the reach of higher education to all. As a result, the purpose and objective of higher education have overhauled and all that has become is "a journey of exploration in the information world".

Purpose of higher education

The scope of higher education is for and wide. It is popular among the millions of adults in Nepal as it helps them be able to cope with challenges in personal and professional life. however, following are some key purposes of higher education.

- To help individuals and society to understand and adapt to the implications of change, while maintaining the values which make a civilized society.
- To inspire and enable individuals to develop their capabilities to the highest potential levels throughout life, so that they grow intellectually, are well equipped for work, can contribute effectively to society and achieve personal fulfillment.
- To increase knowledge and understanding for their application for the benefit of the economy and society.
- To serve the needs of an adaptable, sustainable, knowledge based economy at local, regional and national levels;
- To play a major role in shaping a democratic, civilized, inclusive society.
- To develop total quality people with vision, values, skills and positive attitude.

Future demands of higher education

Nation needs thorough investment in people, to equip them with knowledge and skills so to help themselves and the nation as a whole on the way to development. the need and importance of higher education grew larger because of globalization and increased competition

between and among the developed and developing countries in the world. In the context, we need higher education of the kind that helps us create the possibility of locating ourselves anywhere in the world. the demand of higher education also becomes prominent to compete at the leading edge of economic activity. In the future, competitive advantage for advanced economies will lie in the quality, effectiveness and relevance of their provision for education and training, and the extent of their shared commitment to learning for life.

In the age of a techno-scientific revolution, when the quantity of knowledge and information is expanding exponentially, and increasingly varied student population are burgeoning, the quality of training for teachers and the quality of teaching in higher education institutions demand top priority. Methods of higher education also have to be appropriate to the needs of learning to learn, learning to do, learning to be and learning to live together. Methods of teaching through lectures will have to be supplemented to the methods that will lay stress on self – study, personal consultation between teachers and pupils, dynamic sessions of seminars, workshops, interactive video conferences and online learning experiences. Access to higher education will have to be broad- based that it can be faster among students demanding constants motivation to learn and to develop not only academic abilities but also practical skills and talents that are being demanded by the modern world.

Paradigm shift in pedagogy at higher education

There is a paradigm shift at various levels in teaching – learning process. A paradigmatic is visible from conventional on campus and off-campus learning, to networked learning. Face to face teaching and learning on campus is now also incorporating some, forms of networked learning, freeing staff and learners to work at times which suit them and to use resources, and methods of working together that were not possible a few years ago. Distance in learning is no longer the issue that it once was: there is a shift in emphasis from geographical separation of learners, to the ways in which one can bring network learners together, whether they happen to be on campus or off campus, in the same country or situated anywhere in the world. Learning how to work with the technology and take advantage of networking in learning are the key issues in the higher education. Therefore, communication and information technology is seen as important milestone in the future of higher education.

Networked learning is changing the way by giving rise to new ideas about access to learning and the nature of communities; beginning to impact on training and development in organizations; enabling education sectors to reach global markets; creating online organizations such as virtual universities etc. as a result there is a change in various dimensions of higher education which are discussed in the following paragraphs.

Changing Dimension of University Experience

El –Khawas (1996) reports that enrollment in graduate and professional degree programs is growing. Basically enrollment in certificate programs is growing, such enrollment often remains large for less than two years. Part time enrollments continues to grow, and while institutions vary in the balance of part-time and full-time enrollments, part-time students make up approximately 40% of the undergraduate enrollment(El-Khwas,1996). Sporadic study is expected to grow as family, work, and economic resources constrain students' abilities to attend college on a regular basis.

Changing Dimension of Teaching - Learning Process

Students approach the learning process from multiple frameworks, and helps in developing academic and cognitive development by their out-of-class experiences as well as their formal academic experiences, all make the educational process's a central component of learning (Baxter Magolda, 1992). Contemporary conversations across disciplines are focusing not only on knowledge acquisitions alone, but also on the process by which students acquire new knowledge and skills, how they make sense of the new ideas, attitudes, people, and experiences they are encountering in the college experience. Students acquire critical, reflective thinking skills, the ability to gather and evaluate evidence, and the ability to make one's won informed judgments which would help him/her to go beyond relativity to make informed judgments where multiple perspectives are increasingly interdependent. Thus, learning is not one dimensional, it vary in the ways in which one takes in and interpret information which is supposed to be a learning style waht kolb (1994) .

Changing Dimension of Teaching

The traditional transmission of knowledge from teacher to student is no longer adequate in technological age. Teaching students to actively develop knowledge, to evaluate information and evidence, and to become proficient at making informed decisions requires modeling these processes, engaging students in practicing them, and acknowledging students and teachers' preconception. Parker palmer (1997 argues that we bring our selves to the teaching process, just as our students bring themselves to the learning process. He notes that one of the difficult truths about teaching is that “will never take place unless it connects with the inward, living core of our students lives” (P.20).Teacher's role is no longer to provide instruction but that of the facilitator of student learning (Barr & Tagg, 1995). As per constructivist “students and teachers discovering and constructing knowledge together” (Twomy Fosnet,

1996). Collaboration and active engagement involves bringing one's experience to learning, being willing to expand one's understanding, integrating new perspectives into one's thinking, and applying that changed thinking to one's own life. These forms of teaching are inclusive because they invite all students' experiences and thoughts into the learning interaction. The trend toward this type of teaching is not about particular methods but rather about the way educators view knowledge, authority, and learner capability. These trends move toward a new culture of teaching and learning (Hutchings, 1997)

Changing Dimension of Evaluation

The dynamic nature of contemporary forms of teaching and learning require continuous evaluation as an integral part of the teaching and learning process. Such evaluation need to be supplemented with feedback mechanism for teachers and learners comparable, not just for an administrative accountability. Evaluation as a continuous process a significant conceptual shift that extends beyond a focus on outcomes to examination of the underlying conditions for learning (Hutchings, 1989). It also represents an explicit shift from individual courses or programs and their outcomes to how teaching affects the cumulative understandings of students. Assessing knowledge gains will no longer be sufficient; outcomes in critical thinking, cultural understanding, empathy, citizenship, and social responsibility will also be important (Astin, 1996). Hutchings argues that we need "assessment predicated on a view of learning that is integrated and multidimensional" (Hutchings, 1989, p.29). Students' potential for independent learning is another intended outcome of the move toward teaching – learning process (Wingspread Group, 1993).

Hence, web based delivery models have brought new paradigms in the teaching contexts. The developed countries have already experience the success stories of the technology based tertiary education and have been consistently working on the modern devices of e-learning. As depicted in the table 1 and 2 certain changes will have to be worked out in terms of student role, teacher's role, curriculum, technology, evaluation etc.

For global operation of higher education and to sustain quality in higher education efforts will have to be made to make the approach cooperative, multidisciplinary, shared vision, flexible and adaptable, in the republic, Plato uses the phrase 'better and more complete education' suggesting that there is education of different levels of quality, not merely different kinds of education (Hamilton and Cairns, 1961). Similarly, the Buddha's discourse indicates the significance of correctness in the choice of knowledge and ways of teaching it, for an incorrect choice could be dangerous (Hanh, 1996). This idea impels us to include aims and assumption in our framework for conceptualizing quality in education. Stenhouse

(1975) in his classic work on curriculum research and development located the central problem of education in the appreciation of its relation to culture. Therefore, for succeeding the integration of technology in higher education for quality improvement in education what is needed is a systemic and strategic planning with regard to access parameters, acceptance parameters and the most important being the delivery parameters.

For a system to operate effectively in an external environment of constant flux of change it has to manage effectively the external as well as internal factors. Higher education is in the midst of a dramatic and profound change. For meeting future challenges, it necessitates, improving student learning, productivity, developing civic leadership, enhancing multi-cultural understanding and achieving higher levels of educational attainment, all these necessitate greater integration between curricular and co-curricular experiences. Addressing these imperatives requires the development of collaborative partnerships between students affairs and various internal and external constituencies. As suggested by the recent Kollogg commission (1997) report entitled "returning to our roots: the student experience," new forms of educational and administrative leadership are needed because "our challenges are no longer technical issues of how to allocate rising revenues, but are difficult in adapting problems of how to lead when conditions are constantly changing, resources are tight, expectation are high, and options are limited. We live in an age of transformational, not technical, change. Our leadership, like our institutions, must become transformational as well." Colleges and universities will have to be more open to differences, offering multiple programs content, educational practice, and student welfare activity. The primary change here is from educational practice determined solely by faculty and staff to a joint partnership in which teaching and learning takes advantages of the expertise, experience, and intellectual curiosity of faculty, staff, and students equally.

Global Scenario of Change

Change is so much universal that can be observed in all spheres of local and global circumstances. A number of instances can be brought forth to articulate how change is taking place around the World. For example:

- The number of e-mails sent on an average day was 10 billion in 2000; 35 billion are expected in 2005 (Zuckerman, 2001).
- Educational courses and programs are being designed, produced, and distributed by corporations.
- The UK higher education funding council has estimated the global on line learning market to be \$ 70 billion (Kelly, 2000).
- Merrill Lynch calculated that the higher education

market outside the US is worth \$111 billion a year, and it projected a potential consumer base of 32 million students. More than half of a market, in terms of both students and money, is based in China (Moe, 1998).

- The national institute of standards and technology estimates that by 2004, the US e-learning market will grow to \$46 billion; the international data corporation projects that it will expand to more than 35 percent of the total training market by 2004, up from 10 percent in 1999 (Mortan, 2001).
- The western governors university, a virtual university sponsored by 10 western states, award based competency degrees (Morrison & Mendenhall, 2001).
- At Rio Salado college (Arizona) students enrollment is continuous, with new classes beginning every 2 weeks (Morrison & Twigg, 2001).
- In 2001, 72 % of colleges and universities offered distance education courses; in 1999, only 48 % of institutions offered such courses.
- Universities 21- a high profile international consortium of 17 universities in Asia, Australia, Europe, and north America- plans to sell online degrees to a global market. Created in 1997, the consortium intends to offer a master's degree throughout Asia in early 2003 (Hagan, 2002).

Nonetheless there has been numerous problems in these efforts as each time a new technology has come into vogue, its advocates begged the institution to buy it, so as not to fall behind. They promised that its use would improve learning. Yet soon in a short time span, a completely new technology had taken center stage. No large-scale improvements in the effectiveness of instruction had been achieved, but this new technology, advocates and promise that it would change everything and the new technology always seemed to be the answer.

They grey side of technological innovation and qualitative improvements in education can be cited as follows:

1 *Surrendering to bliss of the technology.* Institutions and programs tend to focus just on the technology itself. For effective use of technology will require more than hardware like staff development, developing course designs, new organizational partnerships and new internal coalitions.

2 *Forgetting that the life span of many new technologies is far shorter than the time it takes to implement the recipe and improve educational outcomes.* In education sector the foremost difficulty that is faced is by the time technology inception takes place it becomes outdated and new technology takes its place. Due to this reason the returns in education are not visible.

3 Trying to improve outcomes by using tutorials and other forms of self-paced, interactive, branching courseware. These kinds of tutorials can dramatically improve outcomes, learning speed, and costs. But the problems large scale implementation have always proven unbeatable in terms of short life cycle of the course ware; the hidden costs of altering the curriculum to take advantage of the courseware; the rigidity of the courseware in the face of new developments in the discipline; the lack of rewards for authors etc.

It is therefore, important to enumerate some key strategies that would help higher education institutions and programs use it to make major improvements in educational outcomes.

- 1 Begin with a long term focus on a few selected outcomes and the educational activities needed to improve them like skills of inquiry and research; the ability to apply learning more successfully in the real world; skills of working in teams, international and intercultural understanding; skills of designing, composing and creative work.
- 2 choose technology that can contribute incrementally and cumulatively over the long haul by keeping in mind the several points such as returns for the investment, large scale adaptation, cost effectiveness and feasibility.
- 3 emphasize forms of instructional material that most faculty members find quick and easy to create, adapt and share. Make a gradual change in the process of adaptation.
- 4 map the progress and problem that might emerge in later years.
- 5 focusing on the outcomes expected by generating coalitions of people and interests from inside and outside the institution, not the technology.

Conclusion

The emergence of the information society is confronting all education sectors with profound changes. The convergence of information technology with communication technology for the purpose of education and training, known as network learning, creates opportunities for people to learn and communicate with each other in new and flexible ways. Higher education will make a distinctive contribution to the development of a learning society through teaching, scholarship and research. Due to technological advancement, future demands of higher education increased. Pedagogy at higher education has been shifting depending upon the use of technology. Also the dimensions of teaching learning process and students' evaluation are being changed due to intervention of technology in higher education. It has contributed to bring change in local and global context of higher education.

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Table 1: difference between traditional and contemporary educational setting

Traditional setting		Contemporary setting
Student role.	Store information	Create knowledge.
Teacher role.	Present information, information giver	Facilitator, guiding students for active learning.
Curriculum design.	Breadth, fact retention, fragmented knowledge,	Depth multidisciplinary themes, knowledge
Learner characteristic.	disciplinary separation.	integration, application of knowledge.
Role of technology.	Independent learning.	Collaborative learning.
	Direct instruction, drill practice, tutorials etc.	Collaboration, exploration, research etc.

Table 2: transformative changes for quality higher education.

Area	From	To
Business approach	Competitive	Cooperative
Content	User	Developer
Delivery	Within institution	Across borders
Educational processes	Discipline specific	Multidisciplinary
Focus	Internal processes	Collaborative
Flexibility	Restrictive	processes
It system	Defined by producer, inflexible	Flexible
Knowledge attitude	Hoarding	Defined by user, adaptable
Learning	Confined	Sharing
Pedagogy	Teacher centered	Open
Perspective	Narrow	Learner centered
View of other institution	Suspicion	Broad
Quality control	Internal	Trust
		shared

Source: Keats and Beebe (2004)

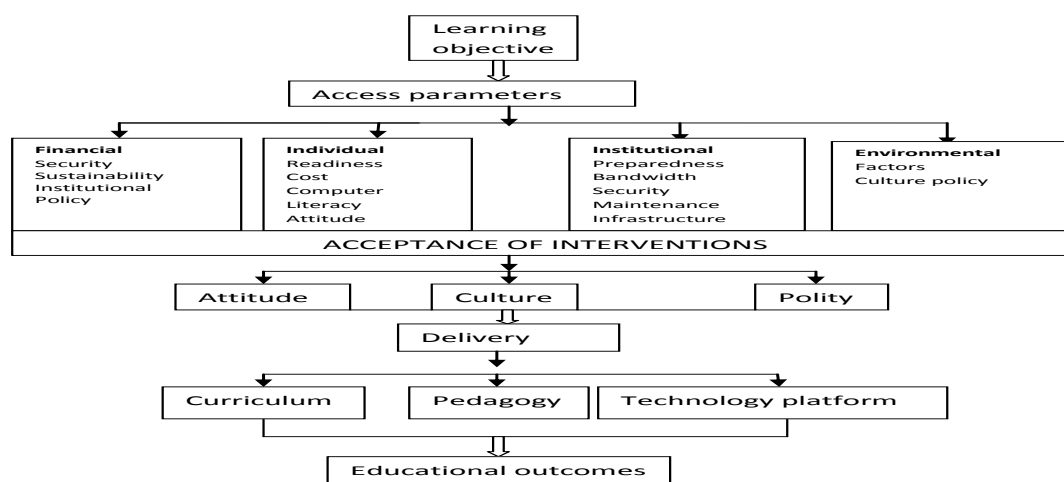


Fig 1: factors affecting delivery, operation and management of higher education in digital context.

Usage of Electronic Communications by Young Entrepreneurs Business in Nepal

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Abstract

Organizations and Technology cannot be separated in Today's world. There has been an excessive use of technologies based on the Internet, World Wide Web and Wireless Communications to transform businesses since the creation of the first web site. Applying these technologies has offered many opportunities for innovative e-businesses with new business approaches. The technologies are so fast driven that the gadgets we use now will be obsolete next year. Thus, E-business and E-commerce, offers new opportunities with many challenges at the same time. Innovation is the continuous process. So, the entrepreneurs are concerned more about applying new electronic communications technologies in their businesses because E-business has completely changed the pattern of doing business traditionally. Innovation in e-business is inevitable so all organizations have to keep them up-to-date about new electronic and Internet-based communications approaches to make their business more competitive and also to manage ongoing risks such as security and performance. This study in Nepal will look into existing businesses and their approaches to e-business modeling by entrepreneurs in Nepal. For this, questionnaire methodology was used to 15 young entrepreneurs businesses of the nation.

Keywords: *E-business, Electronic communication, Entrepreneurs, Internet, Innovation.*

Introduction

Business and technology are two inseparable buzz words in 21st Century. Innovation and technology has completely changed the way of do business traditionally. There has been an excessive use of technologies based on the Internet (being focal revolutionary technology), World Wide Web and Wireless Communications to transform businesses since the creation of the first web site. E-commerce, among them, which includes almost everything, such as retail shopping, banking, stocks and bonds trading has totally changed the traditional business. Many traditional companies these days have achieved success with the help of e-business. E commerce business such as e-sewa, sastodeal.com is some of the popular online site in the market. One of the reasons why e-business is grooming is because of it's cost saving factor such as labor costs. Also, it doesn't require many staffs which help in cost cutting. Thus, electronic usage may help the traditional companies to make a high profit by cutting cost. Secondly, as compared to the traditional business which requires excessive efforts to create market, e-business can make

the customers from around the world through the website easily. Third, it increases sales through a new distribution channel for existing products. The customers do not have to go to the company to buy the product because they can do it from home. Also, E-commerce allows online trading and online payment, which will attract many potential customers. Thus, the traditional companies can expand the local market to the global market through the use of online portals.

Electronic technology like internet can be used exclusively as marketing tool. The concept like digital marketing can boost sales, make consumer inform, aware and persuade about products and increase branding at a same time with just the use of one technology, internet. Entrepreneurs can use electronic communication to enhance their operations internationally for example KFC and other chain restaurants are using concept of central kitchen through the use of internet globally. Other ICT enabled technology like Video conferencing can be used to deal, order or to know someone personally as it doesn't require companies to present physically. The latest trends of using sponsored

add over internet is enormously growing, making it one of the best options for advertisement reaching worldwide excess within no time. The entrepreneurs can only rely on technology to boost their sales and business and also can devise a business model from the database they get it from usage of technology. Thus, database allows an access to information which has considerable impact on businesses.

Entrepreneurs can use electronic technology to enhance their operations internationally. The digital age offers opportunities to both consumers and businesses. In fact, the Internet and other technology, provides an easy access to a market worldwide irrespective of the size of the company.

Objective

Electronic technologies such as mobile, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, and electronic data interchange (EDI), inventory management systems, and automated data collection system have change the way company use to do business with. The objective of this study is to look into the usage of electronic devices as communications techniques by young entrepreneurs in Nepal. The huge popularity of e-commerce and e business has made exponential increase in exchange of goods and services both regionally and globally.

Literature Review

Dating from the early 1990s, e-business (electronic business) has not only introduced a new way of doing business, but has become a vital part of peoples' lives. Individuals, practitioners, and even politicians are paying increasing attention to e-business and using it as a strategic tool for communication. According to data from the Organization for Economic Cooperation and Development (OECD), on average, 96% of its sample firms in selected countries used the Internet and 69% had their own websites in 2011 (OECD 2012a). Additionally, an increasingly high percentage of individuals is using the Internet for communicating, shopping, learning, social networking, banking, and many other functions (OECD 2012b). Many businesses are reviewing opportunities related to benefits, costs and risks of implementing ICT. The growth of social networks such as Bebo, Facebook and MySpace has created enormous opportunity for business. Likewise, rich media such as online video and interactive applications into their web sites and the selection of mobile commerce services which enhance the usage of mobile phone and other portable wireless devices such as laptop have also created numerous scopes.

In Nepalese context, internet subscribers in Nepal reached 38.78% of whole population. More than two dozen E-Commerce sites are active where Metrotarkari, Chizbiz, Agromart, Kaymu are some existing online groceries from Kathmandu valley. Many companies in Nepal started using electronic communication technology decade ago with only few gradual changes with it. Payment gateways have their limitation due to legal and security issues in Nepal. However, due to education the usage of internet as communication has increased substantially.

Castells (1996) and others have also recognized IT as the most important factor separating the developing and developed countries. Countries are being encouraged to attract economic growth by entering the 'information age', and being able to supply or compete at the multinational level. Therefore, there is no wonder that many developing countries are trying to bridge the development gap by means of technology acquisition. However, as Madon (2000) points out, the rapid diffusion of IT in developing countries has not been accompanied by substantial developmental benefits. This does not mean that this technology has to be discarded as a tool of communication. There is no question as to whether IT is appropriate or not; it is a technology which cannot be ignored.

In Nepal, e-Commerce was started as sending gifts and money online and some websites promoting "Send Gifts to Nepal" a decade ago. It was targeted to Nepalese residing in USA, UK, Australia and Europe. But now there is substantial growth of electronic technology as the means of communication by many Nepalese entrepreneurs.

Methodology

The research was carried out with semi-structured interview, conducted to entrepreneurs or highest official of the company which lasted for 30 minutes, and two visits per firm were made. 15 different entrepreneurs businesses from Kathmandu were selected for information collection. The semi structured interview was conducted to understand the electronic usage by entrepreneurs in their business. The modality of the questionnaire was on three important headings as.

1. General questions about technology, electronic devices and their usage in a company.
2. To understand if internet has been an innovative communications techniques in their business?
3. To understand marketing technique, principles, strategies and their application in internet

Results and Discussion

The demographic structure provides the necessary information about enterprises. Following table provides information about usage of electronic communication by 15 firms.

Table 1- Demographic information of sampled firm.

Features of Firm	Industry type	No. of employee/year since ICT usage	Type of IT system	Type of business transaction	Product focus	Reach
Firm 1	e-commerce	4-2008	B2C shopping cart	Purchase order, Shipping notices	Clothing, Electronics,	National
Firm 2	Transport Freight	15-2010	Internet, e-mail, tracking	Purchase order, invoices, shipping notices, bills of landing payments	Cargo	National, Global
Firm 3	Real Estate	5-2016	Internet, e-mail	Agreements	Land and building	National
Firm 4	Restaurant	10-2016	Internet, email, delivery, GPS, phone call	Order, invoices, bills, location details	Local food Mo:Mo, Pizza	National
Firm 5	Hotel	20-2017	Internet, e-mail, online booking, alert messages, chips, biometric	Order, Reservation, invoices, itinerary	Accommodations, Restaurant, Free information	National
Firm 6	Manufacturing	50-2007	Internet, e-mail, e-supply chain, inventory	Order, Receive slip, Invoices, Delivery details	FMCG	National
Firm 7	Packaging	8-2008	Internet, email	Packaging Style, Design	Local Pickal (Acchar)	National
Firm 8	Advertising Agency	7-2007	Internet, email, voice message	Add design, TVCs, consulting	Add and consulting	National
Firm 9	Retail marketing	10-2010	Online sales, internet, e-mail, order	Invoice, sales slip, product display	FMCG	National
Firm 10	Online trading	4-2015	Online market place for B2B	Invoices, delivery slip, sales return, Accounting	Electronics	National/ Global
Firm 11	C2C site	7-2013	e-exchange, online trading	Invoices, delivery slip, sales return, Accounting	Used books, furniture etc	National
Firm 12	Distillery	50/2007	Internet, email, e-procurement, biometric	Order, Receive slip, Invoices, Delivery details	Alcohol	National
Firm 13	Mineral water	Aug-10	N/A	Order slip	Drinking water	National
Firm 14	Mobile Apps	8-2010	Add on Google	Design, coding	Application	National/ Global
Firm 15	Mobile Trading	14/ 2012	Internet, email, SMS,	Sales, order, display	Mobile sales	National

Source: Semi-structure Interview, 2018, Feb 93.33% of the companies have been in business for more than one year and nearly 80% of them were locally run, most of them in capital city. All (100%) of the companies have a website, 96% of

them have not had difficulties with spending for internet and online services. The focus of the enterprises was mainly on marketing the products/services. The biggest shares of products are related to online trading business and rest companies were some way or the other mainly related with selling products. Services related companies were basically concerned with information dissemination heavily relying on websites. 94% of the companies stated they were entirely concerned with the latest trends in technology including up-to-date software, offering digital services equipment and websites. The priorities were on technological innovations, especially IT and its enhancement. Some companies were least concerned on electronic usage because they already had their certain market share in the market but were using some form of technology like email and internet though. Thus, those firm who were not using technology exclusively but on limited form has loyal customers or were using traditional way of doing business like face to face communication. However, Entrepreneurs admitted that technology used so far has influence the business in a considerable way. Almost 90% of the interviewee acknowledged that usage of electronics has rapidly raised the quality of their services being internet technology as the way to understand customers' needs, wants preferences and choices. Interestingly, 91% of respondents stated that changes in business activities resulting from IT solutions had an affirmative impact on sales. As a result, post sale services have become easier and comfortable. Other respondents stated that there were no significant impacts of electronic usage in their company as their belief was on their network and their loyal customers.

About an internet usage as communications technology, all of the companies have an official website, and some offering online sales services. The medium of the language on website was English exclusively. No native Language was used for website. Only 5% companies have not conducted research regarding customers' ability to surf. Almost 87% of the companies used the website as a marketing tool. The intranet and extranet services helped them in sharing information and using software for procurement, supply chain and customer relationship management. For those who were using a system as an integral part of business found electronic usage productive and efficient. About 80% of the companies have decided to increase additional funding over electronics usage and internet services. Companies found electronic devices highly beneficial for decision making and believed that customers uses internet service to find their product, information about companies and online services.

The questions on marketing technique, principles, strategies and their application in internet were discussed with entrepreneurs. Every firm uses some 1-3% investment out of total revenues for Research & Development (R&D) towards creating new products and improving existing ones. Many company's websites was for information about products, services and the advertisements they showed. Online sales for every firm (below 20%) in Nepal are at primitive stage. However, online orders and online

assistance over supply chain is at a satisfactory level. Some companies mainly use their websites for promoting products and sharing information about products and services. Nearly 25% of all firms use their websites to receive feedback regarding their activity and products. Most of the companies achieve online sales i.e below 20% out of total sales. This shows there is still so much to do with advertise their products online. Around 85% of the companies indicated to increase their entire sales through the usage of electronics.

Conclusion

The results indicated a majority of entrepreneurs are aware digital world putting them an extra pressure to initiate electronic usage to enhance their productivity. The Internet is the focal point for the usage for electronic device as it can excess market to 3.5 billion plus internet user. Entrepreneurs have to find a way to this market with new and innovative product or idea. Entrepreneurs encounter several barrier and challenges while using electronic devices for example it could be costly affairs, system failure, security etc. Thus, ICT posses both opportunities and challenges imposed by the use of ICT services. The results from research finding indicate IT and electronic usage are growing tremendously in Nepalese industry.

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Contractor Selection Method for Construction Work and its Effect in Nepal

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Abstract

The construction industries are one of the major parts that give important components for the improvement of on economy. The construction industries are the scheme through which a general public achieves its objective of urban and country development project. Construction Industry has the greatest challenges to complete the work on Time in Nepal now. There are several causes behind these days, which thus influences the project implementation at massive in the general world, including in Nepal. This study expected to notice and break down the one reason for delays in construction work in Nepal. The procedure of the procurement of works and selection method of construction contractor is also one of the causes of delay construction work in Nepal. In Nepal, Constructor selection is decided according to the lowest financial bidding system among the pre-qualified contractor. It is called low bid method. From this method, we will get financially benefit at starting time but we will get more difficult later to complete the project on time. Some country is precise average bid method. The contractor whose bid price is nearest to the average of all bidders is selected for construction of works. Some Country is followed by multi-criteria evaluation method. In this method, Contractor is selected according to some of the total weightiness from the Technical proposal and financial proposal. Technical and Financial proposal are evaluated in separate and combine the mark together to find out the highest scoring contractor. To eliminate the drawback of low bid system in Nepal, I have suggested using the Multi-criteria evaluation system after modified according to our condition in Nepal.

Keywords: construction, contractor, bid, Nepal, procurement

Introduction

Background

Contractor selection procedure & decision making criteria are the most important tasks for clients & management group. The contractor is one of the major cause to complete the work on time with good quality of works. To make a decision for selection the contractor depends on public procurement of rules & procedure our country. Therefore public procurement rule should be practical, competitive & qualitative.

Careful analysis and selection of construction contractors, including bid participation, bidevaluation, and final selection are important management responsibilities news for attaining successful results.

Construction contractor selection criteria are governed by public procurement rule, criteria are governed by clients & management team. Therefore to select the good contractor for construction works management team should continue

procedure extremely. In our country Nepal, Government has issued the public procurement rules to select the contractor. According to this rules, they are giving the most priority to lowest bidder among the pre-qualified bidder. This lowest bid system sometimes produces the huge problems in construction industries to complete works on Time. Therefore I explained the current and others alternative method to select the contractor to avoid the delay of works.

Statement of problem

Current practice in the word, related to a selection of the contractor for construction work, there are applying different method. Among those methods, the low bid selection method is the one of selection procedure in our Country. This method is currently using in Nepal. Sometime it will be difficult to find out the capable contractor using this method. If the appropriate contract is not selected according to nature of the works, construction work will be delay and cost overrun. Time schedule delay

& cost overrun bad effect all project. Quality of the work will be decrease & dispute and arbitration will be created between the client& contractor. Delay of works will make the bad effect on the environment & daily life of the people. It will decrease the economic growth of the country also.

Methodology

This article is prepared to review the literature, technical reports and case study of two building projects. Two building which is under construction at Kirtipur, kathmandu nepal located same geographical area. The contractor was selected by some procurement process for both buildings. Two different contracts were selected for the building. During construction period how to affect the procurement process and bidding price to complete the project on time was confirmed with two building each other.

The different examination has been attempted by an expert with respect issue of contractor selection for doing the construction project.

Ming-sum (construction information quarterly-volume-10-issue 4) is explaining the construction tender evaluation practice in China. Santosh Kumar Shrestha (journal of IOE 0-10, no.1) mention the standard practice to select the contractor in Nepal and others country. Jeffrey s. Russell (Iowa state university, Ames Iowa, project management journal 22(41-31-40) explain the selection criteria of contractor and different model of methodology to find out the capablecontractor.

Selection Method of Contractor

There are many kinds of the method adopted to select the contractor for works. The different country they have the different procedure to quality and selected the contractor. Nepal country also has own method to select the contractor for works. Nepal also has own procedure to qualify and select the contractor. In public construction works, there are many kinds of practice to qualify and decision making procedure. Some best practice and Current practice in Nepal and others country are described below.

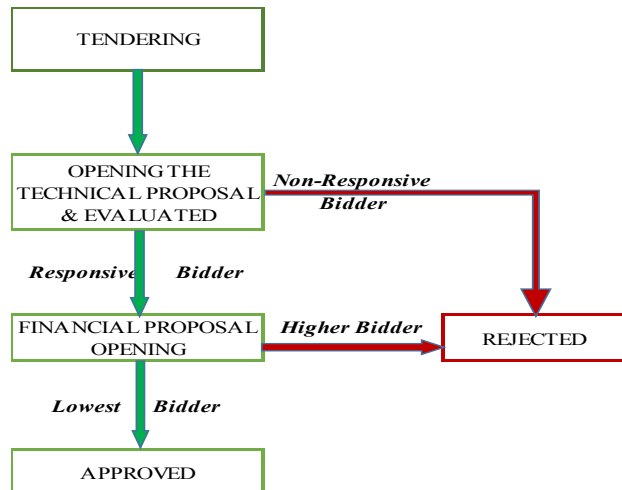
Lowest Bid Price Evaluation Method

This method is mostly used in public procurement process for Construction works in Nepal. Due to client's interest in encouraging competition and saving money, this method is mostly used.

In this procedure first selected of capable contractor according to pre-qualifying criteria. Qualifying Criteria is fixed according to Public Procurement Act, 2063, Nepal and qualifying criteria is approved by the higher authority. After approved the bidding documents with qualifying criteria, bidding notice is published in the national newspaper to submit the technical & financial proposed

by the contractor. Generally, submission time duration is given 30 days. Bidders have to submit the technical & financial proposal in a separated sealed envelope with sealing one single envelope. A first technical proposal has opened & evaluated. The bidder who has submitted the documents according to qualifying criteria are the responsive bidder and selected for further process. The financial proposal is opened for the only selected bidder. The comparative chart has made among the selected bidder who is a responsive bidder. According to comparative chart, which bidder had submitted the lowest financial price selected.

Following is the Diagram for lowest evaluated price process:



Lowest bid price evaluation method has some benefit but has more drawbacks. In This method, public get financially benefit in initial phase because of saving money by more financially competitive. But later in middle and last of the project, client lose the money due to the delay of work by the contractor because of the financially low bid but materials cost is high. This has a negative effect on both qualities and duration of the project. The contractor has lingered the construction work & failure in meetings standards of Quality and sometimes unsuccessful whole the project. During the Construction, a period contractor will try to use cheapest materials and labors which will affect the Quality of works.

Case study example

This study is carried out on two different public building located at Kirtipur, Nepal. Both buildings are at same compound premises and both are under construction with two different contractors. Foundation of the building has same mat foundation building. Total floor area and total estimate cost are different for both buildings. Name of the one building is TRC and other TVC contractor was selected by low-cost bidding method for both buildings. Two different contractors are awarded the work according to their bidding cost for both building construction works.

Details of both project data & progress report are given in following chart sheet.

Name of Project	1. TVC Building	2. TRC Building
Estimate cost Amount in Rs.	206,395,000.00	104,706,000.00
Contractor bidding Amount in Rs.	149,548,000.00	104,272,000.00
Different Amount	-56,847,000.00	-434,000.00
Different Amount in %	-27.54	-0.41
Name of the Contractor	A	B
Total no. of the floor of Building	2.00	2.00
Total Project time duration	24.00	18.00
Work Progress in % (According to Financially and Physically progress report)		
After 12 months	25%	67%
After 18 months	35%	100%

Contractor A was granted the contract to construct the building TVC because of his lowest bidding cost. His bidding cost was 27.5% below than estimated project cost. Contractor B was granted the contract to Construction the Building TRC. His bidding cost was only 0.41% below than total estimated project cost. Due to the shortage of work, Sometime contractor bid very low cost. This unhealthy competition makes the project delays in the lowest bidding system.

According to above data sheet Project, TVC building was completed 25% works after 12 months. But it should be completed 50% work at that period. Project TRC building was completed 67% work at same time duration. Work progress for TRC building is looking at according to schedule. After 18 months, TVC building could be completed 75% according to schedule work but it was completed only 40% of work. TVC building work was 35% behind from the work schedule.

TVC Building after 18 Months



TRC Building after 18 Months



Multi-Criteria Evaluation Method

Multi-criteria assessment technique is created based on multi-attribute utility hypothesis (Holt, 1998; Hatush and Skitmore, 1998; Chang, what's more, I've, 2002). Although delicate cost, multi-criteria assessment technique considers other key factors, for example, specific preparation, Contractor's Organogram, Financial capacity, administration assets, past experience, execution record, current workload, past customer/contractual worker relationship, wellbeing safety measure (Russell, 1992; Holt et al, 1994; Fong and Choi, 2000; Lai et al, 2004). These components or special criteria alteration in their significance. This is reflected in a weighting doled out to every standard, for illustration 40% for specialized arrangement and confirmation framework, 15% for capacity and experience.

For the most part, the multi-criteria assessment process incorporates four principle ventures as per following:

1. Responsiveness assessment.

When tenders are gotten, the first assignment for the assessment board is to distinguish whether a delicate is significantly receptive to the customer's prerequisites of value standard and venture length. On the off chance that a delicate neglects to meet the prerequisites, it will be rejected. Scoring against responsiveness criteria is then given to qualified tenders by all individuals from the assessment board exclusively and freely.

2. Technical viewpoint assessment.

The assessment board at that point investigations a delicate plausibility of specialized arrangement and unwavering quality of value confirmation framework, plan confirmation framework and security practical steps. The assessment board likewise surveys regardless of whether a giver has sufficient experience, whether the task administrator is able, and whether the venture group incorporates important professions. Scoring against specialized perspective's criteria is at that point given to the tenders by all individuals from the assessment board.

3. Business angle assessment.

After vital mistake redress, what's more, value modification, the assessment board decides whether a delicate cost is sensible by contrasting and the customer's base cost or on the other hand different baselines? A delicate will be rejected on the off chance that it is thought to be irrational low or unusual high. Scoring against business perspective's criteria is then given to sensible tenders by various individuals from the assessment board.

4. Figuring of general scores and placing.

The aggregate score of a delicate is figured by including every one of the results of the score granted and the weighting of every basis. It is computed by every person on board part. The last score of a delicate is the normal score by all the board individuals. The agreement is then granted to the delicate with the most elevated normal score.

Most local governments give layout assessment systems to distinctive sorts of ventures. Nonetheless, the particular choice criteria must be fitting for and particular to a specific undertaking. In this way, a customer can pick the correct format system and afterward make changes to the two criteria and their weightings (Pongpeng and Liston, 2003). For case, the customers in the important scale activities may choose nearby design arranging as a basis for specific perspective. Littler and more straightforward tasks may exclude it. The criteria and their weightings may differ from venture to extend, e.g., an open segment undertaking might be unique in relation to a private segment venture, and a building development undertaking might be unique in relation to a structural building venture.

Average bid evaluation method

In this method, the contractor is selected according to their financial proposal which cost is nearest to the average bid price of all submitted cost by bidders. To calculate the average bid cost, different methods used in different countries. Some country uses all bidder's submitted price to calculate the average bid price and some countries are eliminated the lowest and highest bid price and used remaining bidder price to calculated the average bid price.

Following example explain the more details of this different method.

Contractor	A	B	C	D	E	F
Bid Amount	700	850	950	1100	1250	1500
Average Bid amount	1058.33					
% different from Average	-3.58	-2.08	-1.08	0.42	1.92	4.42

In lowest bid price evaluation method, Contractor A with 700 is to be selected. Average bid cost is 1058.33. As per Taiwanese method, the offer of bidder D i.e. 1100 is nearest to the average bid cost is selected and as per Italian method, the offer of bidder C i.e. 950 is nearest to and lower than average bid cost is selected. This standard average method is useful for few numbers of bidders.

When many numbers of bidder, extra principles might be utilized, for example, lowest bidder and highest bidder are eliminated when calculated the average bid price and new average bid price is calculated. This system is used in Switzerland. In above example bidders, A & F are eliminated from the competition and new average is 1037.50

Contractor	B	C	D	E
Bid Amount	850	950	1100	1250
Average Bid amount	1037.50			
% different from Average	-2.08	-1.08	0.42	1.92

According to above figure, closest bidder D is (1100) selected.

There are different sorts of prohibitions now and again utilized, for example, in Peru and in the State of New York where the end model depends on the contrast amongst offers and the normal offer. Offers that lie 10 percent below or over the average will be eliminated, as expressed in the Peruvian controls for offering and contracting for open works (Albano, Bianchi, and Spagnolo, 2006). After eliminating the 10% below or higher than average cost, again calculate the average cost and selected the Contractor whose price is closer with average cost.

Conclusion

This article has illuminated a comprehensive contractor selection methodology for owners and their representatives to professionally evaluate and select construction contractors for their large, and small construction projects. This study fills a supposed gap in the current owner selection approach, which is often expert by subjective and criteria.

Selecting tenders to the lowest bidders is the main reason behind slow construction projects and failure in meeting its standards in Nepal. All of the Construction Contractor selection procurement process have some limitation, complication, and drawback. But we can reduce these things by choosing the correct procurement method. We can use Multi-Criteria Evaluation Method or Average bid evaluation method to select the construction contractor for construction works to reduce the drawback in construction works in Nepal.

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Factors Influencing Individual Investors to Invest in Nepalese Capital Market

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Abstract

This paper aims to determine the most influencing factors on investment decision of individual investors and compare how one of the factor relates to socio-economic of the investment in Nepalese capital market. Data have been collected from Kathmandu valley. Univalent analysis was done to draw the results regarding demographic variables that was presented in the form of table and bar diagram To prioritize the most influencing factors; central value, dispersion, maximum, minimum value was calculated. Similarly data was present in cross tabulation and Bivalent Analysis was conducted to identify interrelationship between two qualitative data which is used Chi-square test. Likewise to determine the how demographic variable impacts on the factors influencing investment decision t-test and one way ANOVA was done. The result show that five most important principal factors that have influenced the investment decision of the respondents in order of ranking are dividend policy, past performance of the company, peace and security, expected stock capital increases/bonus and ruling political party. On the average, the group of factors making economic factors pooled the highest scores. This is followed by political factors. Social factors come 3rd while the 4th and 5th factor respectively are Psychological factors and Cultural factors. These factors were significantly influence by gender, age, marital status and occupation of investors in the Nepalese stock market hence there is difference in investment decision and pattern among these various socio-economic groups.

Keywords: Individual. Investment, capital market

Introduction

Today, there are number of individual investors who are directly engaged in trading in Nepal stock exchange and becoming more aware about investment environment and market. The main focus of behavioral finance is upon the ways people do interpret and act upon information for making investment decisions. As behavioral finance is defined by Shefrin (1999) a rapidly developing area that deals with influence of the psychology on financial practitioner behavior. Behavioral finance is the study that how psychology influences investment decision making and the financial markets (Shefrin, 2001). Process of decision making is a cognitive that results in selection of one course of action out of several alternatives. Many equity investors do not have appropriate knowledge of the basic concepts of economics required to make decisions of investment. So there exists a need to make research on these factors that can influence the investment decisions (Lusardi & Mitchell, 2006)

Baker and Haslem (1974) identified that expected returns dividends, and financial stability of firm are the serious

investment considerations for the individual investors. Baker, Haslem and Haargrove (1977) proposed, investors behave rationally and take into account investments risk and return tradeoff. This study analyzed the factors that exercise the supreme influence on individual investor behavior in investment decision making in equity market of Nepal.

Statement of the Problem

There has been found less research work in Behavioral Finance in Nepal if it is compared to other developed nation. Within Behavioural Finance, it is assumed that information structure and the characteristics of market participants systematically influence individual's investment decisions as well as market outcomes. Their attitude is influenced by a variety of factors such as reputation of the firm, get rich quickly strategy, dividend policy, stories of successful investors, current economic indicators, investor awareness programme, Brokers recommendation etc. A better understanding of behavioural processes and outcomes are important for financial planners because an understanding of

how investors generally respond to market movements would help them in devising appropriate asset allocation strategies for clients (Al-Tamimi, 2006). It is to be noted that there are many research conducted in different countries including Nepal about factors influencing investment decision in different investment option but the best of the researcher's knowledge, a comprehensive study on factor influencing individual's investment decision on equity market of Nepal has not been made. Further a study of this nature should be conducted at periodical interval as the attitude of investors' keep changing. Hence, this study attempts to find out the factors influencing the stock selection decision of individual investors of Nepal and to identify the effect of socio-economic profiles of investors on different factors.

Research Questions

The following questions can be used to direct this study

Question 1: What are the main factors that have attracted the investors to invest in the Stock Market?

Question 2: Are these factors of investment decisions related to the investors' socio-economic characteristics

Question 3: What are the investment patterns among different socio-economic group of investors?

Question 4: What are the most preferred investment sectors in Nepalese stock market?

Objectives of the Study

The main objective of the study is to determine the most influencing factors on investment decisions of investors, and compare how one of the factors relates to the socio-economic characteristics of the investors in the Nepalese Stock Market. The socio-economic factors include age, gender, marital status, educational qualification and monthly income. Specifically, the objectives of the study are to:

1. To identify and prioritize the factors influencing investment decisions of investors in the Nepalese Stock Market; and
2. To investigate the effect of socio-economic characteristics of investors on five most affecting factors
3. To study the impact of socio-economic characteristics of investors on investment pattern.
4. To identify most preferred sectors within stock market.

Research Hypothesis

Based on the research questions and the stated purpose of the study, the following hypotheses are formulated:

H1: Factors influencing investment decisions of investors differ significantly according to age, gender, marital

status, educational qualification and monthly income.

H2: Socio-economic characteristics of investors significantly affect their investment pattern.

Review or Literature

Al-Tamimi (2005) made a study on 'Factors Influencing Individual Investor Behavior: An Empirical study of UAE Financial markets'. The study found that the six most influencing factors in order of importance were: expected corporate earnings, get rich quick, stock marketability, past performance of the firm's stock, government holdings and the creation of the organized financial markets. Researchers also found the least influencing factors to be expected losses in other local investments, minimizing risk, expected losses in international financial markets, family member opinions and gut feeling on the economy. The most influencing group was, by order of importance: accounting information, self-image/firm-image coincidence, neutral information, advocate recommendation and personal financial needs. Two factors unexpectedly had the least influence on the behavior of the UAE investor, namely religious reason and the factor of family member opinions. Hussein (2006) reports the factors influencing the UAE investor behavior on the Dubai Financial Market and Abu Dhabi Securities Market. The most influencing factor by order of importance are: "expected corporate earnings", "get rich quick", "stock marketability", "past performance of the firm's stock", "government holdings", "the creation of the organized financial markets" (i.e. Dubai Financial Market and Abu Dhabi Securities Markets). Maditinos et al. (2007) made a study on 'Investors' Behavior in the Athens Stock Exchange' The results indicate that individual investor rely more on newspapers/media and noise in the market when making their investment decisions, while professional investors rely more on fundamental and technical analysis and less on portfolio analysis.. In addition, their evidence describe that all kind of investors according to accounting instruments, first look at the earnings (P/E) as their first priority and consider earnings per share (EPS) as their second priority, later pay attention to the net operating profit after taxes (NOPAT) as their third priority, and finally regard return on equity (ROE) as their fourth priority. Chandra and Kumar (2008) conducted a study on 'Decision-Making in the Stock Market: Incorporating Psychology with Finance.' Through this research, the author found that unlike the classical finance theory suggests, individual investors do not always make rational investment decisions. Their investment decision-making is influenced, to a great extent, by behavioural factors like greed and fear, cognitive dissonance, heuristics, mental accounting, and anchoring. These behavioural factors must be taken into account as risk factors while making investment decisions. Al-Tamimi et al. (2009) conducted a study on 'Financial

Literacy and Investment Decision of UAE Investors.’ The results indicate that the financial literacy of UAE investors is far from the needed level. The financial literacy level is found to be affected by income level, education level, and workplace activity. High-income respondents hold high educational degrees, and those who work in the field of finance/banking or investment had as expected a higher financial literacy level as others whereas, financial illiteracy exists regardless of the age of the respondents. A significant difference in the level of financial literacy was found as well between the respondents according to their gender. Specifically, women have a lower level of financial literacy than men. Finally, the results indicate that there is a significant relationship between financial literacy and investment decisions. The most influencing factor that affects the investment decision is religious reasons and the least affecting factor is rumors.

Masomi and Ghayekhlou (2011) conducted a study on ‘Consequences of human behaviors’ in Economic at Tehran Stock Exchange. The result shows that behavioral factors do influence the investment decision-making process. Factors such as cultural differences, the issues around emerging economies, varying levels of governance, and size of the markets may have been expected to influence the findings. Usmani (2012) made a research on ‘Factor Factors Influencing Individual Investor Behaviour in Karachi’ The findings suggest that classic wealth maximization and stock performance criteria are important to investors, even though investors employ diverse criteria when choosing stocks. Investors also make use of the accounting information derived by financial statements and the firm’s financial position in general. Sultana and Pardhasadhi (2012) conducted research on ‘An Empirical Analysis of Factors Influencing Indian Individual Equity Investors’ Decision Making. The most influencing attributes were identified and ranked based on the frequency of not at all important rating given by the investor. To identify factors influencing the behavior of Indian individual equity investors the current study has applied factor analysis. After applying factor analysis it was found that all the 40 attributes are reduced to the following ten factors namely Individual Eccentric, Wealth Maximization, Risk Minimization, Brand Perception, Social Responsibility, Financial Expectation, Accounting information, Government & Media, Economic Expectation and advocate recommendation factors. Geetha and Ramesh (2012) studied the relevance of demographic factors in investment decisions in Tamilnadu, India.. The result shows that there has been no significant relationship between demographic factors and other factors that influence the investment decision making process. However in case of relationship between demographic factors and periods of investments, it was found that a few demographic variables such as family size, annual income and annual savings have significant

relationship. But the rest of the variables such as gender, age, education and occupation have no significant relations with the period of investments made by the investors. Jain and Mandot (2012) investigated impact of demographic factors on investment decision of investors in Rajasthan . They found that most of the investors’ primary objective of investment is to earn regular income and expected rate of return differs from individual to individual based on their level of market knowledge and risk taking ability. This paper further reveals that there is a negative correlation between Marital Status, Gender, Age, Educational Qualification and Occupation of the investors’ also there is a positive correlation between Cities, Income Level and Knowledge of the investors’. Ramanujam and Devi (2012) made a study on impact of socio- economic profile on investment pattern of salaried and Business in Coimbatore city. This research study is a descriptive kind of research study. In order to conduct this study, 100 Investors in Coimbatore city have been surveyed and questionnaire is used for data collection. They found that Socio-economic variables as far as the concerned, age, gender, income, education and occupation have been found influencing the attitude of investors toward s investment significantly. Hossain et al. (2012) conducted a study on ‘Factors Affecting Selection of Equity Shares: The findings of the study reveal that investors place more emphasis on company specific attributes/reputation, net asset value, and accounting information in selecting an equity shares traded in Dhaka Stock Exchange in Bangladesh. Findings from this study also show that accounting information has significant difference in importance level across respondents with regard to age, income, education, and experience. Akhter (2013) made a study on ‘Behavioral Aspects of Individual Investors for Investment in Bangladesh Stock Market’ whose main objective was to develop a framework about behavioral aspects of individual investors for investment in the stock market of Bangladesh. The research found majority of the population came in the market on their self interest. People invested in the market to increase their capital.

Jagongo and Mutswenje (2014) made a study on ‘A survey of the Factors Influencing Investment Decision. Results of factor analysis revealed that the most important factors were: Firms position and performance; Investment returns and economic conditions; Diversification and loss minimization; Third party opinion; The goodwill of the firm and accounting information; Perception towards the firm; Environmental factors; Firms feeling and Risk minimization. Friedman’s ranking was used to identify the most important individual factors that influence investment decision in NSE. The factors were reputation of the firm, firm’s status in industry, expected corporate earnings, profit and condition of statement, past performance firm’s stock, price per share, feeling on the

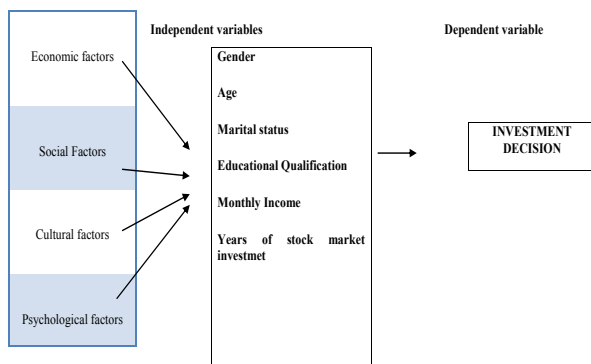
economy and expected divided by investors. Further, the result showed that there seems to be a certain degree of correlation between the factors that behavioral finance theory and previous empirical evidence identify as the influencing factors for the average equity investor, and the individual behavior of active investors in the NSE influenced by the overall trends prevailing at the time of the survey in the NSE. Thapa (2012) made a study on ‘Investment Behavior of Individual Investors in the Stock Market of Nepal. The study finds that increase in the size of investment leads to decrease in the confidence level of investors. Size of investment has significantly positive impact on the level of involvement and negative effect on investors’ optimism. Kadariya (2012) conducted a study on ‘Factors affecting investor decision making: A case of Nepalese capital market. The major findings are i) primary data analysis shows that Nepalese stock market starts to attract younger investors in recent period as the majority of the stock investors are younger. ii. The proportion of educated investors is high in the market; most of them are self-employed and small investors have strong voice in the Nepalese stock market. iii. The limited investors use their own skills and analytical power in investment decision. The most influencing factors for decision making are media and friends.

The consensus from the review of literature above is that investors’ investment decisions are not rational, based on the limitation of their capacity to process information. Most

importantly, investors’ decisions are influenced by certain identified factors categorized like corporate earnings, get rich quick, dividend policy, past performance of the firm’s stock and other factors related to the investor’s socio-economic characteristics and accounting information among others.

Theoretical Framework

On the basis of research of Al-tamimi(2005) and Aregbeyen and Mbadiugha (2011), the researcher has proposed to develop a new model mention as follows;



Theoretical model developed for the study

Research Methodology

The research design for the study is descriptive in nature. The researcher collected primary data from the individual investors from Kathmandu valley during April and May 2018 through a structure questionnaire. 200 questionnaires were distributed among eight purposively selected brokers each with 25 questionnaires. At the time of analysis, total 183 useful questionnaires were collected out of 200 distributed questionnaires. The structural questionnaire developed by Al- Tamimi (2005) was employed for this study with some modifications. Likewise to determine the how demographic variable impacts on the factors influencing investment decision t-test and one way ANOVA was done.

Data Presentation and Analysis

Prioritization of Factors Influencing Investors’ Investment Decisions

FACTORS	Mean of Individual Factors (M)	Std. Deviation (SD)	Combined Mean	Rank
ECONOMIC FACTORS				
Past performance of the company	4.10	0.96	3.885	2 nd
Dividend policy	4.11	0.97		1 st
Daily activities report of NPSE on gainers/losers	3.26	1.22		12 th
Expected capital increase/ Bonus	4.07	1.03		4 th
SOCIAL FACTORS				
Composition of board of directors	3.4	1.2	3.375	11 th
Management team of the company	3.42	1.065		10 th
Recommendation by reputable trusted stock brokers	2.89	1.094		15 th
Degree of transparency	3.79	0.938		7 th
CULTURAL FACTORS				
Friend's or coworker advice/persuasion	3.02	1.148	2.766	14 th
Predominant family culture in share investment	2.13	1.326		19 th
Exposure to the business of share	3.15	1.253		13 th
POLITICAL FACTORS				
Ruling political party	4.01	0.989	3.86	5 th
Opposition Political party	3.61	1.123		9 th
Statements from politicians and government officials	3.74	1.066		8 th
Peace and security	4.08	0.898		3 rd

PSYCHOLOGICAL FACTORS				
Future financial security	3.79	1.139	3.005	6 th
Get rich quick	2.75	1.223		17 th
Motivation by people attaining financial security through share investment	2.87	1.195		16 th
Expected losses in other investment avenues	2.61	1.252		18 th

The five most influencing factors on investor's investment decision in the Nepalese stock market in order of importance (with their means and standard deviation) are: Dividend policy (M= 4.11, SD =0.97), past performance of the company (M= 4.10, SD = 0.96), Peace and security (M= 4.08, SD = 0.898), Expected capital increases / Bonus (M= 4.07, SD= 1.03) and ruling political party (M=4.01, SD= 0.989).

T-Test and ANOVA of Factors Affecting Investors' Investment Decisions

The effects of the socio-economic characteristics of investors on the assessing factors of investment were analyzed in this section. Five most influencing factors are chosen to know how socio-economic characteristics affect on these factors.

Gender and Factors Influencing Investors' Investment Decisions

The Most Influencing Factors	Mean Value		t-value	Sig.
	Male	Female		
Dividend Policy	4.2	3.79	2.355	0.020
Past performance of the company	4.22	3.67	3.222	0.002
Peace and Security	4.03	4.26	-1.413	0.159
Expected capital increases/ bonus	4.01	4.28	-1.644	0.105
Ruling political party	3.96	4.21	-1.386	0.167

T- test for Influence of Gender on the Respondents in Five Most Influencing Factors

The results of the independent t-test in Table 25 reveal that there was a statistically significant difference for gender in the assessing factors of dividend policy {t = 2.355, p = 0.02} and past performance of the company {t = 3.222, p = 0.002}. The result indicate that male investors reported significantly higher preference for dividend policy and past performance of company's stock than did the females. The results imply that the gender of investors matter when making investment decision based on the dividend policy and past performance of company. However, it was observed that the assessing factors of peace & security {t = -1.413, p = 0.159}, expected capital increase/ bonus {t = -1.644, p = 0.105} and ruling political party {t = -1.386,

p = 0.167} has insignificant effect for gender.

Age and Factors Influencing Investors' Investment Decisions

Below Table shows the result of one way ANOVA test between the different age groups of the respondents and five most influencing factors.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Dividend policy	Between Groups	0.613	3	0.204	0.215	0.886
	Within Groups	169.977	179	0.95		
	Total	170.59	182			
Past performance of the company	Between Groups	1.959	3	0.653	0.695	0.556
	Within Groups	168.27	179	0.94		
	Total	170.23	182			
Peace and security	Between Groups	7.651	3	2.55	3.278	0.022
	Within Groups	139.278	179	0.778		
	Total	146.929	182			
Expected capital increase / Bonus	Between Groups	3.098	3	1.033	0.972	0.407
	Within Groups	190.115	179	1.062		
	Total	193.213	182			
Ruling political party	Between Groups	8.719	3	2.906	3.003	0.032
	Within Groups	173.259	179	0.968		
	Total	181.978	182			

Influencing of Age on Investors' Investment Decision

The result of the ANOVA show that out of five most influencing factors only two factors peace and security {F = 3.278, p=0.003} and ruling political party {F = 3.003, p = 0.032} show significant difference among the different age groups of the respondents at five percent significant level. The factors of the dividend policy {F=0.215, p = 0.886}, past performance of the company {F=0.695, p=0.556}, expected capital increase/bonus {F=0.972, p=0.407} were insignificantly different among the different age groups of the respondents.

Influences of Marital Status on Investors' Investment Decision table shows the results of one way ANOVA test between the different marital groups of respondents and five most influencing factors.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Dividend policy	Between Groups	5.569	2	2.784	3.037	0.05
	Within Groups	165.021	180	0.917		
	Total	170.59	182			
Past performance of the company	Between Groups	0.034	2	0.017	0.018	0.982
	Within Groups	170.196	180	0.946		
	Total	170.23	182			
Peace and security	Between Groups	1.723	2	0.861	1.068	0.346
	Within Groups	145.206	180	0.807		
	Total	146.929	182			
Expected capital increase/ Bonus	Between Groups	0.93	2	0.465	0.435	0.648
	Within Groups	192.283	180	1.068		
	Total	193.213	182			
Ruling political party	Between Groups	10.163	2	5.082	5.324	0.006
	Within Groups	171.815	180	0.955		
	Total	181.978	182			

Influences of Marital Status on Investor's Investment Decisions

The table depicts that only one main factor among five factors ruling political party {F = 5.324, p= 0.006} has significant difference based on the different marital groups of investors at five percent significant level. However, other four factors dividend policy {F=3.037, p=0.05}, past performance of the company {F=0.018, p=0.982}, peace and security {F=0.068, p=0.36} and expected capital increased/Bonus {F=0.435, p=0.648} are insignificantly associated among marital status which reveals that marital status doesn't affect investment decision of investors.

Occupation and Factors Affecting Investors' Investment Decisions

Table presents the results of one way ANOVA test between the different Occupation groups of respondents and the five most influencing factors.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Dividend policy	Between Groups	1.507	3	0.502	0.532	0.661
	Within Groups	169.083	179	0.945		
	Total	170.59	182			
Past performance of the company	Between Groups	2.678	3	0.893	0.954	0.416
	Within Groups	167.551	179	0.936		
	Total	170.23	182			
Peace and security	Between Groups	5.281	3	1.76	2.224	0.087
	Within Groups	141.648	179	0.791		
	Total	146.929	182			
Expected capital increase/ Bonus	Between Groups	7.371	3	2.457	2.366	0.072
	Within Groups	185.842	179	1.038		
	Total	193.213	182			
Ruling political party	Between Groups	3.004	3	1.001	1.001	0.394
	Within Groups	178.974	179	1		
	Total	181.978	182			

Influence of Occupation on Investor's Investment Decisions

The results of the ANOVA show that there was no significant difference among the different occupation groups and each of the five most influencing factors dividend policy {F = 0.532, p= 0.661}, past performance of the company { F = 0.954, p = 0.4166}, Peace and security {F= 2.224, p = 0.087}, expected capital increase/bonus {F = 2.366, p = 0.072} and Ruling political party {F= 1.001, p= 0.394} at five percent significant level. This shows that occupation doesn't affect investment decision of investors in the Nepalese stock market.

Monthly Income and Factors Affecting Investors' Investment Decision

Table revealed the result of the one way ANOVA test between the different income groups of the respondents and the five most influencing factors

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Dividend policy	Between Groups	5.035	4	1.259	1.353	0.252
	Within Groups	165.555	178	0.93		
	Total	170.59	182			
Past performance of the company	Between Groups	2.746	4	0.686	0.73	0.573
	Within Groups	167.484	178	0.941		
	Total	170.23	182			
Peace and security	Between Groups	5.411	4	1.353	1.702	0.152
	Within Groups	141.518	178	0.795		
	Total	146.929	182			
Expected capital increase/Bonus	Between Groups	8.294	4	2.074	1.996	0.097
	Within Groups	184.919	178	1.039		
	Total	193.213	182			
Ruling political party	Between Groups	3.2	4	0.8	0.797	0.529
	Within Groups	178.778	178	1.004		
	Total	181.978	182			

Influence of Income on Investor's Investment Decisions

The results of the ANOVA indicates that there was no significant difference among the different income groups and each of the five most influencing factors dividend policy { F = 1.353, p= 0.252}, past performance of the company{ F = 0.73, p = 0.573}, Peace and security {F= 1.353, p = 0.152}, expected capital increase/bonus {F = 1.996, p = 0.097} and ruling political party {F= 0.797, p= 0.529} at five percent significant level. This shows that income level doesn't affect investment decision of investors in the Nepalese stock market.

Findings and Conclusion

The result show that five most important principal factors that have influenced the investment decision of the respondents in order of ranking are dividend policy, past performance of the company, peace and security, expected stock capital increases/bonus and ruling political party. On the average, the group of factors making economic factors pooled the highest scores. This is followed by political factors. Social factors come 3rd while the 4th and 5th factor respectively are Psychological factors and Cultural factors. These factors were significantly influence by gender, age, marital status and occupation of investors in the Nepalese stock market hence there is difference in investment decision and pattern among these various socio-economic groups.

However, the observed differences in the means and standard deviation among the different sub-groups implies that there is no one set of factors that predominantly explain the investor decision making in share investment hence investment decision is shares are influenced jointly by economic, social, political, cultural and psychological factors.

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Monitoring of Critically endangered White rumped vulture in Nawalparasi (Nepal)

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Abstract

The purpose of this study is to focusing on vulture conservation, Vulture population status of critically endangered White rumped vulture. Jatayu Restaurant not for the dinner but an environment for beauty of nature, for the home of those species which are on the verge of endangered, for the shelter of vulture, a tertiary consumer. The concept of conservation of those endangered species are interlink directly to the human life, life of those species and the resources dependent on those species. Being a part of the eco-system the rational human society has the foremost role to sustain and balance the eco system. Vulture, being a part of eco system has a right to live and its our essence to sustain those species for our future. Vulture, as tertiary consumer has a important level on balancing ecological pyramid. Conservation is in the hand of humans. Only human society can flourish that vulture livelihood. Destruction of the habitat for vulture can deteriorate the balanced food web. The cycle of effect on human population and human concern to vulture has major impact on human vulture relationship. Vulture human relationship is not a well defined term. But it is a established concern to visualize. Humans are the saviour of the eco system. The human society has role to maintain the feeding, habitat and concern to vulture's population.

Keywords: White Rumped, Monitoring, Diclofenac, Community, Awareness, Vulture, Conservation Tourism, Technology, Modern, Traditional

Introduction

Nepal is a landlocked country possessing diverse scenario of natural piety. Flora and fauna of the country not only fascinates the tourists but also enriches our glory and identity in the world. Heavenly pleasure of bio-diversity and natural form of resources has qualified the country to get reputed position in globe of the world. Identity of diverse bio-composition and prosperity of natural grandeur of our country derives any viewer to the path of nostalgic attachment to natural heritage.

The spot, Jatayu Restaurant is well facilitated with road transportation facility. East west highway (Mahindra highway) passes through the nearby area of the spot. The designated Kawasoti Municipality is enriched with geographical diversities cultural diversities ,caste diversities, religious richness ,hill shrines, verdant forest, water bodies ,aquatic animal diversities . The spot is near the rich natural heritage of Chitwan National Park and Piety of Narayani River with its religious importance. [1,3]

Pithauli a village in Nawalparasi district in southern Nepal, is being frequently visited by a large number

of tourist. This attraction of Jatayu Restaurant not a dinner but a feeding center for vultures. The Restaurant is established in Namuna community forest to preserve endangered species of vulture specially the white rumped and slender billed vulture. As Nawalparasi content seven of the nine species of vulture in the world setting of the Restaurant. The Restaurant has made it easier for conservation to monitor the birds and their activities. The vulture are feed uncontaminated cattle carcasses. Vulture being endangered species and tertiary consumer of food chain has direct impact on eco system. How a consumer plays a role to develop a food chain/web to establish a existence of living is a fact to conceptualize. Likewise the relationship between the eco system and survival of the species one so conjoined that consumer can break the hierarchy of livelihood. Conservation of those consumer are essential to human race for the living of their fore coming generations. Besides, the essence the human rationality has developed the concept to conserve the species, those territory consumers as such different projects has been initiated in the western countries. Being the developing nation the concept has been adapted for the first in Nepal with the Asia continent. The concept of vulture conservation as Jatayu Restaurant has been a first

implicated in Nepal within Asia in Pithauli village. These programme has been promoted by the natural habitat and successful community forest project in Nepal. Nepal as such has the Large Variety of animal species and diversity of geography with in limited territory. Jatayu Restaurant has been working for vulture conservation since 17 August 2006. Vulture are birds as they have large size then normal birds. Critical endangered white rumped vulture monitoring was conducted in Nawalparasi district in the winter of 2017. The main objectives of this study was to identify or to monitor the nest of white rumped vulture after monitoring the nest the more information about the vultures. Restricted pesticides were not found in this area. Diclofenac was not commonly used veterinary drug in the treatment of livestock. Carcasses disposal practice also very good in the study area. The local people of that area, they also support his kind of vulture conservation programme. White Rumped Vulture richness found in this area is due to availability of food. The edge of Narayani River and sustiable environment for vultures. The Local people of that area also support the conservation programme. [21,31]



Table 1 Status of vulture in Indian sub-continent.

S.n	Species	Range countries	Resident/ Migratory	Conservation status
1.	White-rumped vulture	Nep, Ind, Pak, Ban	Resident breeder	Critically Endangered
2.	Slender-billed vulture	Nep, Ind, Ban	Resident breeder	Critically Endangered
3.	Long billed vulture	Ind, Pak	Resident breeder	Critically Endangered
4.	Himalayan griffon vulture	Nep, Ind,Pak	Resident breeder	unspecified
5.	Eurasian griffon vulture	Nep, Ind,Pa	Winter visitor	unspecified
6.	Red-headed vulture	Nep, Ind,	Resident breeder	Critically Endangered
7.	Egyptian vulture	Nep, Ind,Pak	Resident breeder	Endangered
8.	Cinerious vulture	Nep, Ind,Pak	Winter visitor	Near Threatened
9.	Lammergeir	Nep, Ind,Pak	Resident breeder	Least concerned

(Nep=Nepal, Ind=India, Pak=Pakistan, Ban=Bangladesh)

(IUCN,2009 and DNPWC/MoFSC/GoN,2009)

Table 2. Status of vultures in Nawalparasi (Pithauli Jatayu Restaurant)

S.n	Species	Range countries	Resident/ Migratory	Conservation status
1.	White-rumped vulture (Danger Giddha)	Nep, Ind, Pak, Ban	Resident breeder	Critically Endangered
2.	Slender-billed vulture (Sano Khairo Giddha)	Nep, Ind, Ban	Resident breeder	Critically Endangered
3.	Himalayan griffon vulture (Himalayan Giddha)	Nep, Ind,Pak	Resident breeder	unspecified
4.	Red-headed Vulture (Sun Giddha)	Nep, Ind,	Resident breeder	Critically Endangered
5.	Egyptian Vulture (Seto Giddha)	Nep, Ind,Pak	Resident breeder	Endangered
6.	Cinerious Vulture(Raj Giddha)	Nep, Ind,Pak	Winter visitor	Near Threatened
7.	Eurasian griffon vulture(Khairo Giddha)	Nep, Ind,Pa	Winter visitor	unspecified

(Nep=Nepal, Ind=India, Pak=Pakistan, Ban=Bangladesh)

(IUCN,2009 and DNPWC/MoFSC/GoN,2009)

Source: Yam bahadur Nepali, DB Chaudhary, Ishwori Chaudhary, Kebab Chaudhary (BCN Nepal) Pithauli Jatayu Restaurant (Nawalparasi).

White rumped vultures and slender billed vultures are resident breeders of lowland Nepal. In my study also focused this two kind of critically endangered vultures which was found in Pithauli Jatayu Restaurant Nawalparasi.



The safe feeding site (Jatayu Restaurant) has been implemented successfully in six sites in Nepal.

Pithauli and Kawasoti VDC of Nawalparasi(Kawasoti municipality, Nawalparasi)

- A. Gaidahwa lake Lumbini, Rupendehi.
- B. Lalmatiy a VDC of Dang .
- C. Bijauri VDC of Dang.
- D. Samaiji community forest of Beli VDC, Kailali.
- E. Ghachok VDC of Kaski.

Sources (Bird conservation Nepal , 2010.)

Tourism

Tourism industry is mainly based on bio-diversity. Tourist visit those places which is of new kind and is outstanding in natural diversity piety. Local people can be facelifted by economic growth on the base of flourishing tourism industry. Tourism industry can be made a source of flourishing tourism industry. Tourism industry can be made a sources of income and employment to local ethics thus diversity of conservational practise uplift the tourism promotion. Jatayu Restaurant as a feeding centre for vulture is only one of kind in Asia. IT has separate identity and glory. The curiosity on vulture can be solved by conservational practise at 'Jatayu Restaurant'. Feeding Vulture Campaign has seem to be successful to increase vulture population to double at two year's span of time. Conservation can be publicized to recognize spot identity and country prestige in world which ultimately. Leads to

tourism increment. Tourism can be attracted emotionally with natural diversification and biodiversity of endangered vulture population feeding at Jatayu Restaurant. The Restaurant really provides avalanche of pleasure to viewer through its natural grandeur.[1,2]

Awareness, Participation and Action role

Conscious local people can understand on physical and physiological merits of vulture conservation. Participation in conservation can benefit the local area from different aspects. The advantages from the practise is mainly for local people which promote their living standard through tourism economy .participation to sustain and develop conservational practise prioritises local ethics. .The upgrading of conservation is upgrading of local ethics. Vulture conservation can be best demonstrated to aware local ethics and country citizen on the need, importance and requirement of balanced ecology.

Every people want to expertise their roles on the leadership for environment protection. Mainly local ethics wants to play multiple actor figure for environment preservation. Therefore, active participation as action role increasing participants for local community rescue vulture decline and helps in stepping up of phenomenon of creating sound bio-diversity.

Identity of indigenous culture

Indigenous Culture has a pecutar identity which notify the introduction to describe areal community. Indigenous Culture is relative term derived from ancestors featuring specialized identity of indigenous conscious participatory Practise.

Ethical Promotion

The outcome of conservation running in defined area is the direct outcome of local people in habituating there Definite merits refers to local inhabitants then to other linking those ethics. Promotion of ethical economy, ethical awareness scholarship, ethical identity, ethical tourism and ethical natural stamina and ecosystem can be through these conservation practise on end angered species. Which is best demonstrated by vulture feeding restaurant. Thus ethical consideration for endangered vulture conservation is feme most on maintaining bio – composition which can be successful via, participatory support and conscious effort of local ethics being aware on forthcoming threats. [18]

Vultures at Jatayu restaurant

Vultures is one of bird which feeds upon dead flesh through scavenger. It is also called 'scavenger king'. It promotes sanitary environment through reduction of population as it is natural cleaner of foul emission of small from cattle carcasses. Vultures is often called scavenger of nature for its feeding habit and related aspects.[22,23]

Vultures at Jatayu restaurant

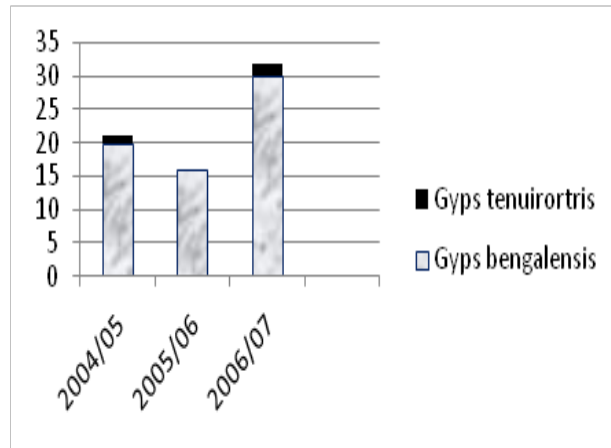
The condition and population of different vultures found in Jatayu Restaurant was taken from field source via Restaurant Staff and is presented table below:

species of vultures available in Jatayu restaurant

Name of vultures	Available	Population (Range)
1. Nephron percropteus (Egyptian Vulture)	Found (all around year)	4
2. Gyps bengalensis (White ramped vulture)	Found (all around year)	170-210
3. Gyps tenuirostris (Slender billed vulture)	Found (all around year)	3
4. Gyps himalayensis (Himalayan Griffon vulture)	Found in winter season.	115
5. Gyps fulvus (Eurasian Griffon vulture)	Found all around year	2
6. Aegypius monachus (Cinereous vulture)	Found (all around year)	3
7. Sarcogyps cavus (Red headed vulture)	Found (all around year)	4

Source: Filed Survey 2017

Count of nest of vultures in Jatayu Restaurant area;



Source: Record 2016, Jatayu restaurant

Literature Review

The literature review is one of the most important parts of research. It helps a researcher become familiarized with the existing theories, concepts and ideas pertinent to the subject matter, which might also be helpful to a researcher to develop new theories, concept and ideas. The literature view dose not intent mere to collect information

on the subject matters under study. Review of different forms of literature was done for the following objectives.

1. To collect background knowledge on the research topic
2. To apply appropriate methods of research design.
3. To construct a theoretical frame work.
4. To know how other researchers analyzed the issues and structured and complied thereports.
5. To identify data sources used by other researcher.

In this light the researcher has collected many books, reports journals, newspaper cutting and data from various sources, and consulted with due consideration so that the issues and ideas of study could be effectively presented they are listed in the bibliography as listed in the report.4]

Literature on bio-diversity and conservation of wildlife. Bennett, on “ecosystem, Resources conservation and Anthropological Research” has described human ecology as human behavior and had presented essays in environment and development .F.Berkes andM.T. fervor on “introduction and overview” has discussed on common property resources and has mentioned about ecology and community basedsustainable development has written about forest from culture,environment and development .

Ghimire. and Pimbert on their book “Social change and conservation “ had highlighted on environmental politics and compacts of national parks and protected areas F. Berkesi on his book “CO-operation Development “ has discussed on relation between conservation and cultural values. B.S. Brush have presented information on Anthropology and the conservation of bio-diversity o their “ Annual Review of Anthropology.”[9,16,19,20]

Literature on Vulture Conservation practice

Many species threatened by loss of habitat have been surveyed. This includes the cape vulture and Teita falcon in South Africa and African fish eagle. These researches are presented by the peregrine fund Organization (may 2009) Indian vultures, a vulnerable species and diclofenac residues as the cause of vulture population decline in Pakistan in July 2009 (Pamela C. Rasmussen)

Canarjan Egyptian vulture generally nest on clefts and caves are made the subjects of researches by life Projects in Spain (Dec. 2008) and by Gangoso Laura (2005) . Texas State forensic Research on may 2006 researched on vulture . It can grow to be 32 inches long. Unlike other vulture ,it is dark in colour . Research of king vulture Diane Jukofsy (2002)

Literature Review on vulture conservation in Nepal.

The review of literature on Population status of critically endangered vulture and breeding success of two species of vulture white ramped vulture and community

management Pithauli Jatayu Restaurant which was first vulture Restaurant in the world decline of vulture basically discussed on dramatic wild life story which receive little public attention is the decline in vulture population globally.

The statics are quite startling, the impact enormous. It is not only the wildlife ecosystem that suffers from this decline but also human health in Nepal the population decline has also been recorded at over 90%. The worst killer of vulture has been the poisoning of animal carcasses both intentionally and unintentionally. The main cause of vulture decline is the using of Diclofenac in treating cattle which cause kidney failure. (IUCN 2010)

Research Methodology

This section has discussed a set of methods to be employed to the research objectives it contains nature of data research design selection of the samples data collection tools, data analysis and interpretation. for the purpose study expository research design applied to explore on the practice of vulture conservation in the area. Analytical research design used to analyze the impact of conservation in the lives of local people and also used to analyzed the status of vulture and breeding success of two species of vulture.[5,15,17]

Selection of the Study Area

Jatayu Restaurant of Nawalparasi Pithauli is of first kind and unique in Asia in conservation of vulture. Jatayu Restaurant encompasses the area of Kawasoti Municipality of Nawalparasi District of Nepal. Jatayu Restaurant of Nawalparasi.[6,13]

Nature and Source of Data

Primary data

Primary as well as secondary data have been widely used in the study. Primary data collection was done from study area with the help of interaction, organization conducting the program and management committee along with local people.[7,14]

Secondary data

The secondary data was collected from various brochures and reports related to vulture conservation program. Similarly various news articles, websites published by various sources related to study was also been adequately used for relevant information. From the study, both qualitative as well as quantitative data was collected. [8,12]

Research questions

1. Why is the conservation of Vulture important for the overall conservation and people's life ways in Nepal?

2. What strategies, campaigns and activities have been initiated in order to raise awareness on Vulture Conservation among the local people
3. How is the tourism business responding to the conservation program?
4. What is the impact of Vulture conservation on the livelihood strategies of the local people?

Research Objectives

General Objectives

1. The general objectives of the study is to explore practice of vulture conservation in the area and analyze its impact on Local people's life ways and the promotion of tourism through the conservation in Nepal.

Specific Objectives

1. To explore on the participation of local people to the practice of Vulture conservation at Jatayu restaurant.
2. To find out how vulture conservation in the area is being practiced.
3. To analyze the impact of vulture conservation on the livelihood of people and in the promotion of tourism in Nepal.

Summary

The study entitled "Jatayu Restaurant in monitoring of Critically endangered White rumped vulture conservation of Nepal and community based tourism: Challenges and opportunities" of community management Pithauli Jatayu Restaurant, Nepal was carried out in local area around 'Jatayu Restaurant' in Nawalparasi namely Kawasoti municipality Impact on local inhabitant by Jatayu Restaurant, conservation of vultures species, biodiversity, tourism, local culture, local opinion to Jatayu Restaurant was studied to get theoretical and statistical results.

Primary and secondary data, both are presented. Question discussion, and interaction were done during the course of study. Sufficient literatures and documents were studied for research. Local people were mainly focused in the study along with practioners, scholars institutions related, researchers and tourists. The survey was done among 50 respondent (100% respondent), which were divided into five groups and data were collected. The whole study findings can be summarized into the following main points listed below:

- Jatayu Restaurant has promoted the habitat for vultures conservation through god shelter and safe food.

- Vultures population was identified and found that probable environment has been created by Restaurant to ensure their sustainability at Restaurant vicinity (premises).
- Local view of inhabitant were analyzed to get field result for multimentional aspect of Jatayu Restaurant.
- Jatayu Restaurant promotion through Restaurant effort was studied.
- Income generation of local people through Restaurant effort was studied.
- Procedure to be taken to best manage the Jatayu Restaurant was developed. 90% respondent supported to continue community based management.
- Skill orientation programmer, trainings and seminar package needed to launched was reported in among 60% respondent .
- Local effort and participation was found was found satisfactory for the Jatayu Restaurant conductions during study.
- Gender discrimination to be understood while research was done, analyzing the participation of female in the campaign.
- Additional packages and its application were know form 70% local inhabitants demand.
- Indigenous Tharu culture of the study area was studied.
- Cattle Rescue and availability of food for vultures was understood.
- Community practice to be continued was concluded through study.
- Eco tourism for local people income generation was got understood and analyzed.
- Publicity to be increased at national to international level more and more was surveyed and presented statistically. 35 respondents (70%) reported to increase publicity to promote tourism.
- Use of diclofenac and its discouragement was high lighted in the study.
- Evil practice of wildlife hunting was targeted to be discouraged and revolted via study.

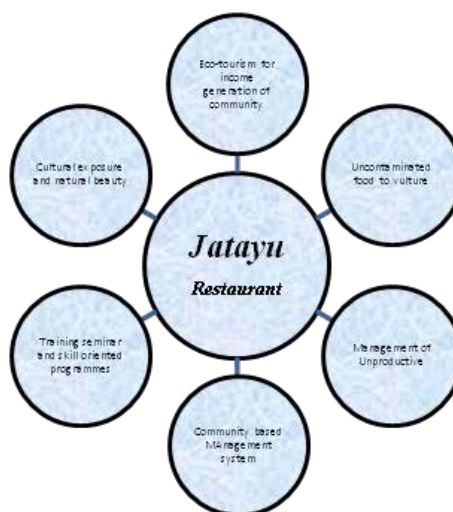
- Local people b interaction was highly facilitated in the study.

Conclusion:-

Jatayu Restaurant in Nawalparasi has attempted a good practice on vultures conservation. The population of the vultures has been incased though the project in short spon of time. Vultures being natural scavenger cannot be imparted form our living world. But in these days due to use of Diclofenac to cure livestock has declined these birds to be critically endangered. The way of their increment is their feeding of uncontaminated food free form Diclofenac poisoning.

The whole study can be concluded form the following figure

Conclusion of the study



Field Survey 2017

Conservation practice at Jatayu Restaurant

Uncontaminated Food

Natural scavengers ‘vultures’ are detritivores in feeding habitual Jatayu Restaurant has been providing, uncontaminated cattle carcasses free form ‘Diclofenac’ Which has been a min cause for vultures declination to critical endangeredness.

Management of unproductive Cattle

Unproductive cattle are burden of farmers to rear and care. These cattle are kept at Cow Rescue centre in Jatayu Restaurant paying some money to cattle owners. These cattle due to unproductivity are left in the society and after their death cause pollution. At Jatayu Restaurant these cattles are well managed and are fed to vultures after natural death. Cattles are good care at Jatayu Restaurant.

Community based Management

It is the 'Restaurant' feeding center for birds (vulture). It is the Community based management in Kwasoti Municipality (Pithauli) to provide safe food to vultures.

Eco-tourism for income generation

The Jatayu Restaurant has prioritized the effort to generate income of local community through flourishing of ecotourism. Natural beauty and vulture swoops down at meal time have been highlighted by Jatayu Restaurant for attracting tourists.

Benefit to local people

Cultural exposure and Additional programmes

Jatayu Restaurant has exposed the additional view of indigenous culture. Tharu culture can be viewed and tasted in the community around the Restaurant. It has also promoted the additional benefit to local people through programmes, seminars and skill orientation trainings.

Recommendation

To create the probable environment to save the vultures habitat following recommendation are to be functionalized via Jatayu Restaurant.

Local people further Recommendation

Groups	Improve activity on conservation and further good management.		More package programmers and training offering		More publicity via media for tourism promotion.		Total	
	n	%	n	%	n	%	n	%
I	2	4	3	6	5	10	10	20
II	1	2	3	6	6	12	10	20
III	2	4	6	12	2	4	10	20
IV	1	2	2	4	7	14	10	20
V	1	2	4	8	7	14	10	20
Total	7	14	18	36	25	5	50	100

Source: Field survey 2017

50% of the respondent recommended to increase publicity via media

For tourism promotion, increase participation while 36% recommended for moral package programmers and trainings. Test 14% of the respondent were in favor to recommend activity on conservation and good management.

Local view should be analyzed

Local participation should be increased more and through

analyzing local view and perspective to safe guard the 'Jatayu Restaurant' sustainability.

Wildlife destruction use of 'Diclofenac' should be discouraged:

Jatayu Restaurant must be an example for discouragement of wildlife destruction. It can arise a consciousness for student about and importance of wind life through its practice. For its continuity 'Diclofenac' should be discouraged. As it is banned also, some may use illegally so there should be cross check in veterinaries aiming to provide safe food to vultures.

Risk of future and provision of safe food should be taken under consideration:-

There may be future risk and threats in running the project. This risk should be detected and solution should be taken for eradicating problems and future hard situation. Safe food should be continuously provided to vultures for their survival reducing the endangeredness.

Management system, package programme, female enrollment and publicity should be strengthened:-

Management should maintain efficiency to conduct Project package additional programmes for skill orientation should be launched with increasing female enrollment in the programmes and project. The foremost considerable recommendation is to increase media to increase tourism and to renown the outstanding practice of Restaurant in vultures conservation through safe feeding, monitoring population, food habits and breeding.

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Importance of Knowledge and Knowledge Sharing within the Hospitality Organizations

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Abstract

The purpose of this study is to reflect and discuss knowledge and the importance of knowledge sharing in organizations. Knowledge plays a key role in the information revolution. Major challenges are to select the "right" information from numerous sources and transform it into useful knowledge. Tacit knowledge based on common sense, and explicit knowledge based on academic accomplishment are both underutilized. Knowledge management, a bottom-up, ongoing process, finds value and use for raw information which is shared across organizational boundaries. This study is the first epidemic study of significance of knowledge and knowledge sharing within the hospitality organizations. The study conducted is entitled as "Importance of Knowledge and Knowledge Sharing within the Hospitality Organization".

This study will focus on knowledge sharing among workers, particularly the approach used to share knowledge through informal communication outside their organizations. The major objectives of the study are to examine the state of KMS use at the hotels of Nepal. It also investigate the type of data inputted and processed at the hotels. Also, the study mainly focus to assess the ways Knowledge Management sharing have helped in the realization of hotel's objectives. Data was analyzed using the SPSS software and presented by use of descriptive statistics. The study will be revealing that Knowledge Management Systems are for the tracking and the management of the hotel's operations both internally and externally. It thus handles both front and back office operations and transactions. This study is taken to the employees of different star hotels in Kathmandu valley through quota sampling and the interview schedule where taken. The sample size is 100 for the study. Both empirical and descriptive statistics shall be used to conduct the study. Different variables can be analyzed like knowledge sharing, team culture, Service, Innovation, Performance, commitment, reputations, organizational reward, attitude and Intentions to share knowledge to determine the importance of knowledge and its sharing.

Keywords: Knowledge Sharing, Knowledge Workers, Information Resource Management, Knowledge, Knowledge Management, Hospitality and Tourism Industry, Review.

Introduction

1. Context

There is continuous development of the knowledge management practices and the use of technology have lead many organizations to actively search to new ideas and creative solutions in improving their products or services effectively and efficiently. The ability of organizations and individuals within them to share knowledge with each other, particularly organizational knowledge, is identified as one of the contributing factors to organizational competitiveness. Sharing of knowledge helps individuals and organizations build up knowledge. This is because it allows them to discuss and deliberate

on certain topics which can encourage the generation of new knowledge (Fernie, et al., 2003). Despite the importance of knowledge sharing in building up a firm's organizational knowledge, which eventually improves the firm's competitive edge, there are reasons to believe that employees are not willing to share their knowledge voluntarily. For example a study by Michailova and Husted (2003) revealed that there are five reasons why employees are reluctant to share knowledge. The reasons includes (i) the fear of decrease personal value, (ii) cost involved, (iii) uncertainty of how the receiver will use the shared knowledge, (iv) accepting and respecting a strong hierarchical and formal power, and (v) actual negative consequences of sharing knowledge with subordinates.

Although this study was conducted in Russia, a country where the authors themselves describes as hostile to knowledge sharing, it is quite relevant in other parts of the world. This is because it seems that the reluctance to share knowledge is also occurring elsewhere such as in Australia (Irmer, Bordia & Abusah, 2002), China (Hutchings & Michailova, 2004), Taiwan (Wang, 2004) and the United States of America (Jones & Price, 2004). Based on these findings one could expect this phenomenon to prevail in Malaysia given its cultural values concerning humility. It also includes strategies that are intended either to prevent the firm's own knowledge from 'leaking' out or to encourage the diffusion of its knowledge to partner firms and others from whom the firm might benefit in reciprocal knowledge exchange. Organizational units can develop a common interpretation, or different interpretations, but it will be important for the units to understand the nature of the various interpretations.

2. Research Problem

Knowledge Management is a multidisciplinary area represented as a literature which provided information and system to the management and its other areas. It can be proved by the examples of learning and innovations. Most continue to focus on the tangible products and services where the competition is based on price. In contrary, an understanding of the strategic dimension to knowledge management could help those hotel to break .The Research Gap is this research is mainly based on the importance of Knowledge and knowledge sharing within the hospitality organizations needed in Nepalese hotel industry .While rest of the research are being carried out in other hotel or hospitality industry and also some of the research were conducted to analyze the comparative study. But there was sample survey done and the research is conducted in the specific area of five star hotels.

3. Purpose of The Study

- To examine the state of KMS use at the hotels of Nepal.
- Toinvestigate the type of data inputted and processed at the hotels.
- To assess the ways Knowledge Management sharing have helped in the realization of hotel's objectives.

4. Review of Literature

- According to survey, the definition of knowledge is complex and controversial and can be interpreted in many different ways. It is used interchangeably in practice as well as in literature, with intangible assets, capabilities, core competence or even skills (Chaudhary, 2005).
- Hey (2004) explains that the part of knowledge that is more easily definable involves the accumulation

and assimilation of multiple pieces of information, once again providing structure to it in the form of relationships between the information, and internalizing, or personalizing that knowledge by bringing

- Frost (2014) presented a definition of knowledge based closely on knowledge as a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers.



5. Theoretical Framework

6. Research Methodology

Research Design

The research design in the study is Descriptive Research Design. Also, casual comparative research design is used as the hypothesis is formulated to represent inferential statistics.

Population and Sample

This study is taken to the employees of several five star hotels where interview schedule is given. The sampling population is all the employees of Nepalese hotels. Target population is all staffs, middle level and top level managers of Hotels in Nepal. The sampling frame is list of all hotels. The sample size is 100 for the study.

The Sampling Procedure

The data shall be generated by both primary and secondary data where a questionnaire has been generated to ask respondents.

Sampling Area

The sample area is Kathmandu valley

Sample Frame

All the list of employees of Nepalese Hotels

Unit of Analysis

The study is to be conducted on the individualization of data through interview schedule to respondents

➤ Data Collection Strategy

The data for the study is collected from April, 2018 and May 18, 2018 .Participants includes from different level. The primary data has been collected by developing a questionnaire and secondary data through online websites, journals article and other relevant sources.

➤ Analysis of Data

All the unusable surveys were removed and all the variables were coded .The survey contains several set of questions which consist of multiple choices. Likert Scale is to be used in the study. These questions are scaled in five different Likert Scale strongly agree, agree, neutral, disagree and strongly disagree.

7. Data Presentation, Interpretation And Analysis

This chapter presents the data presentation its interpretation and discussion over findings.

Table 7.1 Cross Tabulation on Gender with respect to Education Level.

GENDER * EDUCATION LEVEL Crosstabulation					
Particulars INTERMEDIATE		EDUCATION LEVEL			Total
		BACHELOR'S DEGREE	MASTER DEGREE		
GENDER	MALE	0	40	20	60
	FEMALE	20	20	0	40
Total		20	60	20	100

In table 7.1, it represent the cross tabulation in gender and education level here we can see that 40 male respondents has a bachelor degree and 20 of them have master degree and in case of female respondents 20 have intermediate degree, 20 of them have a bachelor degree and none of them have master's degree.

AGE LEVEL * MARITAL STATUS Crosstabulation				
Particulars MARRIED		MARITAL STATUS		Total
		UNMARRIED		
AGE LEVEL	LESS THAN 25	0	20	20
	30-35	60	0	60
	40 ABOVE	20	0	20
Total		80	20	100

Table 7.2 Cross tabulation on Age Level with respect to Marital Status

In table 7.2, it represent the cross tabulation of age level with the marital status, the age ranging less than 25 consist 20 unmarried , , 35-40 as well 60 of the respondents are married and 20 of them have married status from the age ranging from 40 and above.

Table 7.3 Cross Tabulation on Years Working in Organization with respect to the Education Level.

YEARS WORKING IN ORGNIZATION * EDUCATION LEVEL Cross tabulation					
Particulars INTERMEDIATE		EDUCATION LEVEL			Total
		BACHELOR'S DEGREE	MASTER DEGREE		
YEARS WORKING IN ORGANIZATION	LESS THAN A YEAR	20	0	0	20
	1-5	0	0	20	20
	5-10	0	40	0	40
	10-15	0	20	0	20
Total		20	60	20	100

In table 7.3, the respondents working less than a year having an intermediate degree is 20, from 1-5 year the respondents having a master's degree is 20, and 40 of respondents has a bachelor degree working between 5 to 10 years and 20 of the respondents have been working to 10 to 15 years having a bachelor's degree.

Table 7.4 Cross Tabulation of Age Level with respect to Monthly Salary

AGE LEVEL * MONTHLY SALARY Crosstabulation					
Particulars 20000-25000		MONTHLY SALARY			Total
		25000-30000	30000 ABOVE		
AGE LEVEL	LESS THAN 25	0	20	0	20
	30-35	40	0	20	60
	40 ABOVE	0	0	20	20
Total		40	20	40	100

In table 7.4, this represents the age level of the respondents respect to the salary where, 20 employees from age level less than 25, 40 employees from age 30-35 and above salary and 20 of the total employee have salary above 30000 and above.

Table 7.5 Reliability Test

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.672	.673	2

Inter-Item Correlation Matrix		
	KNOWLEDGE_SHARING	TEAM_CULTURE
KNOWLEDGE_SHARING	1.000	.507
TEAM_CULTURE	.507	1.000

In table 7.5, Cronbach's alpha is calculated to test the reliability or internal consistency of series of questions or scales that is 0.673. Thus, it can be calculated that the data collected have been consistent and more reliable for the test. Also, the correlation between each item is 1 which represent the positive correlation.

Table 7.6 Reliability Test

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.669	.678	2

Inter-Item Correlation Matrix		
	KNOWLEDGE_SHARING	INTENTIONS_TO_SHARE_KNOWLEDGE
KNOWLEDGE_SHARING	1.000	.513
INTENTIONS_TO_SHARE_KNOWLEDGE	.513	1.000

In table 7.6, Cronbach's alpha is calculated to test the reliability or internal consistency of series of questions or scales that is 0.678. Thus, it can be calculated that the data collected have been consistent and more reliable for the test. Also, the correlation between each item is 1 which represent the positive correlation.

Table 7.7 Descriptive Statistics of Intension to Share Knowledge

Descriptive Statistics			
	N	Mean	Std. Deviation
I will share work reports and official documents with colleagues in this university.	100	2.0000	.63564
I will provide manuals, methodologies and models for colleagues in this university.	100	2.8000	.40202
I will share my experience or know-how with other colleagues in this university.	100	2.4000	.49237
I will provide know-where or know-whom at the request of colleagues in this university.	100	2.6000	.49237
I will share expertise from education or training with other colleagues in this university in a more effective way.	100	2.2000	.40202
Valid N (listwise)	100		

In table 7.7, it indicates that the respondents agree with the intention for sharing the knowledge among the workers through expertise trainings or by sharing work reports and official documents with colleagues.

Table 7.8 Model Summary of Knowledge Sharing with Team Culture.

H1: There is a significant impact of Knowledge Sharing with Team Culture

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.507 ^a	.257	.250	.25299		
a. Predictors: (Constant), TEAM_CULTURE						

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.172	1	2.172	33.932	.000 ^b
	Residual	6.273	98	.064		
	Total	8.444	99			
a. Dependent Variable: KNOWLEDGE_SHARING						
b. Predictors: (Constant), TEAM_CULTURE						

In table 7.8, clearly indicates that the impact of Knowledge Sharing and Team Culture. It has obtained using regression model summary and ANOVA. According to the Table 7.8, the degree of relationship between Knowledge Sharing and Team Culture is 50.7 percent. The R- Square value 50.7 percent indicates this percent increase. To check cases of overstatement in R- Square, Adjusted R-Square was then used. Since the Adjusted R-Square value was the same as that of R-Square, it means the strength of relationship between the two study variables (50.7 percent) is actual and realistic. Thus, if the organization puts more emphasis on team culture then their productivity in the workplace is likely to increase by 50.7 percent. In using ANOVA, it can be confirmed that the degree of strength between the knowledge sharing and team culture is actual very strong. A very high Sums of Squares is 2.172; Mean Squares 2.172 and F value of 33.932 confirmed the strength of this relationship. The model of relationship between the study variables is highly significant at the 0.000 level. Thus, it can be concluded that the regression equation be run to diagnose the strengths of relationship between knowledge sharing and team culture. It is clear that there is significant emphasis of knowledge sharing and team culture.

Coefficients ^a						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.589	.198		2.975	.004
	TEAM_CULTURE	.477	.082	.507	5.825	.000
a. Dependent Variable: KNOWLEDGE_SHARING						

The Team culture are considered as dependent variable

Y and knowledge shaaring is taken as an independent variable. The regression model has been estimates as;

$$Y = a + b X$$

$$= .589 + (.477 X)$$

$$t = (2.975) (5.825)$$

$$P = (0.0000) (0.000)$$

$$R^2 = .257, \text{ Adjusted } R^2 = 0.250, F = 33.932$$

$$P - \text{ Value for overall significance} = 0.000$$

The calculated value of F equals 9538 and p-value is 0.000. It reveals that F-value is significant at 5% level of significance. The regression model sued in the research is fit. Thus, the team culture affect the importance of knowledge and knowledge sharing in hospitality industry in Nepal.

Findings on the relationship between knowledge sharing and team culture using regression co-efficient as indicated Table 7.8. It also portrays that knowledge sharing and team culture has significantly been contributing at (Beta = .589, $t = 2.975$, $P < .000$). Thus, it can be confirmed that there is a significant impact of team culture with their intention to share knowledge. This finding demonstrates that the research hypothesis, there is a significant impact of team culture with their knowledge sharing is accepted and confirmed.

Table 7.9 Model Summary of Intentions to Share Knowledge with Commitment.

H1: There is a significant impact of Share Knowledge with Commitment.

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.474 ^a	.225	.217	.31816		
a. Predictors: (Constant), COMMITMENT						
ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.880	1	2.880	28.452	.000 ^b
	Residual	9.920	98	.101		
	Total	12.800	99			
a. Dependent Variable: INTENTIONS_TO_SHARE_KNOWLEDGE						
b. Predictors: (Constant), COMMITMENT						

In table 7.9, clearly indicates that the impact of intentions to share knowledge and commitment. It has obtained using regression model summary and ANOVA. According to the Table 7.9, the degree of relationship between intentions to share knowledge and commitment 47.4 percent. The R-Square value 22.5 percent indicates this percent increase. To check cases of overstatement in R-Square, Adjusted R-Square was then used. Since the Adjusted R-Square value was the same as that of R-Square, it means the strength of relationship between the two study variables (47.4 percent) is actual and realistic. Thus, if the organization puts more emphasis on commitment in the workplace intention to share knowledge is likely to increase by 47.4 percent. In using ANOVA, it can be confirmed that the degree of strength between the intentions to share knowledge and commitment is actual very strong. The model of relationship between the study variables is highly significant at the 0.000 level. Thus, it can be concluded that the regression equation be run to diagnose the strengths of relationship between intentions to share knowledge and commitment. It is clear that there is significant emphasis of intentions to share knowledge and commitment.

Coefficients ^a						
Model	B	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	3.360	.183	.953	18.384	.000
	COMMITMENT	-.600	.112	-.474	-5.334	.000
a. Dependent Variable: INTENTIONS_TO_SHARE_KNOWLEDGE						

The intentions to share knowledge are considered as dependent variable Y and employee's commitment is taken as an independent variable. The regression model has been estimates as;

$$Y = a + b X$$

$$= .3.360 + (.600 X)$$

$$t = (18.384) (-5.334)$$

$$P = (0.0000) (0.000)$$

$$R^2 = .225, \text{ Adjusted } R^2 = .217, F = 28.452$$

$$P - \text{Value for overall significance} = 0.000$$

The calculated value of F equals 28.452 and p-value is

0.000. It reveals that F-value is significant at 5% level of significance. The regression model sued in the research is fit. Thus, intention to share knowledge and commitment has both significant on impact in Knowledge Management sharing and its importance.

Findings on the relationship between intention to share knowledge and commitment using regression co-efficient as indicated Table 7.9. It also portrays that intension to share knowledge has significantly been contributed to the storage at (Beta = .953, t = 18.384, P < .000). Thus, it can be confirmed that there is a significant impact of intention to share knowledge and commitment. This finding demonstrates that the research hypothesis, there is a significant impact of intention to share knowledge and commitment is accepted and confirmed.

8. Major Findings

- The respondents working less than a year having an intermediate degree is 20, from 1-5 year the respondents having a master's degree is 20, and 40 of respondents has a bachelor degree working between 5 to 10 years and 20 of the respondents have been working to 10 to 15 years having a bachelor's degree.
- This represents the age level of the respondents respect to the salary where, 20 employees from age level less than 25, 40 employees from age 30-35 and above salary and 20 of the total employee have salary above 30000 and above.
- Cronbach's alpha is calculated to test the reliability or internal consistency of series of questions or scales that is 0.673. Thus, it can be calculated that the data collected have been consistent and more reliable for the test. Also, the correlation between each item is 1 which represent the positive correlation.
- Cronbach's alpha is calculated to test the reliability or internal consistency of series of questions or scales that is 0.678. Thus, it can be calculated that the data collected have been consistent and more reliable for the test. Also, the correlation between each item is 1 which represent the positive correlation.
- It indicates that the respondents agree with the intention for sharing the knowledge among the workers through expertise trainings or by sharing work reports and official documents with colleagues.
- Thus, it can be confirmed that there is a significant impact of team culture with their intention to share knowledge. This finding demonstrates that the research hypothesis, there is a significant impact of team culture with their knowledge sharing is accepted and confirmed.

- Thus, it can be confirmed that there is a significant impact of intention to share knowledge and commitment. This finding demonstrates that the research hypothesis, there is a significant impact of intention to share knowledge and commitment is accepted and confirmed.

9. Conclusion

The KMS handles both front and back office operations and transactions. It also handles both guest and staff data and records. Even though only few of the Hotels with their staffs were computer biased, there are concrete plans by the hotels to effectively apply and operate KMS. The conclusion reached is that investments in KMS enables hotels to achieve their objectives and helps it gain a better corporate image and improved performance. This research work therefore contributes towards the provision of literature on the essence of periodic evaluation of investments in information systems and bridging the information gap for planning, decision and policy making in hotels. This research was motivated by the desire to learn more about the knowledge management practices and its importance of organizations adopting a quality approach to operations. The term knowledge management is generally used to refer to the practices, implicit or explicit, used by a firm to acquire new knowledge and to rearrange and diffuse existing knowledge within the firm. However, Knowledge Management has been recognized as the fundamental activity for obtaining, growing and sustaining intellectual capital in organizations as it helps practitioner and academics to understand present situation of KM sharing in Hospitality Industry here in Nepal.

Thus the research questions were explored and it was found that people working in Nepalese Hotels are acknowledging the significance of knowledge management and knowledge management sharing being a relevant factor to enhance the growth of hospitality industry. Several indicators were analyzed and overall it is found that factors affecting knowledge management is positively correlated with commitment, team culture, recognition and organizational reward. Also the study shows that Knowledge management and its implications leads to productivity as it depicts efficiency and effectiveness in their work. This research shall provide an assistance to upcoming researchers and also give some general ideas. Beside it may possess some limitations like this study is based on some hotels only so generalization cannot be done.

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Identify Theories and Models of Technology Acceptance and Information Systems Success for Measuring Open and Distance Learning in Nepal: Literature Review

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Abstract

Around the world, the academic community is discovering and exploring the Internet, teleconferencing, and related means to achieve an extended classroom or learning experience. Open and Distance Learning (ODL) is a general term for the use of telecommunication to provide or enhance learning. The intensive literature review reveals *the lack of studies* that have been done to identify theories and models of technology acceptance and information systems success that can be used for measuring ODL in various of disciplines. This research *aims to illustrate the review of literature* of the theories and models of technology acceptance and information systems success that are widely recognized and used, namely TAM, TTF, UTAUT, and DMISM. It demonstrated the differences in constructs among them and the process of the development of each one. Besides reviewing some of the recent empirical studies in e-learning in different contexts and countries. Additionally, it elaborates on the current state of higher education and ICT sectors in Nepal and what is the state policy to utilize ICT in the higher education. Besides, explaining the variables of the study, conceptual framework development, and research hypotheses. For future works, some recommendation has been suggested to conduct the empirical investigations to identify the suitable theory and models for acceptance these technologies.

Keywords: *Open and Distance Learning (ODL), Technology Acceptance Model (TAM), Task-Technology Fit (TTF), Unified Theory of Acceptance and Use of Technology (UTAUT), and Delone & Mclean Information System Success Model DMISM.*

1. Introduction

This research is divided into eight sections, the first will shed the light on the relevant theories and empirical studies with regard to technology and its applications, the second will illustrate on the justification to use Delone & Mclean system success model as underpinning theory, the third, fourth, and fifth section will discuss the current state of higher education and ICT sectors in Nepal. The sixth, seventh, and eighth will cover the variables of the study, conceptual framework, and research hypothesis. Finally, the last section will summarize the research.

2. Higher education sector in Nepal

Over 55 percent of the population is under the age of 25 according to a recent census, and in the current academic year, a massive 370,000 students enrolled at various levels of study at Tribhuvan University, the main public institution of higher education in the country. This should be a positive development; there is an infectious desire for learning among young Nepalis, and students

have played a positive role in many of the key political changes that have defined Nepal's historical progress. These have included the movement that led to democracy in 1990 and the People's Movement in 2006 through which the monarchy was replaced with a republic (World Development Indicators, 2017).

Nepal has nearly 10 universities distributed across the country namely, Far-western University, Kathmandu University, Lumbini Bouddha University, Mid-Western University, Agriculture, and Forestry University, Nepal Sanskrit University, Pokhara University, Purbanchal University, Tribhuvan University, Nepal Open University. In addition to several private colleges (Ministry of Education of Nepal, 2013).

There are tremendous challenges that are faced by the higher education sector in Nepal such as, teaching pedagogy in higher education needs to be revamped which needs to be addressed to improve the quality of the education across the disciplines. Besides, university-industry partnership is crucial to improving the quality of

higher education. The industry should provide paid internship to the students and use the talent across the boards (Hassn Miftah Eljhani, 2017; Hussein Mustafa Madi Sheikh, Ali Abdullah Al-Majbari, 2017; Rashed Shtait Aamad AlShamsi, Ali Abdulbaqi Ameen, 2017). Further, investment in technology infrastructures - The state should give a tax rebate to all the educational institutes and business so that they are able to afford and bring technologies into the classroom. Teaching software and instructional technologies shouldn't be taxed. All students should have access to internet and laptops (Ministry of Information and Communication, 2015).

3. Ict in Nepal

Although the current state of ICT in Nepal isn't acceptable, there has been some promises for bright future. Currently, there are many technological developments in Nepal and the trend only seems to be growing. Different software and IT companies are starting to make an impact on a global scale. There are over 20 internet service providers in Nepal and about 6 telecom companies which indicate a promising future for internet and mobile network connections. These technologies are shaping the way social interaction takes place and public services are delivered in some fundamental ways. It is precisely along these lines that the Government of Nepal has placed a great deal of importance on the transformative potential of ICTs and positioning these technologies within the larger context of its far-reaching developmental aspirations premised around poverty reduction as an overarching goal (Ministry of Information and Communication, 2015).

The national information and communication technology policy 2015 is focusing on formulating policy responses in line with the dynamism of the ICT sector, namely issues surrounding cybersecurity, data protection, privacy and respect for intellectual property rights. Equally important is the need to address the challenges posed by technological convergence especially from regulatory and governance perspectives. Given that telecom connectivity is fast expanding across the country, inching closer to saturation point, the focus should now shift to the demand side fundamentals that need to be strengthened in order to ensure strategic alignment of resourcefulness offered by ICTs with Nepal's growth and development aspirations.

According to Internet World Stats (2017), the world internet usage is rapidly increasing and currently stands at 3.8 billion users, with Asia having an average penetration rate of 46.7% (see figure 6)

WORLD INTERNET USAGE AND POPULATION STATISTICS JUNE 30, 2017 - Update						
World Regions	Population (2017 Est.)	Population % of World	Internet Users 30 June 2017	Penetration Rate (% Pop.)	Growth 2000-2017	Internet Users %
Africa	1,246,504,865	16.6 %	388,376,491	31.2 %	8,503.1%	10.0 %
Asia	4,148,177,672	55.2 %	1,938,075,631	46.7 %	1,595.5%	49.7 %
Europe	822,710,362	10.9 %	659,634,487	80.2 %	527.6%	17.0 %
Latin America / Caribbean	647,604,645	8.6 %	404,269,163	62.4 %	2,137.4%	10.4 %
Middle East	250,327,574	3.3 %	146,972,123	58.7 %	4,374.3%	3.8 %
North America	363,224,006	4.8 %	320,059,368	88.1 %	196.1%	8.2 %
Oceania / Australia	40,479,846	0.5 %	28,180,356	69.6 %	269.8%	0.7 %
WORLD TOTAL	7,519,028,970	100.0 %	3,885,567,619	51.7 %	976.4%	100.0 %

Figure 6: World Internet Usage and Population; Source: (Internet World Stats, 2017)

Moreover, similar to other neighboring Asian countries, Nepal has a very encouraging prospect for improvement in the ICT services including internet usage as only 6.4 out of 29 million of Nepal's population are using the internet. Given the growth prospect illustrated in the national ICT policy 2015, the country is set to expand its internet services which will facilitate and encourage the concept of e-learning (International Futures Forecasts, 2014). A comparison of the internet users and population of Nepal and several Asian countries are shown in figure 7.

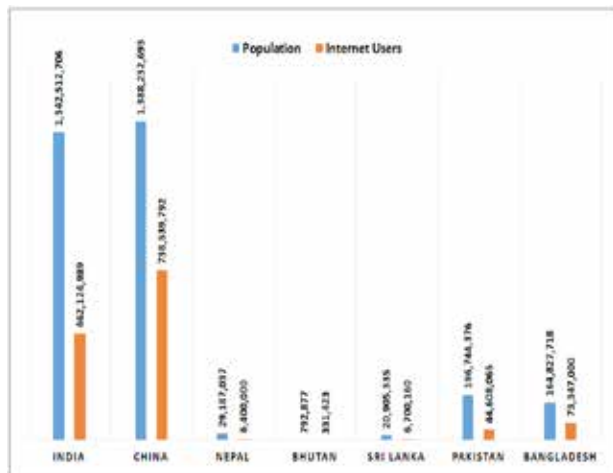


Figure 7: Population and Internet users: Nepal vs. Neighboring Countries ;Source: (Internet World Stats, 2017)

4. Relevant theories and models

This section will cover four theories and models of technology acceptance and adoption, namely Technology Acceptance Model (TAM) by Davis (1989), Task-Technology Fit, namely Task-Technology Fit (TTF) by Goodhue, Dale & Thompson, Ronald (1995), Unified Theory of Acceptance & use of Technology (UTAUT) by Venkatesh et al. (2003), and the fourth theory is the Delone & Mclean Information System Success Model (DMISM) by Delone & Mclean (1992, 2003).

4.1 Technology acceptance model (tam)

4.1.1 Tam background

TAM (Technology acceptance model) is a theoretical model used to explain users' acceptance of a new information technology (Gu, Lee, & Suh, 2009), adapted and developed from the theory of reasoned action (TRA). First introduced in 1986 by Davis (1986). TAM replaces determinants of the attitude of TRA by perceived ease of use and perceived usefulness. Perceived usefulness (PU) which refers to the degree to which an individual believes that using a certain system would enhance individual's job performance; and Perceived ease of use (PEOU) indicating the degree to that an individual believes that using a certain system would be free from effort (Davis, 1989). In general, TAM specifies general determinants of individual technology acceptance and thus can be and has been applied to explain or predict individual behaviors across a broad range of end-user computing technologies and user groups (Davis et al., 1989). (see figure 1)

TAM model does not contain subjective norms from TRA theory as a determining factor of behavioral intention. The original theoretical model of TAM included the attitude construct, however, based on empirical evidence, the final model omitted the attitude construct because it

did not fully mediate the effect of perceived ease of use on intention and the perceived usefulness on intention (Davis et al., 1989). However, usefulness was found significantly more strongly linked to usage than was ease of use. TAM suggests that the easier a technology to use; the more useful that technology is. Consequently, perceived ease of use is influencing perceived usefulness. Consistent with TRA; TAM suggests that the perceived usefulness and perceived ease of use are mediating the effect of external variables on behavioral intention. The external variables in the model refer to a set of variables such as objective system design characteristics, training, computer self-efficacy, user involvement in design, and the nature of the implementation process (Davis & Venkatesh, 1996). Until now, the TAM has been verified in several studies on IT usage (Amin, Rizal, Hamid, Lada, & Anis, 2008; Ariff, Yeow, Zakuan, Jusoh, & Bahari, 2012; Fatimah, Ahmad, Downe, & Lai, 2011; Huang, Lin, & Chuang, 2007; Ignatius & Ramayah, 2005; M.-C. Lee, 2009; Y.-H. Lee, Hsieh, & Ma, 2011; Norzaidi et al., 2011; Pai & Huang, 2011; Parveen & Sulaiman, 2008; Ramayah, 2006; Ramayah, Ignatius, & Aafaqi, 2004; Ramayah & Lo, 2007).

With other factors that can better predict individual's acceptance (Norzaidi et al., 2011). Even though, TAM offers a quick and inexpensive way to gather information about the individual's perceptions of a system; the model is inadequate alone to explain all features of user's technology acceptance (Gu et al., 2009). The PU and PEOU constructs of the original Davis (1989) TAM alone may not fully explain all the aspects of customers' behavior toward mobile banking adoption (Norzaidi et al., 2011).

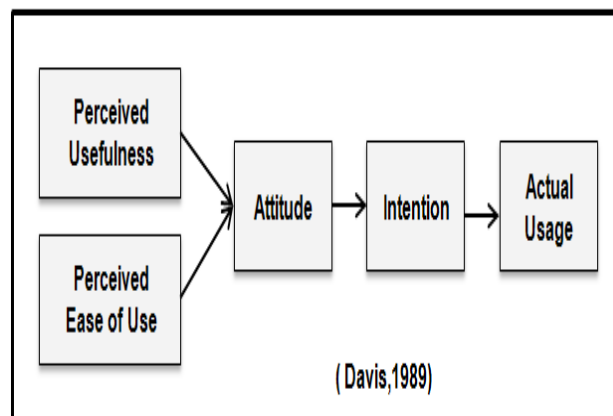


Figure 1: Model of technology acceptance model (TAM)

2.1.1.2 Tam validation

The technology acceptance model TAM has been extensively utilized in the IS research field in numerous applications and contexts. Table 1 illustrates some of these studies:

Table 1:
Testing and Validation of TAM through several Studies that used
TAM as underpinning theory

Author /Year	Context/ Technology application	Core Construct	Sample Size/ Subject	Methodology/ Data analysis	Key Findings
(Parveen & Sulaiman, 2008)	Malaysia/ Wireless Internet via mobile phone	Perceived Usefulness (PU), Perceived Ease of Use (PEOU), Technology Complexity, Personal Innovativeness, Behavioral Intention (BI)	350 mobile phone and Internet users	Questionnaire/ Correlations Analysis	PU→B I, PEOU→BI COMP→B I, INNO→BI
(Lee & Kim, 2009)	Korea / Internet Technology	PU, PEOU , Subjective Norm , Technical Support , Web Experience , Task Equivocality, Task Interdependence , Usage	333 Intranet Users	Questionnaire/ Structural Equation Modeling (SEM)	PU→USE , SUPP→ USE EXP→ USE, TASE→ USE
(Amin et al., 2008)	Malaysia/ Mobile Banking	PU, PEOU , Perceived credibility , Normative pressure, Behavioral Intention	158 customers	Questionnaire/ Correlations Analysis	PU→BI , PEOU→BI CRED→BI , NOPR→BI
(Shih, 2004)	Taiwan / Internet Technology	PU, PEOU , Attitude, Perceived Performance, Relevance	203 Taiwanese office workers	Questionnaire/ Regression Analysis	PU→ATT , PEOU→ATT REL→PU, REL→PEOU, REL→PER

2.1.1.3 Tam limitation

Limitations of the TAM model falls in three categories, the first is about the methodology used for testing the TAM model, second about the variables and relationships that exist within the model and third, about the core theoretical foundation underlying the TAM model (Chuttur, 2009). In addition TAM model focuses only on the technological characteristics through the constructs; ease of use and usefulness, and ignores other important characteristics such as; task, individual, social, and organizational characteristics.

4. 2 Task-Technology Fit (TTF)

4..2.1 Ttf background

The concept of fit was introduced by Daft & Lengel (1986) and later extended by Goodhue & Thompson (1995), they defined TTF as ‘the degree to which a technology assists an individual in performing his or her portfolio of tasks’. As suggested by TTF, using IS helps in completing some tasks, which is a value added to the users that will be reflected in their evaluation of the system. Moreover, Goodhue & Thompson suggest that “the strongest link between information systems and performance impacts will be due to a correspondence between task needs and system functionality (task-technology fit)”, and technology believed to be useful comparative to the task characteristics can improve performance (Figure2).

For an information system to positively affect technology utilization, the technology must fit the task it supports to have a performance impact (Goodhue & Thompson, 1995). Task-Technology Fit and performance impact are two important constructs which were missing or implicit in other IS adoption models (Said, 2016) lack of contribution from users has been listed as a failure factor for KMS. Researchers generally assess KMS by frequency of use, disregarding system impact on employees' performance, despite its impact on the system's long-term success. This paper contributes to KMS research by extending Task Technology Fit (TTF).

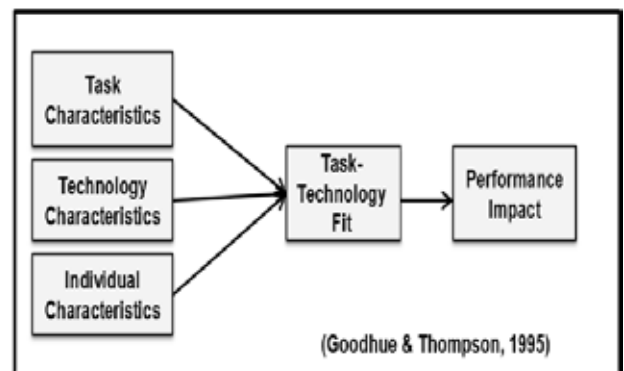


Figure 2: Model of task-technology fit (TTF)

4.2.2 TTF VALIDATION

The Task Technology Fit has been widely used in the IS research field in numerous applications and contexts. Among the studies that validate TTF are shown in Table 2:

Table 2: *Testing and validation of TTF through several studies that used TTF as underpinning theory*

Author/ Year	Context/ Technology application	Core Construct	Sample Size/ Subject	Methodology /Data analysis	Key Findings
(Lee et al., 2005)	Korea/ Mobile Commerce	Task characteristics (TAC) , Technology characteristics (TEC), Individual characteristics (INC) , utilization (USE) , task-technology fit (TTF) , Performance (PER)	110 Mobile Com- merce Users	Questionnaire/ Structural Equation Modeling (SEM)	TAC→TTF, TEC →TTF INC→TTF, TAC →USE TEC→USE, INC →USE TTF→PER, USE→PER
(D'Ambra, Wilson, & Akter, 2013)	Australia/ E-Books	TAC , TEC , INC , TTF , PER , USE	434 academics	Online survey/ Partial Least Squares (PLS)	TAC→TTF, TEC →TTF INC→TTF, TTF→PER, TTF→USE
(D'Ambra & Wilson, 2011)	Australia/ WWW	TAC , TEC , INC , TTF , social norms , PER , USE	217 Respon- dent (User & non of WWW)	Questionnaire/ Partial Least Squares (PLS)	INC→TTF, INC→USE TTF→USE, TTF→PER USE→PER
(Schrier, Erdem, & Brewer, 2010)	USA/ guest empowerment technology	TAC, TEC, INC, Fit, Perceived usefulness, Perceived ease of use, Behavioral Intention	25,000 partici- pants	Online survey/ Structural Equation Modeling (SEM)	TAC→FIT, TEC →FIT INC(-)→FIT, FIT→PU, FIT→PEOU, PU→BI, PEOU→BI

4.2.3 Ttf limitation

It is believed that Task-Technology Fit model may not dominate the decision to utilize a technology. Alternatively, utilization would be also significantly influenced by other factors such as attitudes and social norms (Goodhue & Thompson, 1995). In addition to the fact that TTF only focuses only on technological, individual and task characteristics and neglected the social & organizational characteristic

4.3. Unified Theory of Acceptance and Use of Technology (UTAUT)

4.3.1 Utaut background

The Unified Theory of Acceptance & Use of Technology was developed by Venkatesh et al. (2003). It has been extensively utilized in technology adoption and diffusion research as a theoretical tool by scholars and researchers conducting empirical studies of user intention and behavior (Williams, Rana, & Dwivedi, 2015). Venkatesh et al. (2003) articulated and validated the Unified Theory of Acceptance and Use of Technology (UTAUT) from the integration of elements of eight prominent models related to the topic after empirical comparisons between them, and they are the Theory of Rational Action (TRA), the Technology Acceptance Model (TAM/TAM2), the Motivational Model (MM), the Theory of Planned Behavior (TPB/DTPB), a model agreement between the Technology Acceptance Model and the Theory of Planned Behavior (C-TAM-TPB), the Model of PC Usage (MPCU), the Innovation Diffusion Theory (IDT) and the Social Cognitive Theory (SCT) (Abrahão, Moriguchi, & Andrade, 2016)among other functions, facilitated purchase and payment transactions through the mobile phone. This phenomenon occurs worldwide and provides individuals more flexibility and convenience in carrying out their daily activities. This article aims to evaluate the intention of adopting a future mobile payment service from the perspective of current Brazilian consumers of mobile phones, based on the

Unified Theory of Acceptance and Use of Technology (UTAUT).

The UTAUT (Figure 3) proposes that four core constructs performance expectancy which is the degree to which an individual believes that using the system will help him/her to attain gains in job performance, effort expectancy refers to the degree of ease associated with the use of system, social influence as the degree to which an individual perceives that important others believe he/she should use the new system and lastly, facilitating conditions which is the degree to which an individual believes that an organizational and technical infrastructure exists to support use of the system are direct determinants of behavioral intention and ultimately actual usage, and that these constructs are in turn moderated by gender, age, experience, and voluntariness of use (Venkatesh et al., 2003).

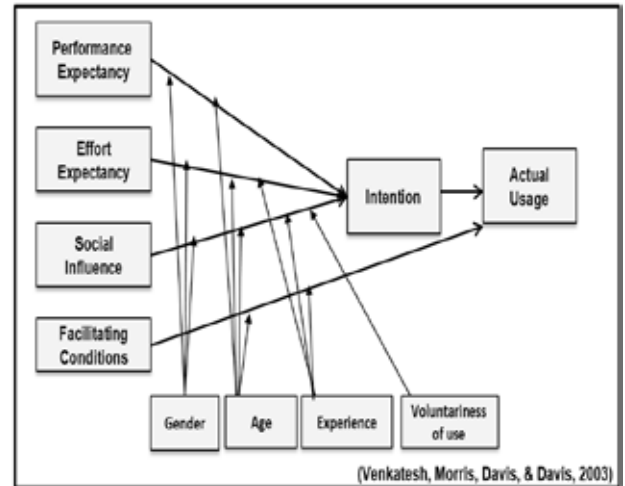


Figure 3: Model of Unified Theory of Acceptance and Use of Technology (UTAUT)

4.3.2 Utaut validation

Since its inception, the Unified Theory of Acceptance and Use of Technology UTAUT has been the focus to determine factors affecting technology use. Several studies that utilized UTAUT are listed below in table 3:

Table 3: Testing and Validation of UTAUT through Several Studies that used UTAUT as Underpinning Theory

Author/ Year	Context/ Technology application	Core Construct	Sample Size/ Subject	Methodology/ Data analysis	Key Findings
(Raman et al., 2014)	Malaysia / Smart Board	Performance Expectancy (PE), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Behavioral Intention (BI)	68 Teachers	Questionnaire/ Correlations Analysis	PE→BI, FC→BI
(Raman & Don, 2013) auto-marked online quizzes and exams, navigation tools, files download, grading, student progress tracking, online calendar, etc. This paper investigated the relationships between the constructs that may influence preservice teachers' acceptance of Learning Zone (Moodle)	Malaysia / Learning Management Software	PE, EE, SI, FC, Hedonic Motivation, Habit, BI, Usage	288 Students	Questionnaire/ Partial Least Squares (PLS)	PE→BI, EE→BI SI→BI, FC→BI, HM→BI, BI→USE
(C. Wang, 2005)	Taiwan / Distance Learning	PE, EE, SI, FC, perceived sacrifice, BI	264 College Teachers	Questionnaire/ LISREL	PE→BI, EE→BI SI→BI, FC→BI
(Chang, 2013)	Taiwan / Library via mobile	PE, EE, SI, FC, Technology Task Fit, BI	363 students	Questionnaire/ Structural Equation Modeling (SEM)	PE→BI, EE→BI SI→BI, FC→BI

4.3.3 Utaut limitation

A systematic review of 450 citations of the originating article in an effort to better recognize the reasons for citation, use and adaptations of the theory by (Williams, Rana, Dwivedi, & Lal (2011) showed that while a large volume of studies have cited the originating article since its inception, Around 43 citations only that have applied the theory or related constructs when doing their empirical research investigating issues about information systems (Abdulbaqi, Al-dhaafri, Shibami, Al-gamrh, & Mansoor Mulla, Ali Abdulbaqi, Hassan Al-Dhaafri, Ahmed Al- Shibami, 2017; Abdulbaqi Ameen & Ahmad, 2011; Qais Ahmed Al-Maamari et al., 2018). This suggests that despite its popularity, UTAUT was not employed solely without being extended (Williams et al., 2011). Furthermore, UTAUT focuses only on technological, social, and organizational aspects and neglects task and individual characteristics.

4.4 Delone & Mclean Information System Success Model (DMISM)

4.4.1 Dmism background

The original D&M foundation was based on Mason's (1978) modification of Shannon (1948) mathematical theory of communications, it was articulated by DeLone & Mclean (1992; Alrajawy, Isaac, Ghosh, & Nusari, 2018). The main reason was to create a body of knowledge that is coherent via synthesizing previous research in IS success and to provide guidance to future researchers (DeLone & Mclean, 2003).

The model specified six factors for the success of IS (Figure4), namely "systems quality" measures technical success; "information quality" measures semantic success; and "use, user satisfaction, individual impacts," and "organizational impacts" measure effectiveness success. This general theory of IS postulates that if the user feels satisfied with using a system, the performance will more likely to be influenced positively by information quality, and system quality. (Tam & Oliveira, 2016).

As per research findings since the original model, and according to changes in information systems role and management, the model has been updated (Figure5) and now consists of System Quality, Information Quality, Service Quality, Use, User Satisfaction, Net benefit (DeLone & Mclean, 2003).

The model specified six factors for the success of IS (Figure 4), namely "systems quality" measures technical

success; "information quality" measures semantic success; and "use, user satisfaction, individual impacts," and "organizational impacts" measure effectiveness success. This general theory of IS postulates that if the user feels satisfied with using a system, the performance will more likely to be influenced positively by information quality, and system quality. (Tam & Oliveira, 2016).

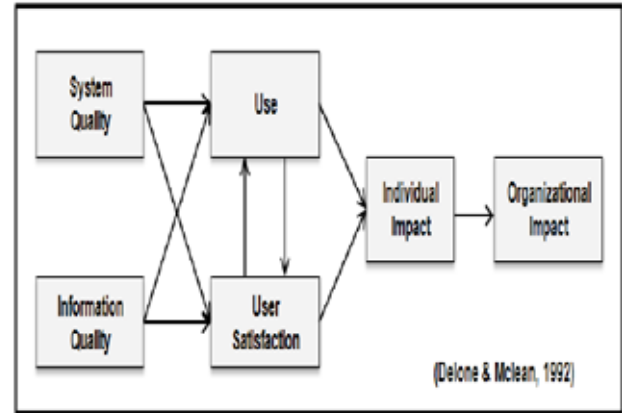


Figure 4: DeLone & McLane Information System Success Model (DMISM)

As per research findings since the original model, and according to changes in information systems role and management, the model has been updated (Figure 5) and now consists of System Quality, Information Quality, Service Quality, Use, User Satisfaction, Net benefit (DeLone & Mclean, 2003).

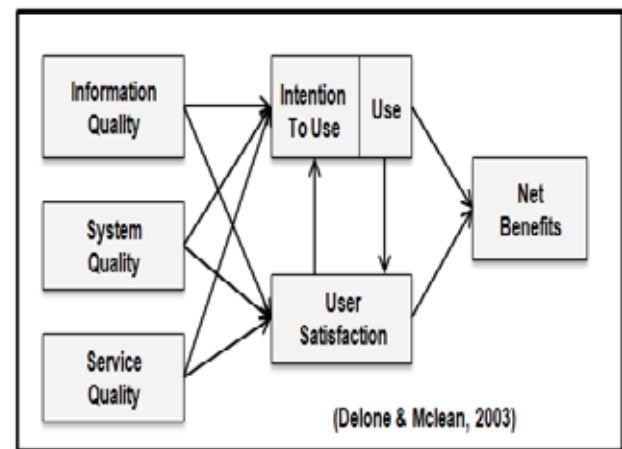


Figure 5: Updated DMISM

4.4.2 Dmism validation

In the information system success field, the Delone and Mclean is the main model that was updated in 2003 and is widely used in the literature. Table 4 contains some of the studies that validated DMISM:

Table 4: *Testing and Validation of DMISM through several Studies that used DMISM as Underpinning Theory*

Author/ Year	Context/ Technology application	Core Construct	Sample Size/ Subject	Methodology/ Data analysis	Key Findings
(Wang & Liao, 2008)	Taiwan/ e-government	System quality (SYSQ) , Information quality (INFQ) , Service quality (SERQ) , Usage (USE) , User satisfaction (SAT) , Performance impact (PER)	119 Users	Questionnaire/ Structural Equation Modeling (SEM)	INFQ→USE, INFQ →SAT SYSQ→SAT, SERQ →SAT SERQ→USE, USE →SAT USE→PER, SAT →PER
(Jennex, Olfman, Panthawi, & Park, 1998)	USA/ Memory Information Systems	SYSQ, INFQ, USE, SAT, Performance impact PER	83 engineer	Questionnaire/ Correlations Analysis	SYSQ→USE, SYSQ →SAT INFQ→USE, INFQ →SAT USE→SAT, USE →PER
(Chong, Cates, & Rauniar, 2010)	USA/ e-Commerce	SYSQ , INFQ , SERQ , USE , SAT , Net Benefit (Performance) PER	3372 users	Questionnaire/ Structural Equation Modeling (SEM)	INFQ→SAT, SERQ →USE SERQ→SAT, USE →SAT USE →PER
(Wu, 2007)	USA/ e-commerce Website	SYSQ , INFQ , SERQ , Relationship Quality, SAT	295 web users	Questionnaire/ Regression analysis	SYSQ→SAT, INFQ →SAT SERQ→SAT, RELQ →SAT

4.4.3 Dmism limitation

There are several limitations to the updated Delone & Mclean system success model like the ambiguity of the new variable “net benefits”: what qualifies as a “benefit”? For whom? The designer, the sponsor, the user, or others? And at what level of analysis? From which perspective benefits are measured, individual’s, employers’, industries’ or nations’?

Furthermore, the updated Delone & McLean IS model focuses only on the technological aspect and neglected the organizational, task, social and individual aspects.

4.9 Conclusion

This research illustrated the review of literature of the theories and models of technology acceptance and information systems success that are widely recognized and used, namely TAM, TTF, UTAUT, and DMISM. It demonstrated the differences in constructs among them and the process of the development of each one. Besides reviewing some of the recent empirical studies in e-learning in different contexts and countries. Additionally, it elaborates on the current state of higher education and ICT sectors in Nepal and what is the state policy to utilize ICT in the higher education. Besides, explaining the variables of the study, conceptual

framework development, and research hypotheses. The implications of this study from the perspective of research and practitioners have been deliberated, limitations have been noted and some directions for future research have been suggested.

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Conflicts in Education: A Perspective to Internalize Education

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Abstract

Conflict for scarce resources (wealth and power) is an infinite loop that aids in gradual transformation of classes within the society. From this cycle, Marxists endeavor to ooze the element of change, for they regard conflict and change as synonyms. The correlation between the discrepancy in the class and corresponding economic achievement roots deep down to educational establishment and processes. The influence of the latter on the classroom milieu is made apparent by Paul Willis's sample generalization of a dozen students, according to which education unintentionally reproduces the sort of labor force required by capitalism. The lads actively create their own subculture and voluntarily choose to look for manual jobs, thus creating platform for perpetual failure to establish sustainable equilibrium in society. Marxism does not overlook this fact, and while attempting to instate the equipotential field for all classes and genders, it attempts to generate a "change" in the society. Marxism is against the societal polarity and is unequivocally the most practical belief - a must for the progress of any society or nation at large.

Keywords: Education, conflict, Management, Pedagogy, Marxism

Introduction

In the mid of Eighty's Karl Marx proposed conflict perspective that became worldwide political issues in the mid of eighty's whose ideologies stressed the dynamic tension between the classes, believed that conflict defined the happenings of society. He believed that this conflict would determine the major events and outcomes of history. His conflict perspective believed that the split between the divisions of labor resulted in conflict between the masses and drove the social changes of the time. Perspectives might be viewed as models. Models give meaning to what we see and experience. There are four different perspectives in education. Each perspective makes assumptions about society. Each one attempts to integrate various kinds of information about society. Each perspective focuses on different aspects of society. Certain consequences result from using a particular model. No one perspective is best in all circumstances. The perspective one uses may depend upon the question being asked. If one is exploring bureaucratic organization, then one might like to use a perspective that is concerned with social order. On the other hand, if one is concerned with social inequality, then perhaps the conflict perspective is more useful.

Concept of Conflict

The conflict perspective is a view of society that imagines conflict as a normal feature of social life. According to its adherents, conflict influences the distribution of power

and the direction and magnitude of social change. The conflict perspective is one of two major sociological theories. Also known as the "conflict model," it gives sociologists explanations for happenings in history and in society.

Conflict theorists see society less as a cohesive system and more as an arena of conflict and power struggles. Instead of people working together to further the goals of the "social system," People are seen achieving their will at the expense of others. People compete against each other for scarce resources. Basic inequalities between various groups are a constant theme of conflict theory. Power, or the lack of it, is also a basic theme of conflict theory. Since some people benefit at the expense of others, those who benefit use ideology to justify their unequal advantage in social relationships. Marx is a conflict theorist. He argued that the struggle between social classes was the major cause of change in society. Much change, in fact, happens as rich people and poor people compete over scarce resources. Not all conflict theorists are Marxist. Weber is also a conflict theorist. Whereas Marx focused on class conflict as the "engine" of historic change, others see conflict among groups and individuals as a fact of life in any society. Conflict can occur over many other aspects of society unrelated to class. For examples, conflict can occur over water rights (in West Texas and New Mexico). Conflict occurs when two people have a car accident. Conflict occurs between men and women about their rights and recognition.

Farley (2000:73) contends that conflict theory arose primarily from the work of Marx and was continued in the work of C Wright Mills and Ralf Dahrendorf. The general underlying assumption associated with conflict theory is that society is made up of groups with competing self-interests. Often the competing groups have unequal power.

Theory of Conflict

- **Society:** Societies naturally tend toward conflict. This occurs because wealth and power are distributed unequally; therefore, different social groups have different and conflicting interests (Farley, 2000:73).

- **Group Dominant:** One group usually becomes dominant because competing interest groups have unequal power. The dominant group then uses its power to control most or all other aspects of the social structure. The dominant group can ensure that society operates in a way that serves the interests of the dominant group. As a result the dominant group controls a vastly disproportionate share of scarce resources such as wealth and social status (Farley, 2000:73-74).

- **Artificial:** When a consensus appears in a society, it is usually artificial and is unlikely to persist over the long run. A Functionalist might argue that consensus is "necessary" and is, therefore, automatically something desired by all concerned. The conflict theorist contends that a consensus in a society is either based on coercion and/or repression by the dominant group. Conflict in Society is Desirable. Conflict is desirable because it makes possible social change which may lead to more equitable distribution of wealth and power (Farley, 2000:74).

- **Ideology:** A central assumption of Marxist theory is that the distribution of wealth by and large determines other aspects of society, such as the political system and the characteristics of culture. This includes the norms, values, and beliefs of the culture. The norms, values, and beliefs of the culture are such that they legitimize the control of wealth. Everyone, the rich and poor alike, accept the cultural beliefs as just and correct. Another term for these beliefs is ideology. Cooperation is not assumed. The idea of society being an integrated system based on consensus is a manufactured idea. The powerful influence or coerce the rest of the population into compliance and conformity. Social order is maintained, not by popular agreement, but rather by the direct or indirect exercise of power. "Marx, however, argued that beliefs in the dominant ideology are not in the interest of the subordinate group. Marx referred to the pattern of the subordinate group's acceptance of an ideology that goes against its own self-interest as false consciousness.

A consciousness can also be achieved when a minority group accepts an ideology that is not in its self-interest. This is false consciousness. It can occur because the

dominant group exerts disproportionate control over the sources of influence and public opinion. It might also come about because the dominant group, through sheer power and force, can create an atmosphere where the subordinate group feels that resistance is futile. In either case, the apparent consensus is fundamentally unstable and is not likely to persist over time (Farley, 2000:74). Racism can only be dealt with by changing the institutions that are the source of racism. Marx called upon the oppressed to realize how dominant ideology serves to oppress the subordinate group. Arrival at this understanding is called class consciousness.

Marx

Karl Marx's writings on class conflict, differing class interests, the ownership and control of the means of production, and the exploitation by one class over the other were precursors to the development of conflict theory. Marx saw class and class conflict as the moving forces in history. A dominant class owns the means of production and exploits other classes. It is then in the interests of the dominated classes to overthrow those in positions of dominance and to establish a social order more favorable to their interest.

Function: Under the conflict perspective, the basic form of interaction in society is not cooperation, but competition and this leads to conflict. Because the individuals and groups of society compete for advantage, there is constantly conflict for change. When there are large groups competing, such as Marx's bourgeois and proletariat, the outcome is often major social change. This conflict can arise from the desire to own the means of production, to own the power or land, or to own the realm of political power, and can be revolutionary, as it was in many of the communist societies that practiced Marxist teachings.

Features: One major teaching of the conflict perspective has it that conflict arises from the dissimilar goals and interests of different social groups---the oppressed, the dominant, the powerful, or the powerless. The conflict can arise in different areas: law, religion, education, or media, and can be found in the powerful protecting their monopoly on these holdings, or the powerless attempting to change the status quo.

Significance: The outcomes of the conflict perspective have had a major impact on social events in the world for two centuries. The Russian Revolution of 1917 can be seen as an outcome of the conflict perspective. This event illustrates the major revolutionary power of the rise of one social group against another. Even more modern conflict theorists stress the power of the have-nots against the haves. In any society, conflict theorists argue, there is the potential for revolutionary conflict as the few in power maintain control over the many out of it.

Conflict and Change: As a result of tension, hostility, competition, and disagreements over goals and values, change is one of the basic features in society. In general, change occurs because of inequality and the battle over scarce resources. Conflict occurs because people want things (power, wealth, and prestige) that are in short supply. One should realize that conflict is not intrinsically bad. Conflict provides grounds where people unite in order that they may act on their common interests. Conflict is the motor for desirable change.

Schooling of Samuel Bowles and Herbert Gintis

The American economists and sociologists Bowles and Gintis argue that the major role of education in capitalist societies is the reproduction of labor Power. In particular they maintain close correspondence between the social relationships which govern personal interaction in the work place and the social relationship of the education system. This correspondence principle provides the key to understanding the workings of the education system.

The hidden curriculum: The first major way in which education functions is to provide capitalists with a workforce which has the personality, attitude and values which are most useful to them. Like Marx, Bowles and Gintis regard work in capitalist societies as both exploitive and alienating, yet if capitalism is to succeed it requires a hard- working, docile, obedient and highly motivated workforce, which is to divided and fragmented to challenge the authority of management. The education system helps to achieve these objectives through the hidden curriculum. It is not the content of lessons and the examinations but the form that teaching and learning take place and the way that schools are organized. It consists of those things that pupils learn through the experience of attending school. It shapes the future workforce in the following ways.

First it helps to produce a subservient workforce of uncritical, passive and docile workers. Bowles and Gintis found that the grades awarded related more to personality traits than academic abilities. Low grades were related to creativity, aggressiveness and independence while higher grades were related to perseverance, consistency, dependability and punctuality. This way the American education system was creating an unimaginative and unquestioning workforce which could be easily manipulated by employers.

Second, Bowles and Gintis claim that the hidden curriculum encourages an acceptance of hierarchy. Schools are organized on a hierarchical principle of authority and control. Teachers give orders and pupils obey. This prepares them for relationships within the workplace where if workers are to stay out of trouble, they will need to defer to the authority of supervisors and managers.

Third, at school pupils learn to be motivated by external rewards just as the workforce in a capital society is motivated by external rewards. Learning is based upon Jug and Mug principle. The teachers' possess knowledge which they pour into the empty mugs, the pupils. That's reason many pupils do not enjoy the process of schooling. They are encouraged to take satisfaction from the external reward of a qualification at the end of their studies. That qualification offers the promise of employment or better paid employment. It is not organized according to the human need for fulfilling work but according to the capitalist's desire to make the maximum possible profit.

Fourth, Bowles and Gintis claim that another aspect of the hidden curriculum is the fragmentation of school subjects. The course of the school day moves from one subject to another and little connection is made between the lessons. This aspect of education corresponds to the fragmentation of the workforce. Most jobs in factories and offices have been down into very specific tasks carried out by separate individuals. A fragmented and divided workforce is easier to control and this control can be maintained because of 'divide and conquer'. It becomes difficult for the workforce to unite in opposition to those in authority over them.

Education System for Capitalism

Bowles and Gintis believe that the hidden curriculum produces a passive and obedient workforce which accepts authority without question which is motivated by external rewards and is fragmented. They also argued that the formal parts of the curriculum correspond to the needs of capitalist employers.

The illusion: Bowles and Gintis reject the view that capitalist societies are meritocratic and deny that they can become so within a capitalist framework. They believe that class background is the most important factors influencing levels of attainment. The children of the wealthy and powerful tend to obtain high qualifications and highly rewarded jobs, irrespective of their abilities.

Occupational reward: Bowles and Gintis argue that IQ accounts for only a small part of educational attainment. They find a direct relationship between educational attainment and family background. In general the higher a person's class of origin, the longer he or she remains in the educational system and the higher his or her qualifications. That means the longer an individual stays in the educational system, the more his/her IQ develops. The above evidence leads that in terms of IQ the educational system does not function as a meritocracy.

Bowles and Gintis reject the view that IQ is directly related to occupational success. They find that family background is the major factor accounting for differences in income. They conclude that IQ itself has little direct effect on income variation.

Finally they examine the relationship between educational credentials and occupational reward. They find that the main factors accounting for occupational reward are the individual's class of origin, race and sex. The apparent connection between occupational reward and educational qualifications is simply due to the fact that in general white middle-class males obtain higher educational qualifications than other social groups and also obtain higher occupational rewards; their academics have little effect upon their future income.

The myth: If Bowles and Gintis' analysis is correct then the educational system can be seen as a gigantic myth-making machine which serves to legitimate inequality. It creates and propagates the following myths;

- Educational attainment is based on merit
- Occupational reward is based on merit
- Education is the route to success in the world of work.

Education creates the myth that those at the top deserve their power and privilege that they have achieved their status on merit and that those at the bottom have only themselves to blame. In this way the educational system reduces the discontent that a hierarchy of wealth, power and prestige tends to produce. Thus Bowles and Gintis conclude that 'Education reproduces inequality by justifying privilege and attributing poverty to personal failure'.

Conflict and education: Bowles and Gintis devote less attention to explaining how education and work correspond than they do to describing the similarities between them. They admit that the members of the working class have at certain times tried to shape the education system themselves. They claim that representatives of the ruling class have intervened at crucial times to ensure that their interests continue to be served. Any compromises that have taken place have come down heavily in favor of the ruling class, not the working class. They claim that working class demands for changes in education have been of limited scope. The role of the education system in legitimating inequality prevents members of the working class from seeing beyond their own life experiences. Exploited groups are not encouraged to see how the education system and the society, it is the part of could be transformed to serve working class interests.

Education in communist societies: Bowles and Gintis provide a comprehensive Marxist view of education in a capitalist society but their discussion of education in the former communist societies is sketchier. They argue that there were similarities between the communist education systems and that of the USA. In particular, education in communist countries was also hierarchical and it encouraged some of the same personality traits as

the American system. The communist countries reduced inequalities but a minority of state officials still controlled the means of production. Therefore Bowles and Gintis believe that only when there was genuine economic democracy, in which workers took control of the means of production, would a truly socialist education system develop.

Evaluation of Bowles and Gintis

The work Bowles and Gintis has been highly controversial. The critics tend to agree that Bowles and Gintis have exaggerated the correspondence between work and education and have failed to provide adequate evidence to support their case.

M.S.H Hickox questions the view that there is a correspondence between education and economic developments. He points out that in Britain compulsory education was introduced long after the onset of industrialization. Despite the fact that for a long time capitalists did not employ a workforce which had had its attitudes and values shaped by education, the development of capitalism did not appear to be affected.

They have been criticized for their claims about the way that schools shape personality. They did not carry out detailed research into life within schools. Paul Willis showed that working class 'lids' learned to behave at school in ways quite at odds with capitalism's supposed need for a docile workforce.

They have been criticized for ignoring the influence of the formal curriculum. David Reynolds claims that much of the curriculum in British schools does not promote the development of an ideal employee under capitalism. It does not seem designed to teach either the skills needed by employers, nor uncritical passive behavior which makes easy to exploit.

A fourth area of criticism concerns the extent education legitimates inequality by creating the appearance that success and failure are based upon merit. M.S.H Hickox refers to a study by Richard Scase in which only 2.5 percent of a sample of English workers expressed the view that educational qualifications were an important factor in determining social class. Most of those interviewed placed a far greater emphasis on family background and economic factors.

They have been attacked for failing to adequately explain how the economy shapes the education system. David Reynolds suggests that it is simply not possible for British capitalists or the capitalist state to exercise detailed control over British schools. Reynolds claims that 'a large number of radicals have been attracted into teaching' and because of their independence they have not molded education to suit the needs of capitalism.

Since Bowles and Gintis developed their theory of

education in the 1970s and early critics responded to it, the British education system has developed in such a way that their analysis may have become more relevant. For examples, local authorities have lost some of their power over education; the freedom of teachers has been restricted by the introduction of a national curriculum and education has become more explicitly designed to meet the needs of employers.

Whatever the merits of Bowles and Gintis's work many sociologists sympathetic to Marxism have however felt the need to modify their approach.

The Relative Autonomy of Education

Henry Giroux has advocated a modified approach to the analysis of education within a broadly Marxist framework. Giroux makes the following general points. He argues that working- class pupils are actively involved in shaping their own education. They do not accept everything they are taught, nor is their behavior entirely determined by capitalism. He also claims that schools can be seen as 'sites of ideological struggle in which there can be clashes between cultures'. The nature of education is not simply determined by the needs of capitalism but is influenced by a continuing struggle between the groups involved. He argues that education has partial independence from the needs or requirements of capitalist industry. He stresses that the independence of education cannot go against the fundamental interests of capitalism.

Some respects Giroux's work is more subtle than that of Bowles and Gintis, Andy Hargreaves believes that it fails to solve the problems associated with Marxist theories of education. He claims that education is free to develop in its own way and is influenced by numerous social groups, yet it is still determined by the economy. Hargreaves criticizes Giroux for failing to spell out in what circumstances education can develop independently and how and when economic factors become paramount. He describes Giroux's theory as one in which 'anything goes'. As Hargreaves says of such theories 'they appear to want to have it both ways, to assert both the dependence and independence of schooling; to have their cake and eat it.

Paul Willis developed a distinctive, neo- Marxist approach to education. He focuses on the way that education prepares the workforce but he denies that education is a particularly successful agency of socialization. He argues that education can have unintended consequences which may not be completely beneficial to capitalism.

Willis's study is more sophisticated and it contains an extra dimension. He also adopted some of the research techniques associated with symbolic interactionism. He used a wide variety of research methods in his study of all Midlands's school in England in the 1970s. In the course of his research Willis did not just rely upon abstract analysis

of the relationship between education and the economy, but tried to understand the experience of schooling from the perspective of the pupils.

Counter School Culture

The school Willis studied was situated in a working – class housing estate in a predominantly industrial small town. The main focus of his study was a group of twelve working- class boys whom he followed over their last eighteen months at school and their first few months at work. The 'lads' as Willis refers to them, had their own counter school culture, which was opposed to the values espoused by the school. This counter school culture had the following features.

The lad attached little or no value to the academic work of the school, and had no interest in gaining qualifications. During their time at school, their main objectives were to avoid going to lessons or when attendance was unavoidable, doing as little work as possible. They constantly tried to win 'symbolic and physical space from the institution and its rules'. While avoiding working, the lads kept themselves entertained with 'irreverent marauding misbehavior'. 'Having a laff' was a particular high priority.

To the lads the school equaled boredom, while the outside world, particularly the adult world, offered more possibilities for excitement. Smoking cigarettes, consuming alcohol and avoiding wearing school uniform were all ways in which they tried to identify with the adult world. Many of them also had part time jobs which were more than just ways of earning cash: they were a means of gaining a sense of involvement in male, adult world. The lads' counter- culture was strongly sexist, emphasizing and valuing masculinity and down- grading femininity.

According to Willis, the lads were anxious to leave school at the earliest possible moment and they looked forward eagerly to their first full time jobs. The lads were content to go to any work, so long as it was a male manual job. To them all such jobs were pretty much the same and it made little difference whether they became tyre fitter, bricklayers' mates or factory workers. Manual labor was seen by the lads as more worthy than mental labor. The sacrifices of working hard at school were simply not worth the effort. They saw little merit in years of extra study in which their freedom and independence were lost.

Willis observed that the education system seems to be failing to manipulate the personalities of pupils to produce ideal workers. Education does not produce pupils who believe in individual achievement: instead they reject the beliefs that hard work and striving for individual worthwhile rewards. Yet Willis believes, it was their very rejection of the school which made them suitable for male, unskilled or semi-skilled manual work.

The Shop- Floor and Counter School Culture

When Willis followed the Lads into their first jobs, he found important similarities between shop- floor culture and counter- school culture. There was the same racism and sexism, the same lack of respect for authority and the same emphasis on the worth of manual labor. The lads and their new workmates tried to control the pace at which they worked and to win some time and space in which they were free from the tedium of work.

The lads and workers hope to gain a little freedom but they don't challenge the institution head – on.

Willis does not see education system as simply being a successful agency of socialization that produces false consciousness. He believes that education reproduces the sort of labor force required by capitalism but not directly or intentionally. The lads are not persuaded to act as they do by the school, nor are they forced to seek manual labor; rather they actively create their own subculture and voluntarily choose to look for manual jobs. They learn about the culture of the shop- floor from fathers, elder brothers and others in the local community. They are attracted to this masculine, adult world and respond to schooling in their own way because of its lack of relevance to their chosen future work.

Capitalism and the Counter School Culture

In the final part of his book Willis discusses the significance of the counter- school culture for capitalist society. Willis claims that in some ways the lads see through the capitalist system but they contribute to their own exploitation and sub- ordination. Willis identifies a number of insights into the workings of capitalism that the Lads have which he calls penetrated. He says that they recognize that capitalist society is not meritocratic. They understand they are unlikely to be upwardly socially mobile to any great extent. The lads show an appreciation of the limitations of a strategy of pursuing individual achievement for improving their own lives. The lads can see through careers advice. They know that most of the jobs likely to be available in their area require little skill and that their studies at school will not prepare them for their work. They have come to understand the unique importance of manual labor power and found for themselves that it is labor power that creates wealth. On the other hand, Willis does not believe that lads have seen through all of the ideological justification for capitalism. They have no overall picture of how capitalism works to exploit them.

Willis tries to show that it is the rejection of school which prepares one section of the workforce. The reproduction of labor power through education works in an indirect and unintentional way. The lads are not simply suffering from false class consciousness – in part they understand their

own choices which help to trap them in some of the most exploited jobs which capitalism has to offer.

Paul Willis – Criticism and Evaluation

Willis's study has been influential. Liz Gordon, for example, claims that it has provided the model on which most subsequent cultural studies investigation within education has been based. She believes that it has encouraged Marxists to pay more attention to the details of what actually happens within education and it has helped to overcome a tendency to provide oversimplified accounts of the role of education in society. That Willis's sample is inadequate as a basis for generalizing working- class education. Willis chose to concentrate on a mere twelve pupils but he didn't choose school children in the population as a whole. They accuse Willis of largely ignoring the existence of a whole variety of subcultures within the school. They point out that many pupils came somewhere in between the extremes of being totally conformist or being totally committed to the counter- school culture. They argue that there is little basis for claiming that the lads develop the same attitudes to work as previous generations of workers. They point to some differences between one of the lads, Joey and his father. They say that Joey's father takes a pride in his work and derives considerable self-respect from it.... He is doing a demanding job well and has a good friendly relationship with management.... Joey unlike his father is not on good terms with other social groups and classes..

With such strong differences between the working father and the son at school, they find it hard to understand how Willis believes that schooling becomes a preparation for the world of adult, male, manual work.

Conclusion

Much of the research in the sociology of education has been directed towards explaining why some social groups tend to reach higher levels of educational attainment than others. Levels of attainment are usually measured in terms of qualifications. Attention has been directed particularly towards differences in achievement between social classes, between males and females, and between different ethnic groups.

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Perception of Nepalese Government Employee towards IT Contribution for their Efficiency

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Abstracts

This article endeavors to explore the perception of government employees of Nepal towards IT in their office for the enhancement of their job. To know their perception level and readiness to develop IT skills questionnaires were distributed randomly to government employees classifying them into two Groups: technical and non-technical. 300 samples were taken: 140 technical and 160 non-technical employees. Both descriptive and inferential statistics were used to come to the finding and conclusion.

Keywords: job analysis, IT, job enrichment,

Rationale

Government effectiveness and efficiency depends upon the performance of government employees. Performances are effectively done with the help of technology. A competent person, with right tools and techniques can give efficiency. Government carries its functions through different government organizations and non-government organizations. For this three mechanism: parliamentary mechanism to frame policies and acts, executive mechanism for implementing acts and policies, for instance structure of ministries, cabinets, departments that carries all the functions envisaged by parliaments though budget and long term and short term plans. The third important mechanism of government is judiciary, which looks after the plans, and policies have been implemented properly or not, different levels of courts are established for this. These three organizations need to be equipped by perfectly competent employees with abundance of support so that they function properly and fulfill the major target of government. Main government functions are: *Defend Against External Enemies*

Every time in the past or in the present there is growing tendency to show importance of country's supremacy through nuclear missiles and number of armies. Anthropologists and civil society has kept continue to debate whether or not humans are an inherently warlike species. Every year countries spend huge amount of money on military preparation, and producing military weapons in the name of security of the countries from external enemies and terrorists. One of government's chief functions is still the protection of societies against outside aggression.

Manage Economic Conditions

In each country, people expect the economic development and want to see their country lead and become ahead of others. Modern governments are expected to create the conditions for economic growth and material prosperity. It has been the important function of the country to make and execute policy to participate private sectors in the economic development process either exercising full control, or partial control. and no control. In most of the democratic countries, economic policy leaves most decisions to the private markets where individual choice, competition and exchange are presumed to lead to a growing economy. However, even free markets, the government protects the civilians' right in the name of property rights, consumer protection, enforcement of contracts, and health and safety laws to work fairly and efficiently.

Redistribute Income and Resources

Many of the economically developed countries are expected not only to make economic prosper but also distribute the fruits of development in equitable and justiciable manner. Governments tax wealthier citizens and transfer income and services to certain categories of individuals who are thought to in need of them. This way every country tries to be welfare state. A welfare state distribute the earnings to poor, old, disabled and socially challenged.

Provide Collective (Public) Goods

There are some services needed for the country and people, like military services, transportation services, postal services, telecommunication services, pollution free services, amusement parks, hospitals, universities etc. are often found beyond the capacity to offer from

private entity. Even if offered by private entities are found to be very expensive to the common people.

Prevent Externalities

Externalities are the activities that harm common people who are innocent. For instance, buyers buy the car and seller sell them, both are beneficiaries but the common people must pay social costs of pollution harming their health. Externalities are indirect costs or benefits produced by an activity which impacts society. Externalities affect those who are not direct participants or beneficiaries in the activity, and they may be negative or positive. Factories produce air pollution that individuals living nearby must breathe, or they may contaminate a city's water supply. Obviously, these are negative externalities. Those suffering from pollution do not share in the profits the polluting factory earns by its activity. Universities and educational institutions if established in right place can prove external externalities, members of society other than students benefit from a more educated population produced by these. Therefore, an essential function of governments is to increase positive externalities and stop negative externalities. Externalities are sometimes psychological or aesthetic. Now a day social media has reach every city and corner of the world and has spread pornographic materials, which might harm the common people mentally, socially, and spiritually.

Civil Liberties

Everywhere people must enjoy some freedoms. For instance, national security and protecting civil liberties, from freedom of speech to freedom from unreasonable search and detention. Every citizen must be assured to be free from fear and threat [3].

Definition of key terms

Job Analysis: Job Analysis is a process to identify and determine in detail the particular job duties and requirements and the relative importance of these duties for a given job. Job Analysis is a process where judgements are made about data collected on a job. This gives information about the jobs to be done, skills required and tools to be used. Every organization requires it to employee the people fully.

Information technology (IT): Information technology (IT) is the use of any computers, storage, networking and other physical devices, infrastructure and processes to create, process, store, secure and exchange all forms of electronic

data. Each work is enhanced with the help of IT.

Job enrichment: It can be described as a process of enriching people with knowledge and skill to do work, support of instruments(IT) and freedom through which management can motivate them. These make an employee responsible, efficient and self-driven. More the enrichment of the every employee more he/she contributes for the organization.

Administrative Division of Nepal

Nepal is divided into 7 provinces under new constitution. To carry out the government functions there are different ministerial offices, departments and district offices. Government employees are contributing through different positions of states and provinces. No. of States (Provinces) – 07, No. of Districts – 77, Population: 26.4 million

Parliament System (Lawmaking body)

The Parliament of Nepal is a bicameral legislature, just like any other democratic country, like India, UK or USA.

House of Representatives (Pratinidhi Sabha)

This is the Lower House of Nepal, where the people of the country elect the candidates.

It involves two types of electoral processes.

1. Total Number of Seats - 275
2. Direct Voting (First Past the Post) Seats - 165
3. Direct Voting (Proportional System) - 110

There are 165 constituencies in Nepal, which elect one candidate each to the Parliament.

Then, after the 165 are elected, another 110 are nominated by each Party based on their Vote Share in the entire Nepal (i.e. entire Nepal becomes one constituency and each Political Party gets the number of seats based on the percentage of people voting for their particular Party)

The major political parties who keep contesting the elections are : - Communist Party of Nepal (Unified Marxist Leninist) - CPN-UML, Communist Party of Nepal - Maoist Centre - CPN (MC), Nepali Congress, Rashtriya Janata Party - Nepal, Sanghiya Samajwadi Forum - Nepal etc.

National Assembly (Rashtriya Sabha)

This is the upper house of the legislature, which represents the states.

1. Total No. of Seats - 59
2. Each State nominates 08 —> $7 \times 8 = 56$
3. Nominated by the President - 03

The members of the State Assembly, Mayors, Chairpersons, Deputy Mayors and Vice-Chairpersons of all the local level bodies are the Electoral College. So, Total Number of the Members of Parliament - $275 + 59 = 334$

States (Provinces)

1. There are 07 States, and each State has their election for their Assembly.
2. Total No. of Districts - 77
3. Total No. of Constituencies - 330
4. All these 330 candidates are elected directly by the people.

Local Level Bodies

- Total No. of Nagarpalikas - 293
- Total No. of Gaonpalikas - 460
- Nagarpalika is composed of Mayor, Deputy Mayor, Ward Members.
- Gaonpalika is composed of Chairperson, Vice - Chairperson, Ward Members.
- All of them are elected directly by the people.
- Recently, the elections for all these happened so all these have started operation.

President

- The President is elected by an electoral college comprising of all the MPs and all the members of the Provincial (State) legislatures), That is, $275 + 330 = 605$

Executive System

For the efficient functions of country's work, there are 7 provinces headed by chief minister and one center headed by Prime minister. In both the tier, there is provision of number of ministries. Total works of the country is divided into number of ministerial works. One minister at the central heads each ministry. It too found in provinces also. However provinces have few numbers of ministries. This is shown in Table 1.



Table 1: Ministries of central and provinces

Central leadership and employees Led by prime minister	Provincial leadership and employees Led by chief minister
1. Defense 2. Health and Population 3. Home Affairs 4. Foreign Affairs 5. Energy, Water Resource and Irrigation 6. Education, Science and Technology 7. Industry, Commerce and Supplies 8. Physical Infrastructure and Transportation 9. Labor Employment and Social Protection 10. Forest and Environment 11. Federal Affairs and General Administration 12. Women, Children and Senior Citizen 13. Finance 14. Youth and Sports 15. Culture, Tourism and Civil Aviation 16. Law, Justice, & Parliamentary Affairs 17. Agricultural, Land Management and Cooperatives 18. Water Supply 19. Urban Development 20. Communication and Information Technology	1. Minister for Internal Affairs and Law 2. Minister for Social Development 3. Minister for Industry, Tourism, Forest and Environment 4. Minister for Land Management, Agriculture and Co-operatives 5. Minister for Physical Infrastructure and Development 6. Minister for Economic Affairs and Planning

High courts

There is one Supreme Court at the central, high court at the provinces, and district court at each district.

Seven high courts are:

1. Biratnagar High for Court Province number 1
2. Janakpur High Court for Court Province number 2
3. Patan High Court, for Court Province number 3
4. Pokhara High Court, for Court Province number 4
5. Tulsipur High Court, for Court Province number 5
6. Surkhet High Court, for Court Province number 6
7. Dipayal High Court, for Court Province number 7

Constitutional body

Besides the Executive, Legislative, and Judicial institutions, some other institutions are provisioned to run the state in a manner of Fairness, transparency, and accountability. These bodies often termed as constitutional body.

1. Commission for the Investigation of Abuse of Authority
2. Office of The Attorney General
3. Office of the Auditor General
4. Election Commission
5. Public Service Commission
6. National Human Rights Commission

Security Service

Special specialized body is created in every country to see security issues. For internal security provision, police force is provisioned and for external security Nepal, army is provisioned.

1. Nepal Army
2. Nepal Police
3. Armed Police Force
4. National Investigation Department

Role of Government towards IT

Efficient and train employees needed for contributing to carry out parliamentary functions, executive functions, judiciary, security and constitutional functions smoothly. For fulfilling these roles there is important of IT because it enhances the performer to carry out their jobs. However, there is differing roles towards IT development policy of the government. These are- The government as enabler; the government as leader; and the government as user. The government role as enabler means government frames policies, and makes rules and regulation to encourage people. This framework removes government red tapism by informing the people and making things transparent. The second framework is government works as leader. in most cases the government can be the commissioner, referee and cheerleader, but not usually a player or even the coach. In other words, it should work out the national strategy and policy, enforce the rules, and undertake advocacy work. If it can do more without being an obstacle, so much the better. The third role is simply user of IT. Under this government does not take initiative to lead by establishing institutions, but depends upon private sector development.

Review of literature

A number studies have revealed some findings relating to information technology and performance. They are:

Technology drives more positive attitudes about performance reviews [1]. Technology-enabled performance management tools encourage managers to develop better ongoing performance management

behaviors [2]. Technology increases the effectiveness of performance feedback [3]. Basing performance management around projects rather than time of year highlights the optimal time for reviewing performance [1]. Data from performance management technology is critical in identifying and tracking high-potential employees [4]. Developmental opportunities and potential mentoring relationships are more easily discovered through performance management data [4]. To effectively manage performance employees must be involved in goal setting, using technology [5]. Technological tools can be particularly helpful to complete the performance planning process when manager and employee do not work out of the same location [6]. The essential components of defining, facilitating, and encouraging performance are even more critical in a virtual work environment than in a traditional one [7]. The importance of developing clear, objective goals is promoted in the absence of frequent face-to-face communication between the subordinate and supervisor [8, 9, and 10]. Instead of spending time asking people to “please fill out their talent forms”, HR uses data generated from cloud technology to gain insights that drive strategic discussions [11]. Digitalization of performance management not only provides better data, but also “positively influences management processes and strategic development” [12]. Performance management technology is critical not just as a business intelligence system, but also as an analytical online process, a data warehouse and a simulation tool [13, 14 & 15].

Objective

The objective of this article is to explore how government employee perceive government effort towards information technology.

First specific objective is to how technical staffs perceive the efforts of the government towards technology.

The next specific objective is to how non-technical staffs perceive the efforts of the government towards technology.

Method

The research design is qualitative as well as quantitative. Sources of information is primary and secondary both. Sampling used is random from all types of government offices: parliament, executive, judiciary, constitutional, and security. A total 300 responses were collected, 160 non-technical employees and 140 technical employees. Descriptive and inferential statistics were used to analyst and describe data.

Results and Discussion

The Table 2 displays the demographic profile of respondents. Since the respondents were selected randomly from each type of government organization legislation, executive, judiciary, constitutional and security. Regarding gender there are more percentage of male employees in technical but females are more in percentage in non-technical jobs. Number of male respondents are more than males. In non-officer junior (non officer 2nd) non-technical employees are more than technical employees whereas in non-officer first class technical employees are more than non-technical employees in percentage. The age group 20-30 has dominated the responses, and this group are more in technical works rather than higher age group who are more of non-technical nature job. Regarding interest technical employees stated social work and study whereas non-technical employees stated study as first priority and social work second priority of interest. Regarding qualification, bachelor degree holders are more in technical and in non-technical bachelor degree, holders are little bit higher than secondary level are more.

Table 2: Demographic profile between technical and non-technical employee

Non-technical		Nature of employee		Total
		Technical		
Age group	20-30	(42)67	(55)77	(48)144
	31-40	(35)56	(29)41	(32)97
	41-50	(18)28	(14)20	(16)48
	50-60	(6)9	(1)2	(4)11
Total		(100)160	(100)140	(100)300
Gender	Female	(41)66	(19)27	(31)93
	Male	(59)94	(81)113	(69)207
Total		(100)160	(100)140	(100)300
Qualification	Secondary	(34)55	(12)17	(24)72
	Bachelor	(41)66	(76)106	(57)172
	Master	(24)39	(12)17	(19)56
Total		(100)160	(100)140	(100)300
Interest	Games	(0)0	(5)7	(2)7
	Music and dance	(3)5	(9)13	(6)18
	Social media	(1)1	(0)0	(0)1
	Social work	(29)46	(50)70	(39)116
	Study	(49)79	(29)40	(40)119
	Traveling	(18)29	(7)10	(13)39
Total		(100)160	(100)140	(100)300
Designation	Non-Officer Second	(60)80	(21)29	(36)109
	Non-officer First	(46)74	(79)111	(62)185
	Officer Third	(3)5	(0)0	(2)5
	Officer Second	(1)1	(1)0	(0)1
Total		(100)160	(100)140	(100)300

Table 3: IT training received by the employees on different subjects

	Technical (140)		Non-technical (160)		Technical in excess training
	Yes	%	yes	%	
Package					+/-
Office	67	52.1	43	26.9	25.2
Database	32	22.9	16	10	12.9
Accounting	16	11.4	13	8.1	3.3
IT management	18	12.9	19	11.9	1
Email, internet	52	37.1	42	26.3	10.8
Networking	23	16.4	14	8.8	7.6
Social media	33	23.6	33	20.6	3
others	13	9.3	14	8.8	0.5

The Table 3 displays the percentage of people received different IT training packages. Mostly office package was provided and 52.1% technical employee and 26.9% non-technical employee received this training. 22.9% technical employee got data base package whereas only 10 % employee received this. 11.4% technical employees received accounting package whereas such training receiver in non-technical are 8.1% only. In the overall percentage of technical employees have more training.

Table 4: perception of employee about IT benefits in their work

	Technical		Non-technical	
	Frequency	Per-cent		
Time saving	107	76.4	110	69%
Easiness	13	9.3	31	19%
Transparency	1	0.7	10	6%
Authentic	15	10.7	7	4%
Economy in price	4	2.9	2	1%
Total	140	100	160	100%

To the answer of the question what benefits employee receive through the application of IT in their jobs. Mostly respondents answer they save time. 76% technical and 69 % non-technical employees said they save time from utilizing IT. 9.3% technical and 19 % non-technical replied IT makes easiness in work. IT can increase authenticity was opined by 10. % of technical employee where only 4 % on non-technical employees.

Opinion on it use in the Opinion in the Country

T test was used to the differences in opinion due to gender. Similarly ANOVA were used to see the differences in opinion due to age, qualification, interest and designation. In almost of the statements there is no significant difference under $p < .05$. The Table 5 is the list opinion collected with technical and non-technical employees sampled.

Reliability

Cronbach alpha test SPSS is 0.896.

Table 5: Opinion of technical and non-technical employee regarding It practices and its utility in the country

SN	Group Statistics		mean of non-technical	mean of technical
1	We have lack of sufficient Act, Laws related to e-governance.		3.8	3.84
2	Use of information technology is satisfactory in office.		3.13	3.14
3	Sufficient training has been given to officials on IT.		2.39	2.56
4	Recruitment of skilled human resource on information technology is needed for civil personnel.		4.11	4.22
5	There are sufficient human resources to provide electronic service.		2.72	2.6
6	Personnel's expertise on electronic service should be made a basis for their promotion.		3.59	3.79
7	Existing office environment should be improved to provide electronic service.		4.12	4.21
8	Available information technology equipments are effective in the office.		3.19	3.12
9	The online and offline services being delivered from the office are effective.		3.25	3.04
10	Networking among the sections of the office is required.		4.37	4.12
11	The ongoing software have been giving effective services.		3.41	3.39
12	The service buyers are satisfied with the services being delivered from the office.		3.22	3.18
13	The use of electronic service helps reduce cost and time of the office.		4.29	4.33
14	Sufficient budget and office chief play crucial roles to make office IT-friendly.		4.29	4.14
15	The horizontal structure of service delivery is effective than vertical in e-governance.		3.87	3.85
16	The officials having knowledge and skill about IT can easily share their knowledge to the colleagues.		3.4	3.44
17	To fully implement the e-governance, participation of government as well as the service seekers is highly essential.		4.34	4.26
18	The e-service helps provide quality, impartial, transparent and apply zero-tolerance.		4.27	4.17

19	There shall be uniformity in the government services and the credibility of the public administration towards people would increase.	4.13	4.08
20	Anti-virus, data backup and effective password should be used to protect the computer data.	4.42	4.32
21	After the IT-friendly office, the officials pass their time by using social sites (Facebook, Twitter).	3.16	3.23
22	The government officials should apply special precaution while using social network (Facebook, Twitter and others).	4.21	4.11
23	In social sites (Facebook, Twitter and others), unofficial statement, photo sharing and video likes and shares should be completely banned.	4.02	3.86
24	Data security is the serious most challenge in regard to service delivery from e-service.	4.33	4.21
25	E-service helps create conducive environment in the implementation of government planning.	4.33	4.14
26	Illegal work through the use of computer, mobile, telephone and other electronic devices is cyber crime.	4.44	4.37
27	Cybercrime has appeared as one of the serious problems in the 21st century.	4.44	4.26
28	The cases of cybercrime rate have rapidly increased in Nepal at present.	4.23	4.19
29	Nepal's legal provision is not clear about the punishment to the criminal on cybercrime.	3.74	3.67
30	A stringent law should be drafted and implemented to curb cybercrime in Nepal as well as create awareness among the IT users.	4.36	4.21
31	The Government of Nepal, Departments, Offices, Constitutional bodies and other agencies' websites have been updated time to time to provide information.	3.26	3.45
32	The fact of misuse of IT from civil personnel has been reported.	3.19	3.36
33	The civil personnel generally don't conceal the information of their offices.	3.09	3.26
34	Systematic changes is needed to effectively deliver electronic services from the offices	4.24	4.13
35	E-Governance is the symbol of Good Governance.	4.31	4.28
36	e-Procurement from the offices has ensure effective public service delivery.	3.95	3.95
37	Service delivery has become easier due to e-bidding in the office.	4.06	3.96
38	Services have become easier due to official's e-recruitment process.	3.87	4.01

Conclusion

There is no doubt that IT enhances performance of individual. Government of Nepal has made little investment in IT so event half of the total employee have not received IT training from the government. However, there are many works to be performed by the employees in the newly changed provincial system of the country.

People are expecting lots, for which fast delivery system is most. But the knowledge of tools and techniques have not been imparted to the employer. IT gives information about the modern job process and IT is used as an instrument to do jobs. For instance, internet brings updated information about the situation and at the same time office packages and database packages help to analyze the data deliver the services to the customers. The analysis reveals that perception of technical and non-technical employee do not differ regarding IT use and practices of the country.

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Significance of Training on Food, Food Safety, Hygiene and Sanitation

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Abstract

Training on food, food safety, hygiene and sanitation, which is a fundamental imperial learning to stay ourselves healthy. The country as Nepal cannot develop a sufficient curative mechanism to remain healthy, it will be injustice if we practice on that way thus, to spread the positive message and simply the possible strategy is to provide the concept of living healthy rather than thinking of curing. This article is a supporting study to minimize the "Guest Complains and its Recovery in Nepalese five star Hotels". As preliminary research on effective of this study piloted and found most complain in hotel was regarding:

"Where we cook to eat?"

Kitchen

"Where we seat to eat?"

Dining Area

"What we used to eat?"

Equipment

Therefore, it is realize the entire employee in restaurants, hotels, coffee shop or any food and beverage outlet should have to achieve training regarding kitchen, dining area and equipment to handle food, food safety and sanitation. Such training, knowledge and skills help to motivate people to dine and enjoy their meal beyond their private kitchen. Culturally very few people in Nepal dine outside in hotels, but if we see other countries, they enjoy eating their meals with friend and family just out of their house. To minimize our cultural thoughts of going hotel for meals is possible only if people develop the trust on food, food safety, hygiene and sanitation.

Keywords: *HACCP-based food programs are required for Global Food Safety Initiative (GFSI) standards (SQF, BRC, IFS, FSSC22000, etc.) and are the basis for preventive controls as set forth in the Food Safety Modernization Act of 2011 (FSMA).*

Introduction

As food safety includes food hygiene, hazard related to food and its risks is becoming an important issue to consumers making purchase decisions. Therefore, the food processors and food handlers both in hospitality and in food processing industries should improve their knowledge and skill on food safety assurance. A systematic and continued training and education with behavioral changes, and supported with good law enforcement are likely to minimize the hazard related to food and its risks.

Convenience foods and restaurants have become an integral part of the lives of Nepalese since everyday routines demand a significant amount of time National Restaurant Association (NRA) (2000). The number of diners continues to escalate and so has the number of

food borne illness outbreaks because of food prepared in commercial foodservice operations. Unfortunately, only a small proportion of food borne illnesses is reported and the Center for Disease Control estimated one in four Americans may experience some form of food borne illness each year (Medeiros, Hillers, Kendall, & Mason, 2001).

The CSREES-USDA Food Safety and Quality National Initiative, which funded the study discussed in this article, seek to target food handler education programs for high-risk and hard-to-reach clientele. One such group includes former welfare assistance recipients who are now required to seek job training and are uncertain as to what skills will improve their value to employers. The goals of the study were to assess:

- Importance managers placed on safe food handling skills
- Importance of public image for food service managers
- Interest in integrating food safety training into welfare-to-work job training programs
- Labor market implications of food safety training for these food service managers
- Extension personnel's role in this effort

Problem of Statement

The study discussed sought to better understand both potential problems by enumerating and publicizing the value of specific skills and the overall value of food safety training to the food service industry (Kendall et. al, 1998). The findings provide some support that managers do value food safety training to private managers, in addition to the public benefits defined in the introduction. Our Extension specialists developed a display and brochure with these findings for distribution at job service offices to assist in recruiting trainees. It is important that they and other Extension personnel continue to have a presence at the statewide meetings where this kind of information can be disseminated to public workforce personnel.

Improper Food Handling Practices

The baseline data collected reflected the Food Code provisions on the occurrence of five risk factors The FDA's report, FDA Retail Food Program Database of Food borne Illness Risk Factors (2000):

- Food from unsafe sources
- Inadequate cooking
- Improper holding temperature
- Contaminated equipment
- Poor personal hygiene
- Unhygienic places

The top 10 causes of food borne illness are the following:

1. Improper cooling
2. Advance preparation
3. Infected person
4. Inadequate reheating for hot holding
5. Improper hot holding
6. Contaminated raw food or ingredient

7. Unsafe source
8. Use of leftovers
9. Cross-contamination
10. Inadequate cooking

Research Objective

The main objective of this article is to investigate the status of food processors and food handlers both in hospitality and in food processing industries and see, whether it has become opportunities or challenges for achieving sustainability in quality service (Colorado Welfare Reform, 2000). Following are some specific objectives:

- To study how hospitality and food processing industries practicing to handle by assuring Significance of Training on Food, Food Safety, Hygiene and Sanitation
- To analyze impacts and challenges in the case ignoring training

Limitations of the Research

All new Food, Food Safety and Health Training (FFSHT) Level 1 certificates have a five-year expiry date (Mean, 1999). Once your certificate expires, you must take a refresher course and achieve a grade of 80% on the refresher exam in order to be recertified.

- Only hospitality and food processing industry are focused for research
- Requirement of Training module is incorporate for their performance

Methodology

An important component of the project was to establish the potential value of food safety training for both the employer and the employee, information Extension agents would be able to use in promoting the value of food safety training and its implied benefits to food service managers. The survey was used indirectly to determine the value of food safety programs and specific skills or knowledge associated with the training. Before initiating the research, the consequences on health of consumers were closely supervised and pilot study was conducted for the officer level personalities of Bank, College, ward chairman and Mayor of Rupandehi District. In addition, various food and hygiene journals, world health organization (WHO) preference, book and magazine were studied to develop the planning for providing training to concerned people.

Literature Review

One assumption motivating the study was that employers might be reluctant to hire persons on welfare because they fear:

- The person will not have the requisite skills needed to prepare and/or serve food to customers in a safe and efficient manner and
- They (the employers) will not have the time needed to adequately train the person.

Thus, it was felt to be important for Extension agents to be able to provide a food safety education certificate program for welfare-to-work participants that showed that these workers had acquired the necessary knowledge and skills (Husted, 2000). This would be of benefit to both those needing jobs and those in the food service industry needing trained workers. Therefore prospective course design to support the training "Food, Food Safety and Health Training (FFSHT)" is reviewed as literature.

Food

Food is any substance consumed to provide nutritional support for an organism, containing essential nutrients, such as carbohydrates, fats, proteins, vitamins, or minerals for their growth.

Food Safety

Food safety is about handling, storing and preparing food to prevent infection and help to make sure that our food keeps enough nutrients for us to have a healthy diet, world food protection WFP.2005. Unsafe food and water means that it has been exposed to dirt and germs, or may even be rotten, which can cause infections or diseases such as diarrhea, meningitis, etc.

Health

Health is the state of being free from illness or injury.

Illness

Illness is a disease or period of sickness affecting the body or mind due to imbalance activities while consuming food and beverage along with challenging environment.

Injury

Injury is an instance of being injured like:- wound, bruise, cut, gash, tear, rent, slash, gouge, scratch, graze, laceration, abrasion, contusion, lesion, sore or damage to a person's feelings.

Relationship between Health, Food & Food Safety

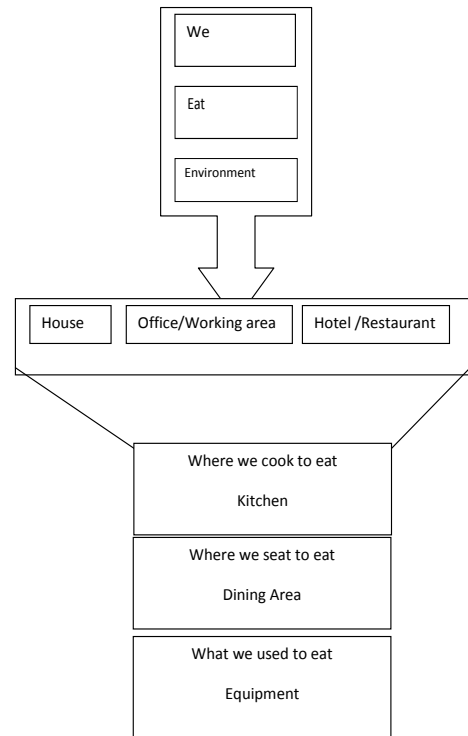


Fig: - Conceptual framework of this project

Thus, it is mandatory to provide the knowledge and skills about health safety and sanitation.

Vision

To be acclaimed certification of Food, Food Safety and Health that is able to recognize to the global community

Mission

FFSHT is a multilingual, diverse multicultural certification of training that ensures the intellectual, professional advancement be free, manifestation of latent power of every human beings through morality based on strength and synthesis reverential, ethical, social unity, integrity and holistic in food and beverage service industry.

Program Description

The Food, Food Safety and Health Training (FFSHT) program is designed to meet the knowledge and competencies required for those who have chosen a food and beverage industry which are on primary or secondary.

The experimental learning, project-based approaches and practical training components will provide trainers with the necessary competencies to function effectively in their respective job or ethics.

Learning outcomes

To provide the elementary knowledge about the fundamental required principle that applies to Food, Food Safety and Health (Turner, 2000)

1. Trainee can built the skills and think critically about the food safety, hygiene and sanitation.
2. Analyze ethical issues that affect health and environment.
3. Evaluate the application of technology or equipment that is used to maintain the food safety, hygiene and sanitation.

Program Aims

The aims for the proposed program are as follows:

1. Ability to acquire knowledge and skills that promote their activity and execute handling of food safety, hygiene and sanitation.
2. Capability to develop and empower the perception of each individual that the cause and effect of food safety, hygiene and sanitation.

Entry Requirements

- Literate or able to read and write a text for Level one and two
- Pass foundation program or diploma in relative subjects for Higher Level

Program Facts

S.N	Level	Duration	Schedule
1	1	15 Days	
2	2	30 Days	
3	3	45 Days	

Career Opportunities

The trainee will gain the skills and knowledge about food handling techniques; understand the food value and its importance towards human health, similarly hygiene and sanitation Kendall et al (2001).

- Stimulate to maintain tidy environment for their subordinates, maintaining food safety, hygiene and sanitation discipline.
- Food and service industry
- Dining rooms and pubs
- Consulting campaign

Conclusion

Alternatively, concerns about reliability and "soft work skills" may prevent food service managers from hiring welfare recipients. Indirectly, this study found that labor market participants may not value pre-employment food safety training and, instead, that value will be created

once a worker is on the job and managers communicate the need for stronger food handling skills. Thus, these findings should motivate Extension personnel to promote the implicit value of food safety training and to find more ways to encourage employers to directly support food safety training through training fees or the pay incentives that they say they are willing to provide For those in supervisory positions, the food safe Level 2 course offers training in the management of food safety and food safety systems. Every operator of a food service establishment must hold a certificate, issued by a health officer, for the successful completion of the food handler-training program known as food safe or its equivalent.

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Alcohol Control Policy and Marketing Corporate Social Responsibility of Alcohol Industry in Nepal

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Abstract

Nepal Government is trying to control alcohol from different activities but the production and sales of alcohol is increasing. However, its consumption has not been found decreased. New domestic and imported brands are increasing. New investments are also increasing for which government is providing license. This article tries to highlight "An Alcohol Regulation and Control Policy in Nepal". Government is initiating ban on TV advertisement, promotion and sponsorship. How the distillers are adopting Marketing Corporate Social Responsibility to achieve their goal. Despite government ban on advertisement, its consumption and investment is increasing. The methods adopted in the study are interview with key persons from policy maker, civil society, distiller, whole seller, marketers and retailer.

Keywords: Government, Investment, Product, consumption, Sponsorship and Corporate social responsibility.

Problems of the statement

The use of alcohol is the most common risk factor for preventable diseases, injuries and premature death. Alcohol use by young people is risky on driving, vehicle injuries, madness and slaughter, all of which are major cause of teenage impermanence. In Nepal it is illegal to sell alcoholic beverage to youth under 18th year, nearby temple, school, heritage site and public places. The alcohol industries are actively targeting young people with advertising and promotions. Through youth oriented campaigns the alcohol industries create an environment in which the consumption of these dangerous products is acceptable and within some teenager group. Many companies are associated on marketing corporate social responsibility (CSR), health promotion efforts to reduce health risk emphasizes individual behavior changes and ignore the critical role of environment and social factors. Despite that the use of alcohol is not legally right for adult, the aggressive marketing and promotion tactics of alcohol industries targeting the youth to get the better result. The purpose of this paper is to outline alcohol policy in Nepal, Alcohol industry, Sales & market practices and use of Marketing Corporate Social Responsibility related to sustainability of industries.

1. Introduction

Nepal is a multi-ethnic, multi-cultural, multi religious and multi linguistic society with a rich repertoire of customs and traditions. It is also a geographically diverse country and a caste bound society. The 2011/16 population census identified a total of 123 caste/ethnic groups in the country.

Nepal is an officially secular with the constitutional provision of no discrimination against any other religion. Hinduism is practiced by over 81.31% of the population, followed by Buddhism (9%) and Muslim (4.4%). There are also other religions like Kirant, Jain, Christian and others. Historically, various religious and cultural groups practiced alcohol in Nepal.

1.1 History of Alcohol in Nepal

The alcohol industry is the commercial industry involved in the manufacturing, distribution and sale of alcoholic beverages. It is likely that alcohol production started when early farmers noted the fermentation that took place in fallen fruit. They may have found the fizzy flavor and sharp aroma pleasing. Trial and error using different fruits and grains finally resulted in formulas that could be refined and repeated for a pleasant alcoholic drink.

From ancient times, Nepal has been a common ground of people from both Indo-Aryan and Tibeto-Mangoloid races. It has also achieved a remarkable compromise between Hinduism and Buddhism with divergent values system [1](Britannica.com 1999-2001). Social, religious, cultural values which governed food habits, customs and beliefs of people have been fundamental in governing the Nepali civilization over different periods of history (Adhikari, 1988 cited in Subedi, 1999)[2].

All cultures possess a set of ideal attitudes toward the consumption of abstention from alcoholic beverages, and define the expected and prohibited behavior while drinking (Mohan and Sharma, 1995) [3].

1.2 Alcohol use in Nepal

Alcohol use is closely related with the caste system of Nepal. Many people foster the use of alcohol beverage according to their social, religious and cultural traditions. The people of Mangoloid origin used alcohol for the purpose of rituals and on religious occasion, as well as for social drinking during festivals and special occasion like birth and death. On the other hand, the Hindu society, based on the code of Manu, prohibited alcohol use among the higher caste of Brahmin and Chhetri. The societal structure laid out by the semi-legendary lawgiver Manu about 200 BC set strict rules for societal behavior and hierarchy (Mohan and Sharma, 1995) [3]. Despite attempts at reform from time to time, his influence has persisted and still strongly governs rural, and to a lesser extent urban life. Manu's classification into vernas (caste) has survived. The code of Manu strongly prohibits alcohol use among the so-called priest caste Brahmins (Subedi, 1999) [2]. It also prohibits drinking for Chhettri (warrior) and Baishya (traders). While the sudra (working caste) could drink according to their custom.

The alcohol practice seems to have a long history in Nepal. Pivotal evidence suggests that even in pre-historic and ancient times alcohol was consumed. Traditional use of alcohol in the rituals, cultural and social events persisted among Kirats. While the surviving Licchavi inscription does not reveal much about the use of beverages.

The division of Nepalese society in different hierarchical caste system was based on the code of Manu. King Jayasthiti Malla (1382-1395 AD) of Kathmandu first decreed the law that stratified the whole Nepali society based on division of Tagadhari (Brahmin, Chetri and Thakuri) and Matwali (Tharus, Gurungs, Tamangs, Newars, Rais, Limbus, Sherpas, Jirels, Sunuwars and others). The former group was not permitted to use alcohol while the latter was (Subba et al., 1995) [4].

Key terminology is used Government, Investment, consumption, Promotion, Sponsorship and Corporate social responsibility.

Government is a regulatory body of nation to kept discipline of on alcohol business.

Investment refers the time and money used by producer. It also includes devotion of producer puts to produce the product and satisfied the consumer.

Consumption is the activities of the end user of product for the satisfaction of want.

Promotion – Activities that build of relationship between distillers and channels, Product and Consumer. These activities include all advertisement, display, door to door services, bill board, trade discount, product sampling etc.

Sponsorship – It is a value added support for product to conduct event through organizer

Corporate Social Responsibility is a responsibility bear by company to get the favorable support from society.

1.1 Objective of the Study

The main objective of the study is to Explore and analyze the national alcohol control policy adopted by government to maintained discipline of industry and effort taken by distillery for marketing corporate social responsibility (CSR) indirectly to get support from various alcohol user and non- user ethnicity and cast to develop consumer with respect to society by executing various tools of CSR i.e. promotional activity, event, donation, support, schooling, road maintenance, ethnic supports along with advertisement. Other specific objectives can be –with

- To highlight the national alcohol control policy based on different Act, Rules and regulation.
- To Explore the Marketing Corporate Social Responsibility in relation to increasing the consumer and sales
- To highlight the alcohol sales trend and revenue to Nation with respect to excise duties.

1.4 Methodology and materials

- Household survey
- Individual questioner
- Qualitative information: key informant Social leader, Health personnel, Alcohol entrepreneur, government bodies, Anti-alcohol activist and Women organization.

Ten respondents from each cluster representing different gender, ethnicity, age, place of resident and social status interviewed for an depth information.

0.5 Limitation of the Study

This study is the first knowledge-based of its kind. There are no studies conducted on this topic by a reasonably large sample size. The information was collected by purposive sampling method while selecting area but systematic random sampling while selecting households. So, caution should be taken in generalizing the results. The focus of the study was on alcohol. Therefore, a detail analysis of alcohol history, sales, and social responsibilities are challenges on the use of alcohol.

0.6 Organization of the Study

This study is divided into six parts. The first part introduces the study and explores a brief historical legacy on the use of alcohol. The second part includes existing alcohol control laws and regulation and policy in Nepal. The third part describes the alcohol economy at national and household levels. Forth deal with the Marketing Corporate Social Responsibility (CSR) of alcohol with respect to the extent, patterns, contexts, and attitude and perceptions.

Fifth one examines the counter-forces related to alcohol use. The final is summarized and conclusion, findings and recommends suggestions for further research.

2. Alcohol Control Related laws, Regulation and Policy

This chapter deals with the national policy for the prevention of alcohol use in Nepal. The existing laws, Policy and acts regarding regulation of alcohol.

2.1 Alcohol Act, 1974 (2031 B.S. Nepali Calender)

This Act made basically four provisions for the control of liquor sale:

- License issue and renewal
- Right of raid (in the condition of illicit alcohol production) to VAT officers
- Punishment for shirkers (tax evasion, invalid license, unlawful activities) and prizes for information on unlawful alcohol production.

Articles 3, 4 and 5 of the Act state the provision of production, sale and export/import of alcohol.

Article 3 controls the production of alcohol without license or the conditions set by the license.

According to article 4, no one is allowed to sell or distribute alcohol without license or the conditions set by the license to any bar or restaurant or shop.

Article 5 prohibits of importing or exporting of alcohol without the license or the conditions set by the license.

Section 17 of the Act states that the Act will not hinder anyone who has received a license or contract to produce alcohol from distillery according to the current Nepal Law. This act does not, however, provide adequate provision for the restriction of sale except prohibition to those who are under 18 years of age. It provides little provision of the restriction of alcohol advertising in the media. Further, it fails to recognize alcohol use as problem rather than is taxable asset.

2.2 Hotel Regulations and the Sale and Distribution of Alcohol Act, 1966 (2023 B.S. Nepali calendar)

The main provisions of the Act regarding sale and distribution of alcohol are as follows:

- Control of the sale and serving of alcohol by shops and hotels - According to Section 3, hotels or shops which have provision to serve alcohol are allowed to sell alcohol from 10am to 10pm.
- Duty of the hotel owner (not serving excessive alcohol to the customer and alcohol should be served inside the hotel)
- Prohibition of selling and servicing alcohol to children and persons intoxicated with alcohol (Section 7 protects children under 18 years)

- Possibility of prohibition the sale and use of alcohol in a fixed area (Govt. can prohibit any hotel or restaurant selling and distributing of alcohol with a notice).

2.3 National Broadcasting Act, 1992 (2049 B.S. Nepali Calendar)

This act discourages the advertisements for alcohol substances from print-media. However this act does not prohibit the advertising of alcohol matters. There is an addition of 105% charges on advertising of alcohol.

2.4 Vehicle and Transport Regulation Act 1992 (2049 B.S. Nepali Calendar)

The main objective of this act is to prohibit the use of alcohol or any other intoxicating substance by drivers while driving a vehicle. Violation of this rule would cause fine of Rs.1000.

The provision of fine envisaged by the Act is too low in which the rule offender would easily escape by giving money to the police or other authorities.

2.5 Local Administration Act, 1972 (2028 B.S.)

Article nine of the Act allows the Chief District Officer (CDO) to arrest any person behaving in an unsociable manner due to alcohol use. CDO can punish each time the person repeats the same mistake.

2.6 Alcohol Rules, 1977 (2033 B.S.)

This rule is formulated under the Alcohol Act 1974. It states that no one is allowed to sell alcohol in any form within the public places such as compound of a temple, educational institution, school and college or within the 200 yards of those institutions. If alcohol use is required by religious purposes, permission is needed from the CDO.

2.7 Alcohol (First Amendment) Act, 1999(2056 B.S.)

This act came in the context where a massive amount of alcohol is produced and distributed using plastic known as pouch.

In article 3, it prevents production and distribution of alcohol in two conditions: producing or selling alcohol in plastic packet known as pouch and selling it to children aged below 18 years.

These legal measures appear to have addressed alcohol mainly in economic term rather than in social or medical term. Despite introduction of multiple acts, the challenge lies in their effective implementation and no effective network system has been set up to operate the law. Generally, Ministry of Home is responsible to implement alcohol control laws in collaboration with Ministry of Industry, Ministry of Communication and Ministry of Health. But there is no formal institution to co-ordinate the activities of such Ministries regarding the control and/or prevent of alcohol use.

The laws do not recognize alcohol as matter of any

social dimensions other than economic concern. All legal provisions on alcohol concentrate on the business role such as production, distribution and taxes. The alcohol policies are fairly encouraging to alcohol industry. It implies scant restriction on advertisements on electronic media has been introduced. Every year Government is increasing excise duty and tightening VAT on alcohol. According to every year budget speech the taxation on alcohol products comprises of three components - excise duty (Rs. 115 per bulk liter of beer equal to Rs. 897 per case, Rs.997 per LP liter in 25 UP and 30 UP = Rs. 6730 per case and Rs. 583 per LP liter of 40 UP alcohol = Rs. 3148 per case – FY 2017-18 Budget Speech) VAT charges and income tax. Some part of the above tax is utilized in counter advertisements in radio and television making people aware of health and social risk arising from alcohol use. Such efforts are new and their impact is still to be seen in making a difference at alcohol control.

Most laws are violated in every aspects of life. License provisions and hotel or restaurant's regulations are weakening due to lack of supervision and corruption, and print media are being attracted by good money from the alcohol producers.

Alcohol rule 1976 (2033 B.S.) cannot be easily operationalized. There are a business holders' pressure vis-à-vis political leaders not to announce the dry-zone in the country. Political commitment is urgently needed to implement such laws even in the limited basis. The burning example is from Doti district. Doti district was declared a dry zone in 1997 but could not be sustained more than one-year. The primary reason for this was the misuse of the fine collected from those who violated the dryzone norms.

2.7 Child Act 1992,

Provision 16 prohibits the use of children in selling alcohol and other illegal substances. Hotel Regulations and the Sale and Distribution of Alcohol Act, 2033 B.S., Section 7 has a provision on prohibition of selling and servicing alcohol to children under 18 years and persons intoxicated with alcohol.

2.8 Bill (June 2000) - banning the production and sale of the Pouch liquor (70up low quality with low price) and banning the sale of alcohol to minors (under 18) was tabled in the parliament. The Bill, which was the 2000 amendment of the Alcohol Act 1972 (2031 B.S) is expected to be exercised soon.

2.8 Household and Community Level Counter-forces of Alcohol Use

Utilizing the both structured and unstructured instruments, information on household and community level counter-forces in relation to alcohol use was obtained. Accordingly, this section deals with the counterforces to the alcohol production, selling and consumption perceived by the respondents at two different levels: household and community levels. In the former, the perception of the

survey respondents (adult member of the household) is analyzed. In the latter, analysis is carried out on the basis of the key informants' interviews.

2.9 Household Level Counter-forces

In Nepalese context, family is the basic unit of decision making in every aspect of life. In the family, it is the head of the household, mostly man, who pulls the resources, allocates it among its members and decides, who should do what. Any attempt to control or reduce alcohol consumption should focus on the family, especially head of the household, and make them aware of the disadvantages of excessive use of alcohol. Therefore, the responses suggested by the adult members to control or reduce alcohol consumption at the household can have greater policy implications.

A range of responses is listed. They include regulation or control of production and selling, regulation and control of alcohol use, and raising awareness at the family level. Majority of respondents were in favor of controlling production and selling of alcohol. Similarly, a substantial number of respondents stressed the need to focus on family, especially head of the household.

Table 1 Efforts Needed to Reduce/Control Alcohol Use at Home (n=270)

Efforts suggested by respondent's	%
Controlling production and selling	48.80
Regulation and prohibition of alcohol use	20.10
Awareness in the family	19.80
Don't know	3.50
No responses	7.80
Total	100.00

There was no legal provision to organize a civil society in Nepal. It is after the Democracy in 1990 that people became aware of social problems through their social institutions. In this context, the widening desire of regulating and prohibiting of alcohol production, consumption and selling can be partially the result of the impact of the work of different NGOs, CBOs and ethnic group organizations.

3. Alcohol Economy in Nepal In Nepal

Alcohol is produced at home and at industry. Both national and multinational companies are involved in producing distilled and brewery products. A total number of large, medium and small alcohol industries registered in Department of Industry were 76 (67 distilleries and 9 breweries by 2015). According latest data FY 2016-017 the main holding brands 25up, 30up and beer annual production and excise duties collected from distillers was produced 97,77,310 LP liters (Table 5) and generated excise duties of NRS. 8,85,82,43,041.00 And from brewery produced 10,87,78,800 bulk liters (Table 6) and

generated excise of NRS. 1153,05,52,000.00 . Alcohol revenue constitutes more than 50 per cent of the total excise duty and 8 to 10 per cent of the total national revenue. Every year its industry is rapidly growing up (Table 2, 3,4,5,6). Now the major market share of 40 up segment is growing up that is not included approx. 1.5 million cases transaction in above calculation.

The poorer household, they produce alcohol at home for the purpose of selling. This holds true for traditional alcohol users in Nepal. The highest proportion was in eastern region. Mostly alcohol is produced during the feasts and festivals. An overwhelming majority of the alcohol producers produces for family use as well as for sale to earn.

4. Marketing Corporate Social Responsibility (CSR)

4.1 Introduction

The influence of Marketing Corporate Social responsibility (CSR) on the development of society is constantly growing. CSR initiatives become a part of organizational values and are implemented in daily practice. Distilleries in many countries apply the principles of corporate social responsibility, contribute to sustainable economic development, and improve the quality of life of their employees, local community and society.

These principles form a positive image of an organization, determine a positive evaluation of the company by its customers and their identification with corporate values as well as enhance the company's competitiveness. In doing this analysis some authors found a relationship between firm size and corporate social responsibility. However they were not able to find any significant relationship between corporate social responsibility and financial performance/profitability (Aras et al., 2010).

At present, corporate social responsibility is broadly defined as the concept according to which business organizations take into consideration the interests of society as a whole while taking the responsibility of the impact of their activities on its direct social environment: employees, suppliers, customers, local communities, shareholders, other stakeholders that are not in the immediate range of influence, as well as natural environment.

The purpose of the paper is to explore the risen interest in the Corporate Social Responsibility concept in modern business as well as in the society. Moreover, CSR concept has been little investigated within the frame of marketing and advertising of alcohol industry.

4.2 Marketing and Social Responsibility in Alcohol Industry Nepal

The consumption landscape now operates in a rapidly changing environment that can be characterized as both

turbulent and disruptive. These major shifts are emerging from the physical environment, technological innovation and the transformation of major markets.

The overall response to the growing problem of alcohol sales, marketing and consumption focuses on a combination of measures aimed at limiting the availability of alcohol beverages especially to young people and reducing their exposure to commercial communications. The means of social marketing that uses techniques common to commercial marketing and applies them to social and health problems are widely accepted.

Social marketing has four key features:

- Recognition that behavior change must result in a benefit to the target audience;
- Focus on voluntary behavior change;
- End goal of improving individual welfare and society.
- Use of marketing techniques such as “the marketing mix”;

Social Marketing differs from traditional marketing in that the aim is not to benefit the organization doing the marketing but the individual and society. Social marketing is the use of commercial marketing techniques to achieve a social objective. Social marketers combine Planning, product, price, place, and promotion to maximize product use by specific population groups. In the health arena, social marketing programs in the developing world traditionally have focused on increasing the availability and use of products differently.

Social marketing can also be used to change behavior among professionals, organizations and policymakers. For example, to gain the support of policy makers for legislation, or to encourage retailers to comply with restrictions on the sale of products such as alcohol to minors. As social marketing campaigns often need to reach a wide range of audiences, the task of managing marketing initiatives in these contexts is more complex and requires constant evaluation in order to identify levels of effectiveness and areas for improvement over long periods of time.

The issue of corporate social responsibility is a complex one for any industry, not the least so for the beverage alcohol industry. Alcohol industry players (producers, distributors, etc.) believe that a systematic integration of CSR and social marketing into their business practices can make a positive impact on their economic, social, and environmental performance.

Furthermore, through their association with various organizations their CSR activities contribute to a wider development of alcohol policies, promote responsible drinking patterns, and target alcohol misuse.

As businesses, beverage alcohol companies must be

accountable to their shareholders who, among other legitimate objectives, seek a financial return on their investment. Companies recognize that they are also accountable to a wider range of stakeholders, including consumers, employees, communities, media, and critics. In short, stakeholders are those individuals and groups with an interest in or affected by a company's products, operations, or the nature of its business. The idea that the measure of the overall performance of a company should be based on its combined contribution to economic prosperity, environmental quality, and social wellbeing has come to be called "the triple bottom line".

Businesses need to act honestly and ethically with regard to their internal management and auditing, but corporate social responsibility also requires them to focus on their wider responsibilities. The alcohol industry worldwide acknowledges that, although their products can offer considerable personal pleasure and social benefit, they can also cause serious personal and social harm if consumed irresponsibly.

They also acknowledge that preventing misuse of their products is in their long-term strategic interest and is therefore consistent with their economic objectives, while turning a blind eye on misuse is ultimately bad for business. Often alcohol producers recognize that long-term growth is best built on an ethical and responsible foundation.

Among such organizations is International Centre for Alcohol Policies (ICAP). ICAP[5], for example, believes that promoting broad industry participation in CSR will advance responsible patterns of drinking, further understanding about the role of alcohol in society, and enhance long-term economic value through collective action.

Since the 1980s, the alcohol industry has set up and funded what are termed social aspects organizations to manage issues that may be detrimental to its business. Social aspects organizations operate at the global level, the European level and at the country level, in high, middle and low income countries.

In Nepalese context Social aspects organizations that are formed in participation with alcohol producers hold five main viewpoints:

- 1) Addressing patterns of drinking rather than volume of alcohol consumption is the best basis for alcohol policies;
- 2) Responsible drinking can be learned and this should be the cornerstone of alcohol policy;
- 3) They have an equal place at the policy table;
- 4) The marketing of alcoholic beverages should be self-regulated;
- 5) Alcohol, despite its potential for "abuse", confers a net benefit to society.

Although CSR policies are not yet widespread practice among alcohol producers and distributors in Nepal, according to the ELSA (Enforcement of National Laws and Self-Regulation on the Advertising and Marketing of Alcohol) project launched in 2005, the country is one of countries that has enacted legislation on alcohol control and regulation. The overall objective was to assess and report on the enforcement and adherence of national laws and self-regulation with regard to the advertising and marketing of alcoholic beverages in the Nepal.

Furthermore, though the Alcohol Manufacturing Association and Trading in Alcoholic Beverages in negotiated those alcohol spirits producers would constantly sponsor and air social advertisements related to alcohol there is no evidence on continuity of the initiative and its results. Thus, according to egta/ACT survey conducted in 2009 in the countries of European Union, Lithuania along with Germany and Poland did not have any social marketing campaigns on general awareness of excessive or inappropriate consumption of alcohol, including anti-drink/drive messages and the danger of speed in particular, awareness of sensible drinking and recommended limits, protection of children and young people from exposure or consumption of alcohol and the responsibility of parents towards their children, long-term health risks including alcoholism, advice for pregnant women, and the link between excessive alcohol consumption and accidents, violence and sexual abuse (egta/ACT survey, April 2009).

4.1 Risks of Marketing CSR in Alcohol Industry

With tightening regulations on alcohol marketing, alcohol producers develop new initiatives to make customers aware of their brands and products. One such recent development is the use of Corporate Social Responsibility to build on the image of the companies and their brands. This boils down to alcohol producers claiming to take responsibility in informing customers about responsible drinking behavior through the use of education. Attempts to address especially youth drinking have focused on the various factors that may play a role in shaping patterns of consumption (ICAP Methodological report, 2009; ICAP report. 2011) [6]. These include the role of beverage alcohol marketing. At the heart of the debate is the impact of beverage alcohol marketing on young people's drinking patterns and behaviors and any harmful outcomes. However, the balance of the evidence does not support a direct causal relationship between overall alcohol marketing and drinking behaviors or harmful drinking patterns.

Marketing is one of many factors that influence consumer attitudes and drinking behaviors'. But studies have shown that the principal influences on youth drinking are parents.

The relationship between marketing and alcohol consumption has been studied using various methodologies, with differing results. Thus, econometric studies that examined the relationship between marketing

expenditure and consumption have found no or only a modest correlation. Experimental studies have also attempted to examine the impact of marketing (particularly advertising) on drinking, but have a number of critical shortcomings. There is evidence that social responsibility messages, whether stand-alone or when added to product advertisements, benefit the reputation of the sponsor more than public health and create a sense of good-will toward the company and the product.

In alcohol, assessing the impact of adding drink-driving messages to bar advertisements showed that including the message had positive effects on the perception of the advertiser in terms of concern about the safety of bar customers, but did not affect their attitudes or intentions. Alcohol advertising frequently places alcohol within a social, fun, glamorous context.

The CSR campaigns developed by the alcohol industry will probably assert little or no effect on the drinking behaviors of young people. However, the campaigns will probably lead to more positive attitudes towards the alcohol brand, as was found for education given by the alcohol industry, as mentioned earlier. That is only one of the dangers that CSR brings along. CSR also often consists of educational slogans in advertisements. The slogans are supposed to convey a message of responsibility that stands apart from the attractive message of the advertisement itself. Nepalese alcohol companies tend to add attractive language in these slogans which are meant for educational purposes, such as “enjoy responsibly” Drink Responsibly. Don’t drive with drink etc.

The effects of alcohol advertising and marketing on drinking behavior of young people has been more and more extensively studied over the past few years. Evidence has grown stronger that especially exposure to large volumes of alcohol advertising has an undesirable impact on the drinking behavior of youngsters. These effects of alcohol advertising on drinking behavior have been found on the long term (longitudinal studies) as well as on the short term (The impact of alcohol..., 2011) [7]. More and more companies are using CSR to transform their corporate identity to include a great amount of responsibility. This also holds true for the alcohol industry. In doing so, these companies claim to feel responsible for informing their customers about the ‘responsible use’ of alcohol. The alcohol industry in some instances will even go so far as to reach out to minors, a target audience which they are not allowed to reach, in many cases due to alcohol marketing regulations.

5. Conclusion

The alcohol industry worldwide acknowledges that preventing misuse of their products is in their long-term strategic interest and is therefore consistent with their economic objectives, while turning a blind eye on misuse is ultimately bad for business. Often alcohol producers recognize that long-term growth is best built on an ethical

and responsible foundation. Their social concern is also founded on the realization that the misuse of alcohol can affect their business adversely. CSR is viewed as more than just reaching compliance with codes or marketing practices. Rather, it is a core part of business. The alcohol industry’s social responsibility activities can best be described in two parts.

First, there are activities that pertain to alcohol itself. Alcohol, when consumed responsibly, can be part of a balanced, healthy lifestyle; but, when consumed inappropriately, it has the potential for serious harm.

The second part of the industry’s corporate social activities relates to the bigger picture. The alcohol industry recognizes that good corporate citizenship is more than ensuring that its products are used safely and responsibly. The alcohol industry in some instances will even go so far as to reach out to minors, a target audience which they are not allowed to reach, in many cases due to alcohol marketing regulations. Nevertheless, CSR in such cases practically has the same effects as advertisements, because it sheds a positive light on a brand or product. That is another reason for CSR to be considered as marketing tool.

6. Findings

Followings finding are listed below-

- Marketing environment of alcoholic beverage seems congenial because of demand.
- As a part of Marketing Corporate Social Responsibility distillers are participating in different CSR activity i.e. Sport Sponsorship, Club Sponsorship, Social Bill Board, Health camping, Garden maintenance, Highway cleaning and Event Sponsorship. Scholarship for student education and Construction of school building at earthquake affected area.
- Doing various promotional activities by distiller, distributor, wholesaler, departmental store and retailer, Hotel and restaurant i.e. advertisement, sponsorship, trade scheme, testing program and personal contact to increased sales.
- Develop communication skill and interpersonal skills through Marketing Corporate Social Responsibility orientation to stakeholder i.e. employee, seller.

7. Further Research Issues

- Further research is needed to understand total contribution of alcohol in national economy.
- Much research is needed to understand the socio-cultural characteristic of alcohol in community where alcohol is a part of life.
- Focus study need to be done among children and

young people at different geographical, economic, cultural and social level to understand fully how and to which degree alcohol is affecting them nationally and globally.

- More research is recommended in a CSR for community where understand mechanism and dynamics of successful Program.

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Appendix:

Table 1

Distilleries and breweries in Nepal as of June 2016

S.N.	Name of Distillery
1.	Himalayan Distillery, Birgunj
2.	Mahendra Sugar & General Enterprises, Bhairahawa
3.	General Liquors Pvt. Ltd. Biratnagar
4.	The Nepal Distillery Pvt. Ltd. Kathmandu
5.	Highland Distillery Pvt. Ltd. Kathmandu
6.	Tribeni Distillery Pvt. Ltd. Bhairahawa
7.	Shah Distillery Pvt. Ltd. Nepalgunj
9.	Tri Shakti Distillery, Godavari
10.	Udaypur Distillery, Udaypur
11.	Birgunj Chini Karkhana Parawanipur
12.	Shree Distillery Pvt. Ltd. Nawalparasi
13.	Purbanchal Distillery Pvt. Ltd. Sunsari
14.	Moonlight Distillery, Jhapa
15.	Dovan Ashbitra Pvt. Ltd. Palpa
16.	Himali Distillery Dharan
17.	Kaski Distillery Kaski, Pokhara
18.	Chinnamasta Distillery Dhanusha
19.	Rapti Distillery Pvt. Ltd. Lamahi, Rapti
20.	Siddhababa Distillery Rupandehi
21.	Snowland Distillery Pvt. Ltd. Birgunj
22.	Bhawani Distillery Bara, Simara
23.	Mount and Liquors Kavre
24.	Amarawati Madhyashala Pvt. Ltd. Sarlahi
25.	Ram Sugar Mills Rautahat
26.	Rijal Tansi Industries Pvt. Ltd. Sunsari
27.	Country Beer Udhyog Pvt. Ltd. Dhading
28.	Dolkha Bhimsen Distillery Dolkha
29.	Kaali Indistry Pvt. Ltd. Kurintar, Chitwan
30.	Rainbow Distillery Gorkha
31.	Rasua Distillery Rasuwa
32.	Morang Sugar Mills Morang
33.	Triyuga Distillery Siraha
34.	New Everest Distillery Siraha
35.	Baba Distillery Udhyog Baswiti, Rautahat
36.	Shiva Distillery Sankhuwasabha
37.	Gurans Distillery Kapilvastu
38.	Himali Distillery Tamaphof, Sankhuwasabha
39.	Shah Distillery Sankhuwasabha
40.	Mohini Hygeine Products Rupandehi
41.	Golden Globe Liquors Biratnagar

42. Bhusan Distillery Biratnagar
43. Himalayan Distillery Pvt. Ltd. Parsa, Birgunj
44. Lumbini Chini Karkhana Bhairahawa
45. Soubhagya Distillery Siddharthanagar
46. Shankar Distillery Pvt. Ltd. Narayanghat
47. Jyoti Distillery Sankhuwasabha
48. Sharda Distillery Pvt. Ltd. Siraha
49. Dhanusa Distillery Pvt. Ltd. Basbiti, Dhanusa
50. Sumi Distillery Pvt. Ltd. Mukundapur, Nawalparasi
51. Makalu Wine Industries Pvt. Ltd. Sankhuwasabha
52. Tukuche Distillery Tukuche, Mustang
53. Marfa Distillery Udhog Marfa, Mustang
54. Rupandehi Distillery Arunkhola, Nawalparasi
55. Chandika Distillery Pvt. Ltd. Morang
56. Shree Ram Laxmi Distillery Udhog Marfa, Mustang
57. Rolling River Distillery, Chitwan
58. Asian Distillery, Birgunj
59. Shangrila Distillery, Chitwan
60. Annapurna Distillery
61. Mountain Liquors, Butwal
62. Abinesh Distillery, Tanahu
63. Chari Distillery, Dolokha
64. Surya Blenders, Tanahu
65. Machhapuchhere Distillery.
66. Purbanchal Distillery, Ithari
67. Sunny Distillery, Hetauda.
68. Shangrila Spirits, Nawalparasi.
69. Amrit Distillery, Kanchanpur.
70. Crystal Blenders,

Breweries

1. Gorkha Brewery Nawalparasi
2. CG Brewery (Nepal) Pvt. Ltd. Nawalparasi
3. Mount Everest Brewery Pvt. Ltd. Bharatpur
4. Nepal Breweries Pvt. Ltd. Hetauda Industrial Zone
5. Himalayan Brewery Ltd. Godavari, Lalitpur
6. Tiger Breweries, Bhairawa
7. Sherpa Breweries, Chitwan
8. Yeti Breweries, Chitwan
9. Raj Breweries, Nawalparasi

Source: Industry Department and .

Table – 2. Sales trend of different Whisky in different year (Fig. in case)-25 up

Brand/ Year	2013-14	2014-15	2014-15	2015-16	2016-17
Blenders Pride		21345	14372	14689	10467
Royal Stag	276448	259087	276545	237680	48345
Royal Treasure					60890
Old Durbar			3546	30970	71235
Anti Quiti Blue	9075	11981	19974	23434	10376
Anti Quiti Rare	12148	9745	5688	6758	7234
Signature Premier	4360	11318	21775	39944	60657
MC Sig- nature	104835	119760	82038	86750	110345
Mc.No.1	34666	39870	18266	21345	21906
Bagpiper	10166	5660	3989	4324	5535
BIO WHISKY		5771	6392	8790	2249
Black Chimney					32435
Royal Reserve					24356
Old Forester					7650
Officers Choice Blue					10505
Others	7602	9876	17891	18970	22435
Imported	27817	19693	35410	41046	45048
Total	487117	514106	505886	534700	552842

Sources: Market survey, company sales and excise data.

Table 3 – 5rys Sales trend of different Vodka in 25-30 up

(fig. in case)

Brand/ Year	2013-14	2014-15	2014-15	2015-16	2016-17
Ruslan Vodka	379923	480208	661966	635246	692570
White Mis Chief	25141	14271	8457	5670	1261
Romanov Vodka	33479	8710	2649	845	297
Bio Vodka		6866	12699	12732	4442
Attitude Vodka			1768	1920	1734
Xing Vodka			0	54227	11430
8848			0	9852	59478

Excellence					1027
Fire Water	1342	103			
Magic Moment	17614	7233			
Imported	9154	10540	13945	14079	17456
Total	466653	527931	701484	734571	789695

Sources: Market survey, company sales and excise data.

Table 4 – 5yrs Sales trend of different Rum - 25 up

(fig. in case)

Brand/Year	2013-14	2014-15	2014-15	2015-16	2016-17
Khukuri Rum	91117	107018	134205	139287	178485
Celebration Rum	7072	8617	6068	2963	1627
Cariva Rum	645	6160	5665	2575	1228
Lahure Rum	1235	1634	1041	537	360
Bacardi Rum	0	0	1526	6467	6457
Gold Mug Rum	0	0	0		3185
Bacardi Black Rum	0				3399
Old Monk Rum	0				12769
Imported Rum	1271	1305	1678	1865	1907
Total	101340	124734	150183	153694	209417

Sources: Market survey, company sales and excise data

Table 5 – 5yrs sales trends of total alcoholic beverage Whiskey, Vodka and Rum in 25 and 30 up segment Fig in case and Nrs.

Segment	2013-14	2014-15	2014-15	2015-16	2016-17
Whisky	487117	514106	505886	534700	552842
Vodka	466653	527931	701484	734571	789695
RUM	101340	124734	150183	153694	209417
Total cases	1055110	1166771	1357553	1422965	1551954
Per cs LP Liter Avg. (30up= 9X, 70= 6.30)	6.3	6.3	6.3	6.3	6.3
Total LP liter	6647193	7350657	8552583	8964679	9777310
Excise Per LP Ltr	587	663	716	788	906
Excise Duties Nrs.	3,901,902,291	4,873,485,790	6,123,650,072	7,064,167,446	8,858,243,041

Sources: Market survey, company sales, excise data and Budget Speech.

Table 6 – 5yrs Sales trend of different Beer in different year (fig. in case)

Brand /Year	2013-14	2014-15	2014-15	2015-16	2016-17
Gurkha Breweries	4500000	5800000	7300000	9300000	11500000
Mt. Everest Breweries	800000	750000	647000	650000	665000
C G breweries	175000	300000	390000	725000	647000
Himalayan Breweries	150000	300000	325000	175000	190000
United Breweries	175000	190000	75000		
Tiger Breweries	125000	175000	250000	250000	437000
Sherpa Breweries			35000	73000	165000
Yeti Breweries					342000
Total Cases	5925000	7515000	9022000	11173000	13946000
Bulk Ltr percs= (650/1000) X12=7.8	46215000	58617000	70371600	87149400	108778800
Excise duties Per bulk Ltr. In Nrs.	76	85	92	98	106
Total Excise Duty Amount NRS:	351,23,40,000	498,24,45,000	647,41,87,200	854,06,41,200	1153,05,52,000

Sources: Market survey, company sales, excise data and Budget Speech.

ICT and E-Governance: Co-Creation for Better Public Service Delivery

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Abstract

Service delivery is an essential function in relation between government bodies and citizens. It is a part of complex relation between government, society and citizens. The image of government depends on service delivery with quality services at affordable price to its citizens. Effective public service delivery is one of the key parameters to measure the goodness of governance. The government should be willing to formulate new strategies for effective public service delivery. With proper use of ICT, it increases efficiency, speed, and transparency in service delivery. It also assists in generation and dissemination of knowledge. The researcher reviewed different models of co-creation and proposed his own co-creation model for better public service delivery. Through the proper utilization and implementation of technology and digital tools, the service delivery of government could be more effective and challenges could be minimized.

Keywords: *ICT, e-Governance, co-creation, service delivery*

Introduction

ICT refers to technology that provides access to information, primarily concerned with storage, retrieval, manipulation and transmission of digital data [1]. It is a driving force of transformation process towards knowledge-based information society, that impact on political, economic and social development [2]. It has transformed the way people live, work and spends their money. Public sector organizations have focused their efforts towards digitalizing their services to their customers or citizens through internet so that the users can get easy access to the available services from any place and at any time [3]. Now, public expect ICT-enabled interactions, not just with each other or with businesses, but also with public services [8]. The role of ICT in information exchange is manifested in the way information flows faster, more generously, and less expensively for decision-making and for development [9].

The capacity of internet and web technology has changed traditional paper/manual driven organization to information driven internet enabled digital organization. In digital organization, most of the things are electronic, uses digital technologies and work on database, knowledge bases, directories and document repositories [16]. Globalization, increased automation of procedures and universal establishment of Internet technologies are the main driving forces and end customer in the service delivery procedure [18].

E-Governance is widely accepted as an effective tool of service delivery by all developed countries and developing countries. It facilitates the service delivery of government to citizens in simple, speed and convenient way. Besides, it improves efficiency in administration, brings about transparency and reduction of government cost [5]. IT-enabled service delivery can be seen in diverse fields such as healthcare, travel, retailing, media, and entertainment. The depth and the diffusion of technology are helping to accelerate the application and use of knowledge in different ways [17]. It's an issue of doing things in new ways that requires fundamental change in the provision of public services in the future and a complete new approach for Governments to work and interact with their citizens [18].

Co-creation in the public sector as a process through which two or more public and private actors attempt to solve a shared problem, challenge, or task through a constructive exchange of different kinds of knowledge, resources, competences, and ideas that enhance the production of public value in terms of visions, plans, policies, strategies, regulatory frameworks, or services, either through a continuous improvement of outputs or outcomes or through innovative step-changes that transform the understanding of the problem or task at hand and lead to new ways of solving it [25].

Objective

The main objective of this research paper is to explore co-creation models and prepare framework for better public service delivery in reference to social cash transfer in Nepal.

Literature Review

In digital firm, business relationships with customers, suppliers and employees are digitally enabled and mediated. Core business process is accomplished through digital networks [7]. Thus, service-oriented IT is helping to determine the directions in which numerous industries and the world economy in general will grow and develop in the future [17]. Business processes refer to the set of logically related tasks and behaviors that organizations and society develop over time to produce specific business results and the unique manner in which these activities are organized and coordinated [7].

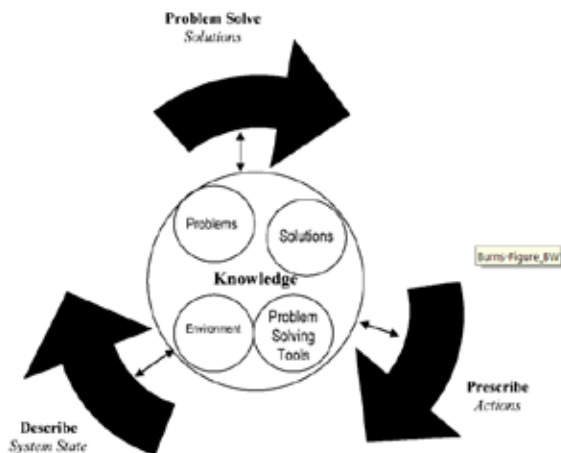


Figure 1: A practitioner based system development model [11]

Figure 1 shows that the model solves existing problem through different tools. During the iterative process to find solutions, it follows prescribe action and system state at given environment. Finally, new knowledge is generated [11].

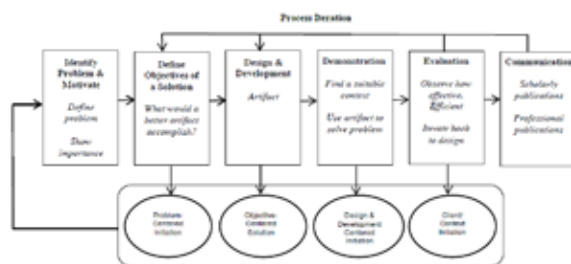


Figure 2: Design science research methodology process [12]

The design skills as defined by [13] are related to the

ability to: (a) Abstract from specific cases to more general situations, (b) Recognise patterns in both process and product, (c) Apply systematic techniques to problem solving, and (d) Apply, and adapt, tools and technologies to new problems.

Digital technology is a part of people's daily lives and has been more pervasive, local government needs to explore prospective of digital technologies in innovative ways to provide services to its citizens [6]. Service delivery is an essential function in relation between government bodies and citizens. It is a part of complex relation between government, society and citizens. The government as a key public service provider, citizens has a right to demand quality services fast, easy at moderate cost. The image of government depends on service delivery with quality services at affordable price to its citizens [4]. Effective public service delivery is one of the key parameters to measure the goodness of governance. Therefore, government should be willing to formulate new strategies for effective public service delivery [5]. The presence of computer and information technologies in today's organizations has expanded dramatically. With proper use of ICT, it increases efficiency, speed, and transparency in service delivery. It also assists in generation and dissemination of knowledge [14].

Public service is all activities that are delivered by the government to fulfill daily needs of society and peoples' daily life [15]. A local government is more responsive to citizens' day to day activities. Therefore, the capacity of local government has to be improved for guarantee on continuity of regular service delivery. The local government is more responsible for basic services in many social areas such as education and schooling, social security and basic provisions, legal protection, housing, etc. The educational level of people is increasing and with that their capabilities and expectations are also increased [4]. The mechanism of service delivery of local government has not been changed for decades [14]. Through the proper utilization and implementation of technology and digital tools, the service delivery of local government could be more effective and challenges could be minimized [6].

The more governments realize the importance of public participation, even in this new form, the more they are trying to re-engage citizens in the political processes in order to strengthen democracy. Every decision that governments take, increased effectiveness and efficiency along with lower budgets are what governments seek for. Individuals (e.g., citizens, businesses) can now be seen not only as simple spectators, but mostly like active participants, collaborators and creators [19].

The benefits of e-Governance are transparency and openness, reliability and predictability, accountability, efficiency and effectiveness [20]. In addition to improving

delivery of government services, e-government makes government operations more efficient. It empowers citizens by providing easy access to information and easy communication with other citizens. For example, citizens in some states can renew their driving licenses or apply for unemployment benefits online [7]. E-governance plays significant roles in the improvement of public service delivery. They are (a) Increases efficiency by automation, (b) Supports effective decentralization in decision making, (c) Increases account ability of the public service agencies to citizens, (d) Improves resource management, (e) Offers effective communication, (f) Increases accessibility, (g) Provides comprehensive database, (f) Facilitate strategic planning, (g) Enables reduction of paper work with the use of E-mail and electronic data interchange, and (h) Supplies information related to the market [5].

Interaction between citizens and local government can be occurred in different ways such as providing information through government websites, local media, special publication, information desks, etc [4]. Information dissemination is an important function of local government for the transparency as well as effective service delivery [20]. ICT is a potential tool of efficient public service delivery. It offers new possibilities for communication between people and organization and increases the quality and quantity of interaction with people. It enhances the transparency and access to organization [5]. There are several functions like electronic access, electronic authentication, unequivocal numbers, basic registration and information exchange that occurs between citizens and local government can be directly facilitated by the new information technology. With the implementation of ICT-enabled public service delivery, it improves access to public services, increases efficiency, transparency and accountability of government [4]. The rapid development of ICT has helped in exploring new opportunities for service delivery and income generation [22].

Business firms invest heavily in information systems to achieve six strategic business objectives: operational excellence; new products, services, and business models; customer and supplier intimacy; improved decision making; competitive advantage; and survival [7]. According to Deloitte (2012), basic elements of successful service delivery includes (a) Friendly interface with service seekers, (b) Sustain communication, (c) Set expectations, (d) Process and organisation re-engineering, (e) Build staff capability to deliver services, (f) ICT as a key enabler, (g) The legal foundational structure, (h) Dedicated institutional structures, and (i) Continued monitoring and evaluation.

The advanced technologies have huge potential for delivering prompt, efficient and high quality services to vulnerable, poor and needy population of society [20]. The contribution of IT to service delivery is particularly

visible in web services, computing services, business intelligence services, and information technology infrastructure [17]. The rapid growing application of ICTs and their subsequent use on strengthening interaction among public entities, civil societies, communities and citizens has given rise to a new governance paradigm known as e-Governance [21].

Table 1: ICT-enabled public service delivery framework

	Performance Monitoring	Legal and Quasi-legal	Institutional Structure
Foundation Tier	- Well-defined service objectives - Monitoring and evaluation indicators - Monitoring mechanism	- Codified laws and rules in conformity with process - Flexibility to enact rules for enhancing service delivery	- Dedicated institutional structure for service delivery - Appropriately skilled and empowered - Clear responsibilities
Enabling Tier	Organizational Capability	Procedures and Processes	Systems and Technologies
	- Organizational staff strength - Staff capability- rules, process and technology - Capability- customer service	- Re-engineered and standardized process - Clearly defined role allocations - Well-defined timelines and platform	- Integrated data structures - Standardized applications - Omnipresent networks
Delivery Tier	Service Delivery	External Communication	Front Office or Citizen Interface
	- Service delivery principles - Service delivery parameters - Redress or escalation mechanisms	- Regular awareness sessions - Institutionalized and customer feedback - Consultative mechanisms	- Front office, ambience or infrastructure - Service delivery channels - Helpdesk features

IT-enabled services can be delivered through computers, mobile devices, or by customer service personnel, regardless of the industry and manner of delivery. It seems clear that IT plays a role in the shift from product centric to service-centric business models, and in the creation of new opportunities for businesses [17]. The recent development of technology has changed the way of working of the organizations. Through the use of internet, transfer of information is fast. It can now be delivered instantly without any middle person. Companies and individuals use internet to exchange business transactions, text messages, graphic images, and even video and sound [10].

Table 2: Differences between traditional exchange and co-creation experience [23]

Migrating to Co-Creation Experiences		
	Traditional Exchange	Co-Creation Experiences
Goal of Interaction	Extraction of economic value	Co-creation of value through compelling co-creation experiences, as well as extraction of economic value
Locus of Interaction	Once at the end of the value chain	Repeatedly, anywhere, and anytime in the system
Company-Consumer Relationship	Transaction-based	Set of interactions and transactions focused on a series of co-creation experiences
View of Choice	Variety of products and services, features and functionalities, product performance, and operating procedures	Co-creation experience based on interactions across multiple channels, options, transactions, and the price-experience relationship
Pattern of Interaction Between Company and Consumer	Passive, firm-initiated, one-on-one	Active, initiated by either company or consumer, one-on-one or one-to-many
Focus of Quality	Quality of internal processes and company offerings	Quality of consumer-company interactions and co-creation experiences

Co-creation is an emerging concept and doesn't have a single dominate business model at present. As a result, there are many possible models could emerge in the future. It is helpful to categorize business models of co-creation and to view the differences between them. This is necessary to understand the various aspects of the value within co-creation and observe how firms migrate from one distinct category to the next over time. Business models are the way you earn revenue from customers and are defined by these principles: Target market, Value proposition, Position in Value chain and network, Revenue model and cost structure and Competitive strategy.

Co-creation of value into the governance of e-government service system and use of ICT to give its citizen and businesses better access to public service applications, with a view of building an experienced environment, within which citizens are able to create their own unique personalized experiences [24].

Table 3: The concept of co-creation experiences [25]

What is not	What is
Customer focus	Co-creation is about joint creation of value by the company and the customer.
Customer is a king/always right	Allowing the customer to co-construct the service experience to suit his content.
Product variety	Experience variety.
Staging experience	Co-constructing personalized experience.
Deliver good customer service	Joint problem definition and problem solving.

Methodology

The research paper adopted qualitative research techniques and explored different types of co-creation models for public service delivery. The researcher used secondary data collected from various articles, books, research papers, etc. Besides, the researcher working experience was also used. The researcher worked with Ministry of Federal Affairs and Local Development (MoFALD) as Management Information System (MIS) Specialist for more than 4 years. He designed, developed and implemented social cash transfer MIS for better public service delivery.

Proposed Framework

The proposed framework is shown in figure 3, which shows that beneficiaries come at Village Development Committee (VDC) office with their current hand written identity card for digital registration process and biometrics enrollment. At initial stage, VDC staffs check their details cross verifying with the manual register of VDC office. If the beneficiary is real, then VDC staff/computer operator enters personal details into database and fills Know Your Customer (KYC) form to open bank account. If the beneficiary details are not sufficient then VDC staffs request the beneficiary to submit the remaining document, otherwise the beneficiary will be removed from the list. Then, the beneficiary goes to bank section; bank staff opens bank account based on filled KYC form and registers biometrics (finger print) into POS machine. After successful registration, the beneficiary gets temporary personal card with unique ID. Later the bank provides digital smart card to individual beneficiary. The smart card consists of name, gender, address, photo along with private Personal Identification Number (PIN) code.

The figure 4 shows process of cash transfer through Point of Sales (POS) machine to social security allowance beneficiaries. The beneficiaries come with cards that have been provided to them at VDC office or any place that have been mentioned earlier so as to withdraw amount through the POS machine. The bank already has to have transferred amount into the beneficiaries' personal bank account prior distributing cash to the beneficiaries. The agent/ beneficiary swipes the card into POS machine and enters PIN code, then for verification the beneficiary finger print is used. After successful verification, the POS machine prints receipt with details like account number, cash withdraw/deposit, amount, etc. In this way, social security allowance can be easily distributed to exact beneficiary. It helps to make social cash transfer easy and transparent. If PIN code or fingerprint does not match then cash transfer stops here. It means that the beneficiary is not a true beneficiary rather a ghost beneficiary.

Figure 3: Mechanism of collecting beneficiaries' data

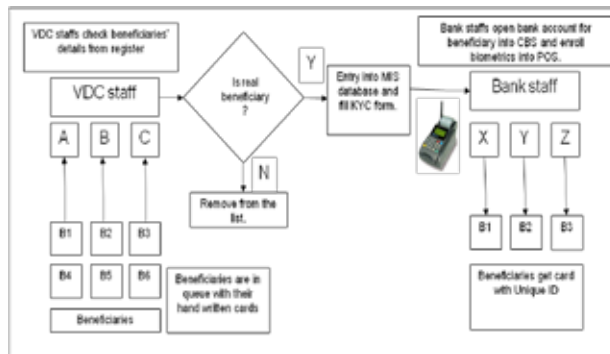
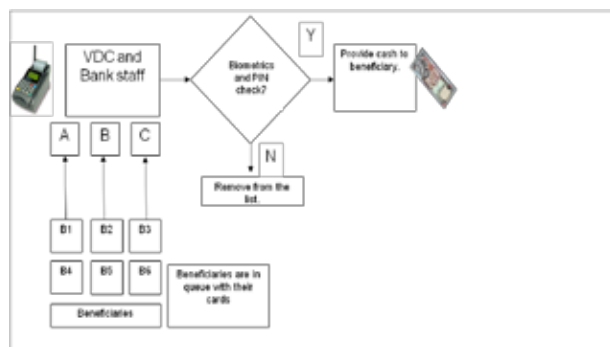


Figure 4: Process of cash transfer through POS Machine



Conclusion

Governments are striving to deliver more efficient and effective public services in order to achieve better public service quality, with reduced waiting times, improved cost effectiveness, higher productivity and more transparency. Through the proper utilization and implementation of technology and digital tools, the service delivery of government could be more effective and challenges could be minimized.

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Reuse of Data in Nepalese Labor Migrant Industry

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Abstract

Nepal has seen a development scene in the use of information and communication technology (ICT). With this a demand for data sharing and reuse is growing. This study aims to contribute to the application of reuse data of the labor migrant industry of Nepal with the emerging discussions of data reuse issues of other practices worldwide. The goal of this study is to uncover the current practices of and efforts for data sharing in the public sector in other countries and discuss on the reuse issues that could be seen in Nepal to do the same in this industry. Digital disruption has exploded with large data sets. The values of data are explored by reuse of public data. Governments of most countries are taking advantage on the reuse of data from one department to another mainly with the intention of transparency and fair competitions. Large data sets are put into governmental open data platform. This research explores the need and importance of data set brought about from the Nepalese labor industry and the benefits and challenges of reuse of Nepalese labor migrant data.

Keywords: Reuse, labor industry, open data, data sharing

Introduction

Data sharing and reusing data has become the trend in global context. Benefits of reusability of data can be found in government and private sectors, business sectors, research and scientific sectors and service delivery. Although challenges are many they are overcome by the actual benefits that can be rendered by data sharing and reusing already published data. New values are explored and innovation is generated by the reuse of published data. Nepal migrant labor force seeking jobs in foreign countries contribute a prominent portion of the national economic. Although, government is much aware of this, much is not being done both by government and private sector to make the Nepalese migrant labor system a transparent resulting to a system of open data platform with the intention of sharing data for decision making and innovation. The study for improvement of this system has stated missing gaps and challenges [5, 12, 11, 3], both nationally and internationally and study reports have recommended that a wholesome solution [12, 5], is required to improve the migrant industry system. Nepal Government has taken some measures to improve the ICT development of the country. Although they show accountability of the labor migrant data being collected, there has not been used to address the problems of the

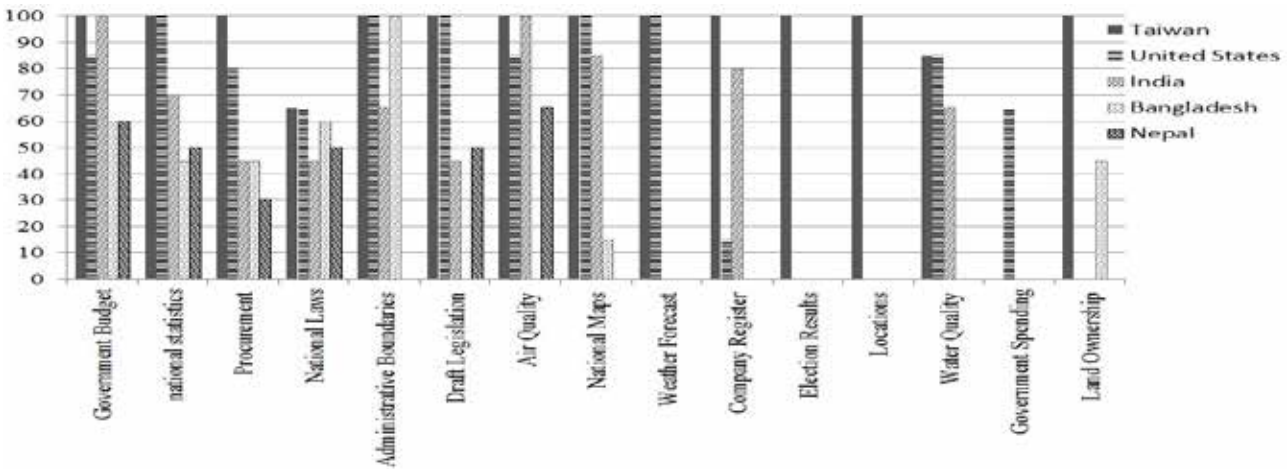
industry [1]. Government has yet to draft the policy for sharing data and encouraging reuse of data in the labor migrant sector. Benefits of reusability can be utilized by the labor force themselves. Search of corrective jobs by the labor force themselves would help them to avoid misfit jobs and cheating caused by the legal and illegal stakeholders. Dashboard and visualization of data captured can guide them to understand what they look for in the foreign environment. Companies offering job histories can be queried to match what they look for. Grievance data can set alerts and warn them of misfit job. The reward of better salary can be envisaged with suitable trainings. Stake holders and retailers can be involved with data to reach the labor force both to enhance their procedures during job seeking as well as to render better service along with their own business promotions.

Data reuse

“Data reuse” means taking a data asset and using more than once for the same purpose. “Data repurposing” means taking a data asset previously used for one (or more) specific purpose(s) and using that data set for a completely different purpose. Reuse conditions or rules may be applied so as not to distort the originally collected data and mislead the data meaning or even to be further not to be reused for unwanted intentions.

Open government data comes with data sharing

The data which is produced or commissioned by government can be accessed by anyone easily, reused, modify, and shared for any purpose [10]. The following figure shows the comparison of open government data index for Nepal with its neighboring countries, India and Bangladesh and developed nations like Taiwan and United States. Nepal has been ranked



61 in 2015, 63 in 2014 and 52 in 2013 [7]. This shows status of Nepal (figure 1 and Figure 2) in open data globally [2].

Figure 1

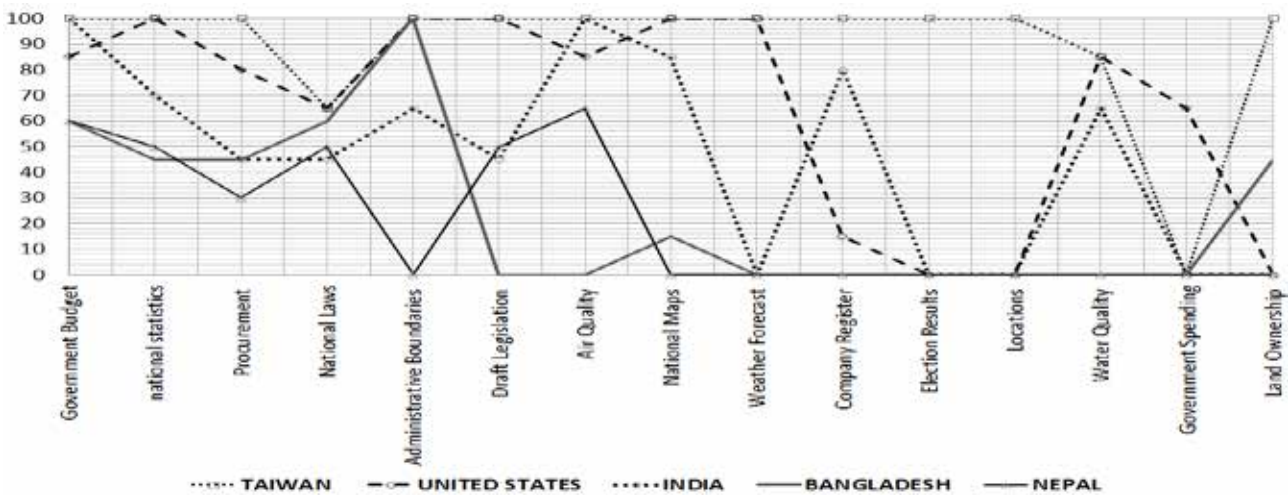


Figure 2

However, data sharing comes with various levels of authentication for sharing. Sharing innovates to more and more problem solving innovations. Communities and users themselves create large volume of data. Real time data and event analysis have contributed to larger demand to reuse the captured data and further to bring about new valuable information systems and insights. The technology changes have been able to meet the challenges needed by the reuse of the data. By being able to access to the data has brought about the collaboration of business, government and citizen to create innovation for effective operations. Sharing and reusing the open data is a part of all government transformational system in the digitalization of the e-governance activities. Most countries have started to publish public data through the governmental website in a single portal know as open.gov. Although many issues are faced it has become strategically important to publish data in a single governmental portal. The data published has many challenges like operating cost and skills, usable and clean data, updates for the data, sharing terms and conditions, reusing conditions, collaboration, security, metadata

and accessibility and language barriers. Another barrier could be the attitude of the government or the willingness to share. Even reusing data need appropriate skill and training. Proper policies in the government give rise to sustainable service delivery and innovation.

Importance of sharing of data and reusability for Nepalese Labor Migrant

- For transparency and accountability
- Fair completion of the usage of data
- To connect large data sets
- To create citizen partnership
- For enabling economic and social benefits
 - For research
 - Assisting in job seeking
 - Setting alarms
 - Government record keeping and for decisions makings
 - For in home job opportunity

Challenges in reuse of data in Nepal Context

- Corruption
- Transparency
- Technology
- Language
- Attitude
- Accountability
- Non- Priority
- Funding
- Economic environment
- Political Effect in bureaucracy
- Lacking of Policy

Objective of the study

The objective of this study is to explore the information system delivery by the government of Nepal to the Migrant labor industry along with the published data to the labor migrant seeking foreign job placement. It intends to investigate the published and non published data that can be reused for the purpose of innovation that could assist in the job seeking procedure for the migrant labor of Nepal. This study further inquires on the type of reusability of data that could bring about the efficiency in the labor industry. This study intends to understand if the Nepalese Labor migrant need data to be reused or are themselves willing to share their own data.

Statement of Problem

The Nepal Migrant industry contributed remittance in the year of 2013 of 28.8% of the GDP [9]. However, adequate

attention is not paid by the government of Nepal to make this labor industry wholly digitalized and efficient in its service delivery to the labor migrant or to the stake holders [8]. The interested Nepalese seeking job opportunities in foreign countries cannot independently apply for foreign job based on the wide choices offered by the government information system in a single platform. Much research works and published articles as stated above have spoken widely on the rectification of this process to avoid misfit of the jobs rendered through promised words by the job availing mediators. However, if the sharing of data could be a part of the policy for the service delivery, the reusing of the data collected from stake holders could be made more efficient.

Methodology

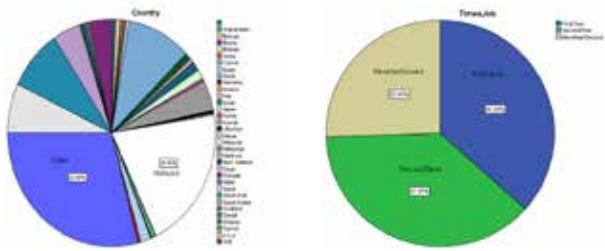
This study has been performed with the target of exploring the requirement for the reusability of the migrant data from the laborers themselves. This research follows a basic quantitative study on data that was collected on survey basis on labor migrants applying for foreign jobs.

Survey data collection

Survey was conducted on labor migrants of Nepal who were in the process of applying for foreign jobs. Both men and women were asked to fill the survey forms. Women are fewer in number than men. Questions were both in English and Nepali for the ease of reading and understanding. Questions were designed on the basis of the gaps stated in the research reports [5, 12, 11, 3]. Data was collected from various cities around recruitment agencies where the migrant worker were present to apply for jobs. Clean data was analyzed for altogether 440 participants, both men and women, applying for foreign jobs. Thirty three countries were listed out of which Malaysia and Qatar was the popular foreign destinations. The migrant workers were first time, second time and more than two times foreign destination job seekers and mostly semi skilled.

Gender		Frequency	Percent
Valid	Male	376	85.5
	Female	64	14.5
	Total	440	100.0

Skill-level		Male	Female	Total
Skill Level	Unskilled	85	17	102
	Semiskilled	127	24	151
	Skilled	114	15	129
	Professional	50	8	58
Total		376	64	440



Education Level	Frequency	Percent
BachelorMasters	31	7.0
SLC	229	52.0
SecLevel	99	22.5
PriLevel	34	7.7
BegLevel	20	4.5
Illiterate	27	6.1
Total	440	100.0

Analysis of data

Survey questionnaire was prepared with the intentions whether the requirement of reusability of data was desired by the migrant worker when looking for foreign jobs. Altogether, 44 questions were asked in 5 levels of Likert scale, with 1 being lowest and 5 being the highest agreeability. An Exploratory Factor Analysis was performed to group the factors to latent components of willingness or need for reusability of the labor migrant data.

To check whether distribution of values was adequate for conducting factor analysis a measure of Kaiser-Meyer-Olkin Measure of Sampling Adequacy which was .914 (which is >.9) indicated that it was marvelous. Bartlett test of Sphericity which is a measure of the multivariate normality of the set of distribution indicated whether the correlation matrix was an identity matrix. A significance value <0.05 indicated that these data did not produce a identity matrix or differ significantly from identity. Hence, displaying approximately multivariate normal and acceptable for factor analysis. A Principal Component Analysis with Varimax rotation was carried out. Six components were extracted and were the same number as shown from the Scree test. The nomenclature of six factors with their variables is shown below. 44 variables were reduced to 27 variables. To check reliability of the data a satisfactory Cronbach's alpha test was done for each component.

Component Name	Variables (Renamed)
1. Willingness to be contacted: Reuse of Migrant data	1. Contacted for Medical checkups 2. Contacted for In home job 3. Contacted for travel service 4. Contacted for in home job 5. Contacted for accommodation 6. Contacted for insurance 7. Contacted for financial loan 8. Contacted for investment 9. Contacted for safety
2. Willingness to choose: Retailer data	10. Choose Medical institute 11. Query Medical Institute details 12. Choose medical test scheme 13. Query training institute 14. Choose type of training
3. Willingness to find Job types in Nepal: Nepal Job data	15. Technical job list 16. Business job list 17. Other Job list 18. Agriculture Job list 19. Domestic Job list
4. Willingness to query on own: Recruitment Agency (RA) data	20. RA provided Country list 21. RA provided Job list 22. RA details
5. Willingness for training: Training Institute data	23. Skill types and courses data 24. Language courses 25. Preparatory courses
6. Willingness to query government data: Labour Permit process data	26. Government issued permit list 27. RA and Country of Destination RA list

	Component 1	Component 2	Component 3	Component 4	Component 5	Component 6
Mean	4.3145	4.5459	4.5459	4.5667	4.5500	4.5386
Std. Deviation	.82083	.66359	.66359	.64199	.60457	.60530
Minimum	1.00	1.80	1.80	1.00	2.00	1.00
Maximum	5.00	5.00	5.00	5.00	5.00	.605305.00

Results and discussions

The above extracted components having mean all greater than 4.3, display the importance of the reuse of the data by the participants themselves. They are willing to be contacted means that the labor migrant data are allowed to be shared between government, stakeholders and retailers. The willingness to query retailers is that the laborer participants wish to choose from the data available regarding the medical and training institutes. The willingness to find jobs in Nepal shows that the Nepalese labor group needs data on the jobs available in Nepal. The data that are made available by the government can assist them to avoid going into foreign environment.

The Recruitment Agency is the first point of contact for a foreign migrant looking for a job. The willingness to query information on the Recruitment Agency can assure the labor workforce on the trust of the agency for the fit job. The level of skill development is the up-lift of the benefits rendered to them. Hence, the willingness of having data information and listing of the details of the legally registered skill development centers are highlighted by this component. The difficulties faced during the job regarding the misunderstanding of job placement allotted by the Recruitment agency both in home and country of destination can be minimized with the availability of governmental data regarding the bonding of both these agencies. Willingness to query government data allows the migrant worker to make it necessary to have all data concerning the whole process of seeking a labor permit transparent for viewing throughout their tenure in the job.

Conclusions

Nepal government has not adopted the open data and sharing of data platform in the policy and strategic planning of the labor industry. Policies and rules regarding the reuse of data have not been outlined till today. It is necessary that government implement the open data and sharing of data for the labor industry in the highest priority. An interested foreign job seeker must be able to choose his foreign job on the data published by the government. The reuse of data can benefit both the laborer and the government departments to make corrective decisions in order to recommend country and company that a labor wishes to go and make corrective bargaining with the foreign government and companies to export labor from Nepal. Further government can allow the reuse of data for research and predictions regarding foreign job placements. Home coming labor data can be reused to create in home jobs for the interested based on the skills and experience gained in foreign jobs.

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Climate Change, Livelihood and Adaptation Practices: A Study of Lamabagar, Dolakha

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Abstract

This research has been studied in Dolakha District of Nepal. The research covers the study of Lamabagar VDC of Dolakha District which is known as Uttari Dolakha. This research is conducted to examine the climate change and adaptation of people and their live stocks at Lamabagar, Dolakha. Fifteen households has been selected as a sample out of 465 households for the interview survey. Simple random sampling technique has been used to collect data from respondents. Qualitative approach has been applied for research. The data collection procedure involves, questionnaire, Interview and Observation. The research has adopted descriptive research design. Mean, SD, graphs and charts have been used to diagnose data collected. In depth interview has also been conducted to know the real life situation of people and their live stocks at the Lamabagar. Findings reveal that people have been migrating due to unconditional climate change, melting of snow and overall climate which has brought difficulty in managing their life and their live stocks' life too. Additionally, Agriculture and Livestock has been declined due to climate change. Indigenous people have been migrated and their cultivation has shifted from the agriculture to the herbal collection. The only way of survival of the indigenous people of the region is to heavily depend on community forest for their livelihood to meet their basic needs.

Keywords: *Climate Change, Livelihood, Adaptation, Community Forest*

Overview

Nepal has three major ecological region i.e. Mountain (Himalaya), Hill and Terai. The Himalaya region has been experiencing the multitude of undesired change that cut across both biophysical and social realms. Observed biophysical changes include unpredictability in the timing and magnitude of rainfall, frequent occurrence of extreme heat during the summer season, glacial retreat and melting snow (Gurung et al., 2016). These changes have already been posing serious threats on water, biodiversity, human health, agriculture, and consequently on food security throughout the region and downstream (Chaudhary & Bawa, 2011). Vulnerable social and economic conditions pose further threat to the region.

The Inter-governmental Panel on Climate Change (IPCC) defines climate change on forth assessment report as: A change in the state of the climate that can be identified (e.g. using statistical tests) by changes in the mean and/or the variability of its properties, and that persists for an

extended period, typically decades or longer. It refers to any change in climate over time. In Nepal, many places have experienced on climate change effects, along with Himalayan region. Lamabagar is a part of Himalayan region of Nepal. It is located in the north-east side from Kathmandu, northern side of Dolakha district and southern side of Tibet (the autonomous region of China).

Literature review

Practice of Climate Change effect

Asian region inhabit the most fragile ecosystems ranging from tropical rainforests, high mountain areas, low-lying coastal areas and floodplains as well as temperate forests. Because most of them are dependent on the land and natural resources from these ecosystems. They are in the front position of climate change impacts and threats. These include intensified typhoons, cyclones, monsoons and storms, long droughts and expansion of decertified areas, melting of glaciers leading to flooding and decrease

of river flows and water supplies, sea-level rise, stronger sea waves and currents, coastline erosion and sanitization of fresh water resources and soils, rampaging and long staying floods, landslides and increase in cases of vector-borne and water-borne diseases (malaria, dengue, cholera and other gastro-intestinal diseases), phenomenal temperature rise causing heat strokes and more forest fires.

The impacts of climate change on indigenous communities are significant. The cultures that support Traditional Knowledge around the world are often living in marginal ecosystems, such as the Arctic, mountains, deserts and small islands. These marginal ecosystems are often the sources of key ecosystem services (e.g., role of mountain ranges in sustaining water balance) and are critical for maintaining the overall resilience and adaptive capacity of social-ecological systems are most vulnerable to climate change and will suffer the greatest change often for the worse as a result of climate change. Importantly, the Traditional Knowledge of indigenous people is proving critically valuable service to the global community. Observations of ecosystem change by indigenous peoples are acting as a lookout like warning system for climate change. More importantly, the long-term place-based adaptation approaches developed by indigenous peoples provide valuable examples for the global community of low-carbon sustainable lifestyle, critical to developing local adaptations strategies in the face of climate instability.

Shift in development activities along with flux climatic factors are more responsible for the changing socio-economic trend of the community. These factors are not responsible only for changing socio-economic factors but also livelihood of the people in the community. Climate change is expected to influence crop and livestock production, hydrologic balances, input supplies and other components of agricultural systems. However, the nature of these biophysical effects and the human responses to them are complex and uncertain (Adgar et al., 1909).

The location and area of natural vegetation zones on the Trans Himalayan region will change substantially under projected climate change scenarios. Areas of temperate grassland and cold temperate coniferous forest could expand, while temperate and cold deserts may shrink. Climate change may also consequence in a shift of the boundary of the farming-pastoral transition region to the Northeast China, which may increase grassland areas and provide more favorable conditions for livestock production. However, the transition area of the farming-pastoral region is also an area of potential desertification, and if protection measures are not taken in new transition areas, desertification may occur. More frequent and prolonged droughts as a consequence of climate change together with other anthropogenic factors may also result in desertification.

Major economic source of higher Himalaya dwelling people is animal husbandry which needs very huge area of rangeland ecosystem owing to low productivity and slow growth. There is significant uncertainty about the effects of global warming on the vegetation and animal productivity of large dry land ecosystems. Although high altitude dries lands might enjoy increases in net primary productivity.

Adaptation is generally agreed that effective adaptation strategies should reduce present vulnerability as well as future vulnerability to climate change. Adaptation measures can contribute to equitable and sustainable policies and to the present development decision framework by reducing present day risk from climate variability and by being relevant to immediate national development priorities (Adger et al., 2009). This strategy can be called a “no regrets” adaptation strategy. Reducing present vulnerability to climatic hazards should help to prepare for the potential future impacts of climate change. For the most vulnerable groups, adaptation strategies are vital, as failure to adapt to climate change could lead to “significant deprivation, social disruption and population displacement, and even morbidity and mortality”.

Many adaptation strategies, such as large-scale agriculture, irrigation and hydroelectric development, will benefit large groups or the national interests but they may harm local, indigenous and poor populations. Adaptation is not cost-free and does not yield the same benefits everywhere. Win-win solutions are unlikely with climate change, as there will always be winners and losers from extreme events (Adger, 2009). The costs of adaptations need to include the secondary effects of the adaptations themselves, and the losses suffered by the groups bypassed or marginalized as a result of the adaptations.

The Shifting Cultivators

In Asia, the majority of the people practicing shifting cultivation belong to ethnic groups that are generally subsumed under categories like ethnic minorities, tribal people, hill tribes or aboriginal people. Today, however, many of these peoples prefer to be called indigenous peoples. The popular prejudices against shifting cultivation common in these countries are conflated with other negative attributes ascribed to indigenous peoples throughout the region: that they are backward, primitive, a hindrance to national progress, disloyal to and a security problem for the state etc.

Practices of Shifting Cultivation

Shifting cultivation is also called Sweden cultivation or rotational farming. It is a form of land use characterized by: An alternation between a short span of cultivation and a comparatively long span of natural or improved fallow, and therefore: The regular, in most cases cyclical shifting of fields, and the removal of the fallow vegetation,

normally (though not exclusively) by use of fire. It is often overlooked that shifting cultivation for most people, and definitely for all indigenous peoples, who practice it, is not simply a farming technique but a way of life. However, precisely because shifting cultivation is so closely interlinked with indigenous peoples' lives and cultures, state policies aimed at regulating it, if not banning it outright- have an impact on indigenous peoples that goes far beyond mere economic intervention.

In all countries in South-east Asia, government policies on shifting cultivation are basically informed by environmentalist and development a list expression. With the official aim of protecting forests from what is seen as an ecologically harmful practice, of modernizing what is considered a backward form of agriculture, and of controlling and integrating into the nation a population that is viewed with suspicion due to its nomadic way of life, all of these policies seek to reduce or eradicate shifting cultivation in one way or another. The current climate change discourse has taken the debate on shifting cultivation to another, a global level, reinforcing existing prejudices, laws and programs with little concern for the people affected by them. Now, shifting cultivation is bad because it causes carbon emission and thus contributes to climate change.

According to the FAO, UNDP and UNEP, the main causes of deforestation and thus carbon emission in Asia has been intensification of agriculture and large-scale direct conversion of forest for small-scale and large industrial plantations, and not shifting cultivation. In fact, according to the FAO's own definition of forest, shifting cultivation does not cause deforestation but forest modification. Nevertheless, shifting cultivators still ranks prominently on the priority list of decision makers for corrective intervention in their forest conservation programs.

Sustainable Development and Climate Change

The State of the Environment Report by the MoEF clubs the issues under five key challenges faced by India, which are climate change, food security, water security, energy security, and managing urbanization. As per the Second National Communication submitted by India to the UNFCCC, it is projected that the annual mean surface air temperature rise by the end of the century ranges from 3.5°C to 4.3°C whereas the sea level along the Indian coast has been rising at the rate of about 1.3 mm/year on an average. These climate change projections are likely to impact human health, agriculture, water resources, natural ecosystems, and biodiversity

World leaders in 2012 continued to engage and deliberate in international forums dedicated to climate and environment and also in forums like the G20 where sustainable development and climate change were an integral part of the discussions. In March 2008, the UN

Human Rights Council agreed to conduct a study on the effects of climate change on human rights, especially livelihoods. The Maldives hopes the findings will inform the global negotiation process. There is a general consensus that greenhouse gas emissions are contributing to global warming, but none on how, or by how much, to reduce them. Around "climate refugees" is controversial because of the sheer numbers of people likely to be affected. As the impact of climate change intensifies, estimates of the number of people displaced by natural disasters or rising sea levels have varied from 50 million in 2010, to hundreds of millions or even one billion by 2050.

Global meetings have been marked by emotional appeals by island states, such as the Maldives and Tuvalu, who could become largely uninhabitable by a one meter sea level rise. The Maldives, a group of islands in the Indian Ocean, has played a leading role in trying to create awareness of the issues for the past two decades. The new initiative, the Climate Refugee Policy Forum, will act "as a web-based clearing house, open for everyone, for up-to-date information on climate refugees and climate-related migration, including academic studies, policy papers, conference announcements, and links to key organizations active in the field," (UN Human Rights, 2013).

Objectives of the study

To assess the indigenous people's livelihood and analyze the adaptation practices of climate change impact reduction.

Research Methodology

The research has used descriptive research design. It describes the life style of people living in the region of Lamabagar of Dolakha district. The researcher used qualitative method for research study and used different tools for collection the information's like interview taken from farmers, lama gurus, household, agricultural expert and senior citizen, and focus group discussion.

Findings of the Research

Change in Forest and Herbs

Research found that crop production has declined in Mountain. Monograph crop is wheat in that area. It takes 10 month to be mature. The crops depend on snow fall to grow more or less but snow fall time is October and November in normal. But since three to four years, snow did not fall in normal time. It shifted to May/June. Climate has changed in the Lamabagar area. The effects have spread on peoples' livelihood. Agriculture has decreased. In lower Lamabagar (Gongar), Wheat crop has found diseases. Matured crop is going to be black and root destroyed by red insects and ants. Gongar area bared draught just in previous year. Price rose for

food, increased hunger, Lamabagar Welfare Committee did appeal to reduce the hunger. Government and NGO helped for foods and people forced to looking for new job. Youth are moving to tourism and some are engaged in small business. Now, Gongar has become a good income source for tourism.

One of the Buddhist priest (belief in reincarnation) Guru Rimpoche said rain water has poison, foods have chemical and people do not love the nature. In the case of Lamabagar area, the responsible for destroying everything have slowly down. Nima lama, president of Local Welfare Committee said our neighbor (China and India) has to be responsible for all these things happened. We are not able to do that but have faced the problem now. Think, who is responsible? He added, Indigenous people are very close to the nature. Many cultural activities have influenced by the nature. People used to eat wild foods but some species of vegetation have endangered. Forest degradation has increased comparatively previous year in the mountain area.

When Gauri Shankar Conservation Area Project GSCAP cared the forest in that area, people started to deforestation. GSCAP made how to protect the environment as forest. It creates the stress for local people and started to cut trees for firewood illegally. Youth are rarely engaged in the farming. Most of the youth are looking for new option than the traditional way of life. Some are involve in the tourism and are already trained and doing trekking guide. Medicinal herbs are another green source of earnings. More than half people are migrated to the capital as a seasonal migration. In summer, move to village and in winter shift to capital again. Indigenous dress has bought from Tibet. Their Indigenous skill has endangered. People did not keep the cattle as sheep and yak due to lack of pastureland and low quality of vegetation.

Agriculture and livestock

Agriculture and Livestock are the major occupations of local people. Besides these small trade and tourism has in that locality. Wheat, buckwheat, oil seed, potato, peach, and maize are grown in Lamabagar. Maize and wheat are the main crops of local people. It is ready for harvest within 10 months. Buckwheat and Oil seed have been following crops. Due to the changes in rainfall and snowfall time, people did not get motivated to do farming; most of the young people have interested to collect the Yarchagumba in upper mountain area. Agriculture has been decreased in Lamabagar and livestock also in decline.

Migration for Adaptation

Circular migration has been practices in the mountain. In winter many people have used to migrate to out of the mountain and back to return in summer season. Research found that the migration trend has increased, more than half of people have migrated and most of them

are looking for new opportunities. In Nepal, migration, whether seasonal or long-term, is a key strategy of adaptation for many households. While it does reduce risk and in the short-term can contribute financial resilience through remittances and reduced reliance on land-based livelihoods. It also alters community relationships and local resource management dynamics. The long-term implications of such a strategy could debilitate the social and economic health of the country as domestic skill and expertise declines.

At the same time, increased income from remittances can fuel an increase in consumer spending that makes little contribution to the national economy with the end result that the GNP depends on a fragile and consumerist remittance economy. The National Planning Commission (2015) suggests that the financial benefit from short-term seasonal migration to India is low and that the associated health risks are high. But in the case of local people, some of the adults who are living in Kathmandu reported they want to go back to the Lamabagar. Many of them have preserved traditional knowledge about agriculture, hunting, fishing, and the use of medicinal plants. In the past many of these communities have been exposed to different kinds of environmental changes and have developed coping strategies to face these phenomena. These peoples may therefore have to offer valuable knowledge to learn from for future adaptation to and mitigation of climate change.

Sheep are in endangered animal in this area. The wool is used by women to prepare mattress, which are sold in the lower region in exchange for grains or money. The local market of Lamabagar area is Singati and Charikot. Butter is used to meet the local people's own needs, especially for making traditional salted Tibetan tea, drunk in large quantities. A herd of sheep seen at lower part on the way to Gongar pass during the field visit. It was hardly found in the area. The researcher did not see any of sheep herd only seen a yak and horse at the high area. Many festivals are celebrated throughout the year in the Lamabagar.

Supporting source of income

Other supporting source of income in this area is Yarchagumba, grows in the mountains. It is found in some of the Nepalese mountain. Its medical name is cordyceps sinensis and the Nepalese name means summer plant and winter insect. It is formed by a set of strange coincidences as before the rains begin, tiny spores from the cordyceps mushroom sometimes fall on the heads of a caterpillar that burrows underground. When this happens the fungus grows out through the caterpillars head and consumes all of it. The remaining fungus is Yarchagumba. This herbal mixture is widely thought of as a sexual dysfunction cure and it is to be found in recipes and exquisite food all over the world. It has potential to be a multi-million pound business.

The fungus is not commercially organized and the Nepalese government is not involved in the collection of it. However a large amount of Yarchagumba is exported each year to China and India. One of the popular districts Dolpa, western Nepal collects the most Yarchagumba which is the major income sources of people. To buy the Yarchagumba it needs about 2000/- US dollar per kg, so it's not exactly cheap and the price has recently grown as the world learns about it.

But after being a time majority have fallen on that business. Minimum earnings would be 2 to 3 lakhs during two month in a year. Sonam-34, a businessman from Dolakha said during the research period, February 2018. Pema Lama-79, senior citizen of Gongar said before 20 to 25 years, here in Lamabagar, we had collected the water by freezing ice. No shortage of water. Ice used for Irrigation. Now we have faced that problem, drinking water, deforestation, decreased the crop production, the young people migration trend has slowly increased even they admire their birth place. Forest is very close to us. We worship the forest but the problem is increasing the deforestation.

Adaptation practices

People have practiced their traditional knowledge for their sustainability and adaptability. They have rotation technique of farming. They do not farm same crop continuously up to three years. If they plant the wheat two years, then they plant buckwheat for third years. This is the traditional way of farming, which is done to adopt the changes of climate. People have knowledge and skill to preserve the crop and seed of crops and vegetables for next year.

Conclusion

The research has found that the local people have facing the impact of climate change. Changed in snow fall time and pattern has decreased crop production. Many people has been fascinated to collect the Yarchagumba and earn good some of money. One of the respondent said Yarchagumba also gets affected due to climate change. In present, people have alternative sources of income but until when? The big question arises for Lamabagar's people. The study shows that climate change has affected the people's livelihood, especially, the indigenous people, those who live in Lamabagar, Dolakha district mainly vulnerable places of natural hazards, floods, landslide, avalanches etc. People have started shifting from Lamabagar to Singati and Charikot which is local market of Dolkha district for their livelihood and sustainability.

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