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Editorial

The present issue carries six articles across multiple disciplines. Based on a field study among the Business Process Outsourcing vendors the first article explores the antecedents of social capital between the client and the vendor firm as well as among the members of the vendor firm. The paper finds four factors that influence social capital. The second article explores how the Self-help Groups (SHGs) help in the development of social capital. Based on an empirical study the paper concludes that participation in SHG activities has the potential to increase the social capital of its members. The third article builds on the significance of ethics in the domain of HRM and argues how different HR systems and practices are vulnerable to corruption. The fourth article conducts a systematic review of 1787 articles published in top journals in the domain of international marketing in the period from 1990 to 2012 and explains the methodological trends in this stream of research. The fifth article attempts to explain the inconsistent relationships between customer satisfaction and customer loyalty and proposes consumption related factors, psychological factors, demographic and psychographic factors influence the relationship. The sixth article explores how hope influences employees' commitment to their organization. Based on the data collected from IT professionals in India, the study demonstrates that hope influences organizational commitment directly as well as indirectly through meaning in life. We are sure that you will find these articles useful.

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Antecedents of Social Capital in Offshore Business Process Outsourcing: An Indian Field Study

Somendra Pant and Rajiv Kishore

Abstract

Offshore Business Process Outsourcing is a major enabler of E-business strategy in many Western firms. However, due to geographical separation, offshore Business Process Outsourcing faces difficult task particularly transferring process knowledge from the client to the vendor. The BPO vendor firms also face the challenge of combining the knowledge gained from the clients to come up with effective solutions for the clients. Social Capital that exists between the client and the vendor teams and also amongst vendor team members is one important factor that facilitates knowledge transfer and combination. However, not much is known about the antecedents of social capital that facilitate knowledge transfer and creation. In this paper we describe a field study conducted among BPO vendors in India to identify antecedents of social capital. Four factors, viz. Process Structure; National Culture; Fear, Resistance & Top Management Involvement; and Employee Age, emerged as antecedents of social capital. Implications of these factors for theory and practice are also discussed.

Keywords: Team Social Capital, Alliance Social Capital, Knowledge Creation, Knowledge Combination, Effective Client Solutions.

1. Introduction

Offshore Business Process Outsourcing is a major enabler of many Western firms' E-business strategy (Kim, 2008; Robinson & Kalakota, 2004). Offshore Business Process Outsourcing (BPO) is a relatively new phenomenon and has been defined as the migration of part or all of the value chain activities to a low cost location (Robinson & Kalakota, 2004). The trend of outsourcing business processes by the Western firms to low wage and high skill areas like India, China, Ireland, Vietnam, Russian, Israel, and Philippines was started by pioneering companies like General Electric and it gained traction during the nineties. NASSCOM and McKisney estimate that the potential market for global offshoring is close to USD 3 trillion (NASSCOM-McKiney, 2005; NASSCOM, 2009). India is the #1 destination for offshore BPO and according to Gartner, a research firm the BPO market in India was worth $1.14 billion in 2010, up by 28.6% from the previous year (NASSCOM-McKiney, 2005; NASSCOM, 2009). What started off as an offshore migration of low skill, noncore operations like call centers and transcription services is gaining importance as more and more Western firms offshore their strategic business processes like market and equity research and research and development (Bhardwaj et al, 2010; Engardio & Einhorn, 2005; Roy & Sivakumar, 2010; Kumar &Puranam, 2012; Engardio& Weintraub, 2008).

Initially, companies focused on the outsourcing of information technology (IT), which transferred the responsibility of delivering IT from internal IT functions to thirdparty vendors (Hirschhiem and Lacity, 2000). Pioneered by Kodak in 1989, this trend of IT outsourcing has grown in scale and scope since then. Companies are reportedly outsourcing a wide array of IT functions, such as application packages, contract programming, telecommunications, systems integration and systems operation, to low cost locations in order to gain operational efficiencies (Grover, Cheon and Teng, 1996). Furthermore, companies now are not only outsourcing operations of their business processes to BPO vendors, they are also using outsourcing as a strategic tool and the outsourcing event as a strategic opportunity to bring about radical change in their business processes (Greaver, 1999; Linder, 2004). As a result, in many cases, BPO vendors are engaged in rejuvenating and redesigning relatively complex business processes that involve a lot of tacit and sticky client specific process knowledge (Economic Times, 2012; Engardio & Weintraub, 2008; Lewin et al., 2009; Malek, 2000). This requires a tremendous amount of knowledge acquisition and knowledge transfer activity, a problem that gets exacerbated in the context of offshore business process

outsourcing due to the geographical distribution of client and vendor teams. Research suggests that knowledge exchange and knowledge creation activities are greatly enhanced by social relationships and the processes of social exchange (Nahapiet and Ghosal, 1998; Yli-Renko et al, 2001). However, not much is known about the factors that create or deplete social capital between clients and offshore BPO vendors. Our research fills that gap in literature.

We conducted a field study to answer the question: What specific factors contribute to creation or depletion of social capital in offshore BPO engagements? It is important to answer this question because social capital enables knowledge transfer and only successful knowledge transfer will lead to successful offshore BPO outcomes. While researchers have studied the role of social capital in facilitating knowledge transfer between offshore client and vendor teams (Rottman, 2008; Zimmermann and Ravishankar, 2014), to our knowledge, no study has attempted to specifically identify factors that enhance or diminish social capital in offshore BPO engagements. We are able to identify four factors that are significant enablers or inhibitors of social capital in offshore BPO. This is the contribution of our research to the social capital as well as to the BPO literature. The rest of the paper is structured as follows: In the next section we discuss the theoretical background of our research. This is followed by a discussion of our research methodology. In the subsequent section we discuss our research findings and conclude the paper with a discussion of our results.

2. Theoretical Background

As mentioned, focus of this study is on antecedents of social capital in the context of offshore BPO. Theories on knowledge based view of the firm and social capital are particularly relevant in this context. We use these theories as the starting point of our investigation. Additionally, we reviewed a number of articles on Information Technology outsourcing, which, as mentioned in the introduction, precedes BPO and thus provides an insight in to the latter (Ang and Straub, 1998; Di Ramuldo and Gurbaxani, 1998; Elango, 2008; Hirschiem and Lacity, 2000; Kishore et al, 2003; Lacity et al, 2008; Lacity and Wilcocks, 1998; Palvia, 1995).

2.1 Knowledge Based View

BPO vendors that focus on developing effective solutions for their clients primarily rely on their ability to generate new knowledge - i.e., new know-how in terms of products and components, market research, and software solutions(Clegg et al., 2006). This view is consistent with the research that looks at a firm as a knowledge integration institution (Kim et al., 2012). In order to generate new knowledge, firms need to (a) acquire new knowledge and (b) combine acquired knowledge with their existing knowledge resources in innovative ways. BPO vendor firms primarily acquire knowledge from their clients very much like firms forming alliances to acquire knowledge-based capabilities (Cohen and Levinthal, 1990; Hamel, 1991; Hamel & Prahalad, 1989).

Knowledge acquisition is also a social process - i.e., individuals acquire knowledge by relating with other individuals in social settings. Cross and Sproull (2004) have established that people cultivate different kinds of information relationships, which in turn, contribute to useful knowledge transfer. Borgatti and Cross (2003) have theorized that the probability of an individual seeking information from another person is a function of knowing what that person knows, valuing what that person knows, being able to gain timely access to that person's knowledge, and perceiving that seeking knowledge from that person will not be too costly. Thus it is easy to see that social capital that exists between a client and their BPO vendor is an important factor in knowledge transfer.

2.2 Social Capital

Business process outsourcing projects typically involve (a) a critical evaluation of client's business processes (b) their improvement/redesign jointly by client and vendor teams, and (c) development and implementation of IT solutions to support the redesigned business processes by the vendor firm(Carmel and Tija, 2005; Freidman, 2007). These projects are knowledge intensive and require the vendor firm to gain a substantial amount of knowledge, both domain specific and process specific, about its client firm's business processes (Subramani,

2004; Subramani & Venkatraman, 2003). Given that social capital enhances knowledge transfer and creation, it is reasonable to expect that the social capital that vendor teams possess with respect to a particular BPO project should help them learn about their client's specific knowledge, which in turn should help them create effective business process solutions (Orr, 1990; Starbuck, 1992; Subramaniam & Youndt, 2005; Tiwana & McLean, 2005; Yli-Renko, et al., 2001).

Nahapiet and Ghoshal (1998) argued that the intellectual (or knowledge) capital of a firm is created through complex social processes of knowledge exchange and combination(Heene et al, 2008). These authors defined social capital as "the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit" (Nahapiet and Ghosal, 1998). Nahapiet and Ghosal have identified three dimensions of social capital, viz. structural, relational, and cognitive. The structural dimension refers to the overall pattern and configuration of connections between actors. This term describes the pattern of connections between actors - i.e. to whom can an actor reach and how to reach them (Nahapiet and Ghosal, 1998). It is easier to create social capital when actors interact with each other frequently and face-to-face. In offshore BPO arrangements, this possibility is severely restricted as the client and vendor team members are thousands of miles apart and mostly interact virtually.

The relational dimension of social capital refers to assets created and leveraged through personal relationships (Nahapiet and Ghosal, 1998). Relational social capital is built through trust and trustworthiness, norms and sanctions, obligations and expectations, and identity and identification (Nahapiet and Ghosal, 1998). Trust is easier to develop among members of the same organization due to homogeneity of norms and where competition and opportunistic behavior are lower (Nahapiet and Ghosal, 1998). In offshore BPO engagements these factors are largely absent and therefore it is difficult for actors to develop trust. This problem is further acerbated due to fear in the minds' of employees at the client firms that their own jobs will be lost to a lower paid worker at the vendor firm (Carmel and Tija, 2005; Freidman, 2007). This results in their mistrusting members of the client teams and withholding information from them.

The cognitive dimension of social capital refers to the resources within relationships that provide shared representations, interpretations, and systems of meanings (Nahapiet and Ghosal, 1998). These may arise from shared visions and mission of an organization as well as from the common organizational culture and vocabulary that employees share in a firm(Schulz, 2009). Shared understanding among people is especially critical for exchanging tacit knowledge (Nonaka, 1994; Camarinha-Matos et al., 2011). In offshore BPO relationships, opportunity to develop cognitive social capital is restricted as the client and the vendor team members do not share the same organizational culture and vocabulary and are rarely in close physical proximity to pick up tacit knowledge through non-verbal clues (Vlaar et al., 2008). Furthermore, communication patterns are culture specific (Carmel and Tija, 2005; Hall and Hall, 1990; Hoecklin, 1995). Hence it becomes even more difficult from different national cultures to come to a shared understanding. Studies have alluded to miscommunication between offshore vendor and client teams, especially in the context of Indian vendors and Western clients (Carmel and Tija, 2005; Rottman, 2008). Thus creation of social capital in offshore BPO engagements offers unique challenges.

Not much work has been done in establishing the antecedents of social capital. In a recent study, Lawson and colleagues (Lawson et al., 2008) examined the antecedents of social capital on buyer performance improvement. Their study concluded that the range and intensity of integrated activities between a buyer and its key suppliers and the closeness of key suppliers as reflected in their willingness to respond to a buyer's needs build social capital between the buyer and the supplier. Through their empirical study, Parzefall and Kuppelwieser (Parzefall and Kuppelwieser, 2012) concluded that in an intrafirm setting, job security builds social capital, while workload and likelihood of organizational change deplete it. Presutti and Boari (2008) did an empirical study of factors that affect creation of social capital at a new firm within a cluster

of firms and concluded that while the embeddedness of a startup inside a cluster has a positive influence on the relational and cognitive dimensions of social capital, it negatively influences the structural dimension. Juliana Sutanto's study is on the effect of network ties on relational social capital and knowledge contribution in virtual communities (Sutanto, 2013). This empirical study concludes that formation of weak ties has a significant influence on the members' sense of identification with the community, which in turn positively affects their volume of knowledge contributed in the community. To our knowledge, no one has yet studied the antecedents of social capital in the context of offshore BPO.

3. Research Methodology

The purpose of this research was theory elaboration(Maitlis, 2005). We drew from theories of Knowledge-based View of firms and Social Capital and extended some important ideas from that research. Theory elaboration is an appropriate method to use when preexisting ideas can provide the foundation for a new study, and thereby obviatethe need for theory generation through a purely inductive, grounded design (Maitlis, 2005).

We conducted a field study that covered fourteen BPO Vendors in India. The unit of analysis for this study was the BPO providers. We chose India as it is the #1 destination for US and the Western European firms to outsource their business processes to (Kearney, 2009; Kearney, 2007). For example, all major US corporations have outsourced some of their business processes to India and the amount of BPO to India is increasing, both in value and in the complexity of processes (Economic Times, 2012; Engardio & Weintraub, 2008; Lewin et al. 2009; Malek, 2000; Ribeiro, 2011). Furthermore, the vendor perspective in outsourcing has not been researched much (Currie &Seltsikas, 2001; Levina & Ross, 2003) and this study fills that gap as well. Initial contact was made via e-mails sent out to personal contacts and to persons referred by them. A one page summary of the background and the overall focus of the study were e-mailed to the target firms(Cooper and Emory, 1995). Fourteen companies that operate in the BPO provider space in India agreed to participate in this study. These companies were chosen to accommodate a wide variety of BPO providers.

In each firm we selected mostly senior management and a few middle-management personnel for our in-depth interviews. The senior and middle management personnel fitted well into the role of key informants (Cooper and Emory, 1995; Strauss and Corbin, 1997) as they had the requisite seniority in their respective firm, requisite experience, and sufficient knowledge of the BPO industry to engage in detailed, in-depth discussions with us. In-depth interviews are the primary method used for data collection in qualitative research as interviews thoroughly exhaust concepts (Strauss & Corbin, 1997). Also, relying on such "theories-in-use" of thoughtful practitioners for theory building and enhancement is advocated as an appropriate and desirable method for studying a phenomenon that is new, and thereby, lacking in systematic and rigorous research (Cooper and Emory, 1995).

3.1 Data Collection

We developed a protocol for conducting our semi structured interviews. We developed a questionnaire (given in the Appendix) that focused on eliciting the interviewees' views on how social capital might be built or depleted in the engagement of their firm with the client firms. Each interview began with an introduction to the purpose of the research and some of the questions that we were going to ask during the interview. This served the purpose of establishing a rapport with the interviewee as well as it helped in creating an understanding of the purpose of the study (Strauss & Corbin, 1997). The rest of the interview was an in-depth probing of the BPO provider's views on the issues of interest. In all 18 interviews were conducted, lasting over 18 hours. Interviews were taperecorded, and transcribed. We also took field notes that supplemented transcripts. Transcribed material was independently reviewed by two researchers to look for patterns within each interview and for convergence around themes across interviews. In some cases a followup interview was conducted to clarify the interviewees' position and to dig deeper in to their thoughts. In addition to the

interviews, trade reports on the BPO provider companies of interest and their websites were examined.

3.2 Data Analysis

As mentioned, the first set of 18 interviews was transcribed and analyzed to look for patterns. Two researchers independently looked at the interview data and highlighted quotes that pointed toward some common theme. In all we identified four themes that emerged from our data. In the following table, we summarize representative quotes that helped us identify the themes/categories of factors that enhance or deplete social capital. The logic behind a category and its effect on social capital is developed in the Findings section:

Themes	Quotations
Process Structure	"For me knowing the structure of their business process - what gets done when, where, and in how many steps - is more important than knowing the person who is actually carrying out that process."
	"We have perfected processes to a science."
	"Now, that particular banking process itself doesn't require banking knowledge but it is composed of series of steps. And you need to understand those steps."
	"[Offshore outsourcing] is a learning experience for both the client as well as for us because they have not outsourced it to anybody until now, so they do not know the intricacies or the difficulties anybody might face. But when they outsource from US to India there is a time difference and face to face interaction is less, so everyone realizes that people need to rely on a more structured way of knowledge transfer."
National Culture	"My team here knows very well that at heart we are Indians - polite, respectful, and we have to learn quickly so as to keep this great job that has come to us after years of struggle. We are here to please our customers, and that's it."
	"The concept of a weekend in a Western concept. My team members are willing to work 24X7 on client problems. "
Fear, Resistance, & Top Management Involvement	"There were five of us [being trained by the Clients' employees] and they [the Clients' employees] knew that they were very likely to be shown the door once they were done. It will be foolish to expect that there will be high camaraderie [between us and them] in such a situation. It is their Top Managements' responsibility to ensure that the process [of knowledge transfer] goes forward as smoothly as possible in a very difficult situation."
	"I would say that leadership at the client companies should educate their employees about offshoring and they should show their commitment to make offshoring work in their company. This is clearly a responsibility of their top management. "
Employee Age	"We have a high level of energy here. It is always like a bunch of bright college kids working on their class project. I am 45, and sometime feel like their grandfather."
	"When Citibank came to India in early 90's, there was a joke in Citibank that at the age of 28 the only person who is not a Vice President in Citibank is the ATM."

4. Findings

Analysis of data revealed that four factors affect social capital between the client and the vendor firms as well as amongst team members at the vendor firm. These factors throw interesting light on the mechanisms which facilitate creation or depletion of social capital and, thereby, knowledge transfer.

4.1 Factor #1- Process Structure

The first factor that seems to affect knowledge transfer between the client and the vendor firms was the very structure of the business processes chosen for offshoring. Generally, more structured the business process that was to be outsourced, was the lesser the need for face-to-face interactions was felt between the client and the vendor teams and therefore lesser the need for social capital. In fact reducing the need for face to face contacts seem to be a key objective of both the client and the vendor firms as such reduction not only results in the cost of offshore transition, but also accelerates it. For example, one key informant remarked:

"Knowledge transfer is the easier part because over a period of time we have got some structured methodology for knowledge capture. It all boils down to this: If you have documented the business process well, and have used appropriate tools for doing that, then there isn't much people dependency and the moment you remove people dependency from a process, transition is successful."

"In India we are very process oriented - our motto is 'see and key' (meaning, input things exactly as you see them) - the more the things are in an autopilot mode, the better they are."

Indian BPO firms have their roots in IT Outsourcing, which by its very nature relies on a structured form of knowledge transfer. These firms seem to have successfully bridged the proximity gap with clients through structures like documentation, procedures, process maps and models when they undertake BPO work for their clients.

For example, one manager at the vendor firm highlighted the importance of process structure by claiming that the process structure was even more important than the relationship between the process transferor and the transferee:

"However, given the fact I might share a very good relationship with you or I might be in the same organization having the same views and having the same background is not all that important because for me knowledge transfer does not even begin until I know the structure in which to capture the knowledge. That is why process structure is important."

What is interesting here is the mindset of these managers: They seem to be comfortable working at a large distance from their counterparts at the client companies and didn't appear too concerned with the lack of personal contact.

The kind of process structures that the vendor firm looks for are:

"First we ask questions whether clients have any documents, if they have any process maps, flow charts and process flows."

In response to our question, "In your view what are the factors which facilitate knowledge transfer between the client and the vendor?" managers at one vendor firm gave us the following feedback:

"The first thing I think is planning. You have to first map all the things that are required to bring a process here, move the process from one location to another, basically identifying the technology requirements, like in what kind of applications will the new process be used, and how connectivity works."

Offshore BPO is now over a decade old. In this time, employees at vendor firms seem to have become savvy at nuances of BPO - what kind of process knowledge is required, and also to exigencies like time differences between clients and vendors. And they seem to have devised mechanisms for knowledge transfer which are efficient and effective. A few more representative quotes point to the same learning which seems to have occurred vis-à-vis offshore BPO over the past decade are as follows:

"It is attention to details, walking through the process

as it is now without regarding what it should be, and logging all communication interfaces that happen - those are the key parts [of knowledge transfer]"

"It [knowledge transfer] all comes down to how well defined and well documented the processes are and how well structured they are: if these three conditions are met then we can pick up that process at our end without there being much need for a face-to-face meeting with the client."

"So the trainers are training and are getting trained on the processes. If they do very good documentation of the standard operating procedures, if they document the exceptions properly, then the knowledge transfer becomes that much more seamless. However where they fail to capture the process details, or fail to do the documentation, then there is a possible knowledge loss. If the documentation is robust and if it is checked and counter checked by the clients then normally knowledge transfer is good."

In summary, regarding this emergent theme, knowledge about how business processes are structured is a key success factor for successful in offshore BPO. When the vendor team understands the structure and logic of a business process, then they are able to transfer it to their end without much difficulty. In other words, a well-structured process is an efficient and effective way of turning tacit knowledge in to explicit, which can be transferred even with low levels of social capital existing between the transferor and the transferee. Therefore we propose,

P1: Process structure affects the need for social capital between clients and offshore BPO vendor firms - more structured the process that is outsourced, less will be the need for social capital.

4.2 Factor #2- National Culture

The second factor that emerged from the interviews as being salient in building social capital between the client and the vendor firms was the national culture at the two firms. Good command of Indian vendor team members of English language was often cited as an important factor in facilitating knowledge transfer between the client and the vendor firms. But, on deeper examination, distinct cultural factors also seem to be contributing to knowledge transfer and dissemination, especially at the vendor firms.

One important distinction between the US and the Indian culture is that the US culture is more short term oriented while Indian is more long-term oriented (Hofstede, 1983; Hofstede, 1993). Due to their long term orientation, people in India seem to value knowledge and learning for their own sake and are willing to spend extra time and effort to learn new things. This point is highlighted in the following remark by one of our interviewees:

"You have to be adaptable. The entire [Indian] culture teaches you that. You struggle all through and then you learn to adapt. This is what I have learnt - the adaptability and some such behavioral traits are taught more by the environment rather than by the business schools. There is technical competence and there is behavioral competency:behavioral competence is what the environment teaches a person."

What he meant by "behavioral competency" is an ability to be willing to learn new things. This is an important trait that seems to be helping the BPO vendor firms to become value added partners to their Western clients.

And also:

"The greatest ability or weapon which I would say Indian managers have is that we are highly adaptable. We are highly knowledge oriented; we have short learning curves, and we are highly adaptable to change. Therefore our learning is quick."

The point here is that the employees at vendor teams are willing to make the extra effort to capture knowledge about client's business processes although there may not be much opportunity for them to work alongside their Western counterparts. In other words, to an extent employees' willingness to go the extra mile in their job is helping them learn about client's business processes.

Another clear distinction between the Western culture and the Indian is along the dimension of individualism-collectivism (Hofstede, 1983; Hofstede, 1993). While the US and many Western European countries have a highly individualistic culture, Indian culture is much more collective. This collectivism shows itself at work at the

BPO vendor firms. As one key informant remarked:

"For example: In the U.S, people would come in - a person would start his work at whatever time he is supposed to start, he would go for his scheduled meetings and not to any unscheduled meetings, he would not do much of the small talk. So, he does 8 hours of productive work. While with Indian teams, other factors come into play. An Indian team might have planned 8 hours of work but there are some unscheduled things that might come up, and a team member would go for those also. He is also open to giving and taking suggestions. That is loss of his productive time. That may also be one of the reasons for him to stretch his time commitment because although he may have planned for 8 hours of work, he ends up spending 2 hours in helping somebody, getting into couple of unscheduled meetings, etc. From organization's perspective, Indian teams are much better because people are there for one another."

It is this collectivist orientation of Indians that seems to be prompting the vendor team members to put in extra effort to do things for the group and in return acquire knowledge of the client processes and improve them.

Another key informant seemed to be of the opinion that the collectivist culture of India is prompting employees at his firm to sacrifice their personal time to meet project deadline for their clients.

"In Indian companies the tendency is to be on the lower side in terms of time constraint and then pushing the people involved to their extremes. For example, people working long hours and working on weekends is quite common here."

Indians are known to mix work and personal time (Spector et al; 2007). It is a cultural trait that, in our opinion stems from the long term cultural orientation - that the time that I sacrifice now will later help me move ahead in life.

Still another key informant was of the opinion that because of the collective culture of India, employees at his firms are also more adaptable than their US and Western European counterparts:

"In Indian teams, the adaptability and flexibility of the team is a key factor. A very simple example -like if suddenly your PC or laptop computer stops working, a team member sitting in U.S. would call the tech support, while an Indian IT engineer would say - "give me a screw driver". So, even though it's not a part of his job, he would still make it happen because that is the adaptability ingrained in the person."

What is at play here is a blurring of roles. In the collectivist mindset, a problem that arises is not just 'my' problem but a problem that affects others as well; it is a collective problem. We feel that due to this collectivist mindset, there is high social capital within vendor teams and therefore there is higher knowledge dissemination and creation. Many of the members on vendor teams had never set foot on the offshore client premises. However, they interact very closely with those who have been to client firms and build up their own knowledge through frequent and close social interactions. Collectivist cultures may not be very conducive to creating breakthrough ideas and solutions (Cerne et al; 2013), but as far as offshore BPO is concerned, these cultures seem to have considerable effect on knowledge transfer and creation.

Some informants talked about the cut-and-dry approach of the Americans when it comes to knowledge transfer, which, they felt, did not provide many opportunities for informal interactions that would build friendship. For example, they described the attitude of the employees at the client firms as follows:

"I work for five days and that is my job"

"My work life and personal life are separate, and they better remain separate."

"If you guys want to work over the weekend, good luck to you… I am playing golf."

In India the idea of keeping one's personal and work life separate is quite foreign. People get involved in their fellow workers' lives and that is not considered rude or inappropriate. Such a culture, in our opinion, provides a greater opportunity for building social capital and learning from one another.

Still another distinction between the culture at US (as

well as at many Western European countries) and the Indian culture lies along the dimension of power-distance (Hofstede, 1983; Hofstede, 1993). While the US and many Western European countries are low on power-distance, India is high. This results in a higher respect for and acceptance of authority. How this dimension seems to be playing out at the BPO vendor firms is captured in the following quote:

"Indian teams are willing to stretch. They would focus on projects. It's easier to convince an Indian guy who is brought up on Indian value systems, to sacrifice his personal time for the project. There is a high degree of personal rapport and respect for authority, as we have a softer side because we have grown up in a culture where we are used to listening to our parents and grandparents. When it comes to being flexible, in the U.S, people would say "No, I've planned my weekend already."

In response to a question to a key informant: "How would you contrast your team with the client team you interacted with"? He said:

"Usually when we are in the US we are very conscious of their time. So if I am in India I can afford going five minutes late to a meeting. However at the Client firm, I will always be five minutes early. In India I can call a meeting at 5.30 pm; there I have to wrap up by that time or inform them ahead of the time that it's a requirement and so we have to meet at 5.30 pm. So you have to respect the cultural differences. When you conduct a meeting in the US you define it according to their style. In the US the level of interaction at a personal level is very low; here in India everyone knows about what's going on in their peer's house. I will know all about what my friend is doing. But in US that level of intimacy will be with a very few people."

Also, Indian teams work odd hours to accommodate American team's working hours:

"Our teams have fixed work timings: 2 PM to 10.30 PM. In winters it shifts by an hour - so we start work at1PM."

Another key informant said: "Due to time difference, we will stay up till 2 or 3 am for a meeting to begin with the client, but they probably didn't realize what we were doing and would cancel a meeting by just sending an email."

Another key informant made the following comment on the flexibility of the Indian teams:

"I think people here are more into growth and are more open. I think in the US or UK, people are a lot more function specialists, their roles are a lot more defined. The attitude or drive to go across one's assigned tasks and find a solution is lot more in people in India than in the US or UK."

Thus it can be seen that a firm's national culture affects the dynamics of building social capital and knowledge transfer -firms operating in more collectivist and power-distance cultures have quite different dynamics than those firm that are at the opposite end of the spectrum. Therefore we propose:

P2: National culture at the client and the offshore BPO vendor firms has impact on enhancing or diminishing social capital between clients and offshore BPO vendor firms.

4.3 Factor#3- Fear, Resistance, & Top Management Involvement

The third factor that seems to be affecting the social capital between the client and the vendor firms turned out to be the fear of losing one's job to an offshore worker. This leads to resistance to offshoring, and often requires the top management involvement to deal with such situations. What we found was that the fear of job loss is quite prevalent in the Western firms. For example, one key respondent remarked:

"Oh yes there was a lot of resistance to our [vendor] team and we never felt welcomed at the client firm. Some time we would feel like predators and it was not at all a pleasant feeling. I think the solution to this kind of a situation is that a lot of assurance has to come from their top management. I can only do my best to be courteous and non threatening. But it is their top management that has to do the bulk of the work."

Another key informant echoed similar sentiments:

"[When it comes to losing one's job] all that I can do is to be polite and courteous; but I cannot guarantee their jobs. Employees at the client firms need to accept

the reality of their losing jobs to offshoring. So even after being polite and courteous, if I face resistance, then I have to seek their top management's help in smooth transfer of knowledge."

Still another key informant remarked:

"I think fundamentally at some level people accept their situation. For example, suppose I am losing my job and you are there on site to get trained, then it is really nothing about you and it is really nothing about me - it is a decision taken at a corporate level by two decision making bodies. The top management needs to communicate well with the employees the need and rationale for offshoring, and then the resistance is less."

This issue of fear of job loss has been cited by others as well (Carmel and Tija, 2005; Friedman, 2007; Zimmermann and Ravishankar, 2014). During the US presidential election in 2004, there has been a lot of political hype that the US is losing well-paying jobs to India. The term 'Bangalored' was coined to refer to refers to people who have been laid off from a multinational because their job has been moved to India (Wikitonary). Publication and immense popularity of Thomas Friedman's "It's a Flat World" (Freidman, 2007) also contributed to creating the perception that the US (and other Western countries) will lose many jobs to workers in India who are willing to work hard and at odd hours. Senator Bryan Dorgan's book "Take That Job and Ship It" (Dorgan, 2006) is particularly vocal about the loss of good jobs in the US to offshoring. Similarly, then CNN anchor Lou Dobbs rallied public sentiments against 'dangers' of offshoring (Dobbs and Myers, 2004). However, many other studies have come to the conclusion that the fear of large scale migration of jobs from the US to offshore destinations like India is largely unfounded. For example, a study by the Information Technology Association of America concluded that offshoring has actually created more jobs in the US (Web Reference, 2004). Still, the point remains that offshoring is a sensitive topic in the US and the resistance that vendor team members experience is partly due to all the negative image of offshoring.

One way suggested to mitigate resistance to offshoring was:

"In case of resistance to offshoring, companies must go back to the principles of why they are off shoring - they need to revisit the strategic initiative and articulate that vision to their employees."

And another key informant said: "Companies that have long experience with offshoring have a five year plan. They assure their employees that they will not be retrenched, but relocated. That is a very important factor in assuaging fears around offshoring."

In the same vein, a key informant said:

"One way to handle this issue [of resistance] is to communicate to the client company employees the benefits of our efforts. For example, if the processes are E-enabled, then they will become more efficient and the employees will be able to work from home. So they should not feel that once they part with their knowledge then they will become redundant; instead they should feel that when the process will be automated it will benefit them. That's how I have worked on it. There have been a few occasions when I got 100% noncooperation. In that case I had to work with the top management."

However, in some companies, due to the company policies and practices, resistance to offshoring was not experienced. For example, according to one interviewee, the client company had created mechanisms for the vendor and the client teams to feel as being part of the same company:

"We do not become a threat to the client company as they treat us as an extension of their organization - they treat us exactly the way they treat their own people. For example, if there is a contest for their employees, then our team also participates in that contest."

Sentiments similar to the above - that if the client organization's employees are made aware of the benefits of offshoring then their resistance decreases - were expressed by another key informant:

"At some time they become aware that team built in an offshore location like India is an extension of the existing team and if they accept that fact that this team is not really taking away jobs from them and is here to support them, then the resistance is much less."

And in a similar vein, another manager remarked:

"Everybody is scared of sharing knowledge - if I pass on the critical knowledge to the other, initially I do not know how it is going to impact me. So only when they start trusting and they know that these people are here to help us and not to take away our job, then they become more open and then they share their knowledge."

Another key informant said: "I experienced a lot of resistance to knowledge sharing and transfer at the client firm. Then I went to the boss of those employees and we worked out a protocol about knowledge transfer that also involved the boss and things worked better."

So, in conclusion, this is a very tricky issue where facts, fiction, hype, and emotions freely mix. Clearly, the Top Management at client firms has a critical role to play in addressing the concerns of their employees. One interesting way in which client firms seem to be handling this issue of employee resistance is by relying on remote knowledge capture. Vendor firms try to capture knowledge about business processes by using tools that capture the key strokes of what the employees at the client firms are doing, and learn from such activities. This way, the client firms also avoid drawing attention to their offshore BPO efforts. Therefore we propose:

P3: *Fear of job loss at client firms is an inhibitor of social capital between the clients and the offshore BPO vendor firms.*

P4: Top management at the client firms has a significant role in reducing the fear of job loss at client firms as an inhibitor of social capital between the clients and the offshore BPO vendor firms.

4.4 Factor #4- Employee Age

One theme that emerged concerned the age of the employees as positively impacting the building of social capital and knowledge transfer. Our key informants talked about the average age of the employees at the vendor firms being about half that of the employees at the client firms, and how this age difference plays itself out in knowledge transfer situations. For example:

"Our team is very enthusiastic. If you look at the India BPO vendor firm's profile, most of them are fresh graduates, this is their first job and in India this industry pays well so you know they are working in an international BPO, and their needs like food and transportation are taken care of. So their salary is just pocket money… you know this is good money for their first job and their desire to do something, their age, their enthusiasm, everything kind of works together. Consequently, here you have highly motivated employees, eager to share their knowledge with their team members - very much in the spirit of students doing class projects at a college."

Another manager echoed similar views about the employees at the vendor firms:

"The average age of employees here is around 25 years. This generation is very professional and they know that their work is important to them. They are ambitious and interact with coworkers and clients professionally. This is the key factor why they are so keen on learning and sharing new things, in cooperating and thereby enhancing their careers."

Some of the vendor campuses that we visited in India indeed resemble college campuses, with free or subsidized food, free transportation, and many recreational facilities. Employees that we spoke with seemed very energetic, happy, and friendly. This observation seemed to go along with the comment from a manager:

"Environment at our firm is very much like a college campus - people here bond well and bond fast."

Regarding the attitude to knowledge sharing of employees at the vendor firms, one manager remarked:

"We have not seen any resistance to knowledge sharing. People here are also looking to move from one offshored business process to another process and learn more. Their philosophy is to learn as much as possible as it increases their market value."

How this trait of the employees at the vendor firms is affecting the attitude of their clients are borne out by the following remark of a manager at a vendor firm:

"Normally the age profile of people who are working here is much lower than at the client firms, and the effort

that they put in is very high. For example, we were recently bidding for work from one UK client and during his onsite visit he told us "It is amazing the way you do your work here and work so diligently." I knew that at that point he had taken a decision to outsource work to us. He came with an understanding that work in London is complex and could not be offshored here. However, after looking at some of our operations and processes he decided to offshore his work to us. The soft factors that helped us were the energy and the seriousness of our employees."

Another interesting dynamic on how the age of the employees at the vendor firms has a positive effect in knowledge acquisition is revealed in the following remark:

"See, if you take a person with 30 years of experience and try to teach him a different type of banking concept he will probably take much longer to unlearn his practices and then learn the new practices; so there is an unlearning and learning cycle time. While if you take a 26 year old fresh graduate who is very intelligent, who understands the rudimentary concepts, then that person's learning curve is much sharper and steep. Thus hiring a person who doesn't know ABC of merchant banking is not really scary; it is only the learning curve which is important and since he is young and malleable, he absorbs knowledge much more rapidly than an older employee."

All this discussion about how employee age at the client firms is helping them is summarized in the following remark:

"Factors that help us absorb knowledge faster are: technical competence of our firms and the amount of effort that an Indian team can put in as compared to a Western team. Number of working hours and the productivity is higher here. UK teams have not shrunk but they have stagnated as we have grown here. We have grown by 60-65 % last year and this year as well. We are handling more independent projects here and we have a strong leadership team to support the processes."

Thus it can be seen that the age of employees at the vendor firms has a bearing on the social capital between the client and the offshore BPO vendor firms as well as in the offshore BPO vendor teams. Therefore we propose:

P5: Age of employees at offshore BPO vendor firms has an impact on the social capital between the clients and offshore BPO vendors.

5. Conclusions and Discussion

In this research we started with the theoretical lens of social capital to explore what role social capital at the alliance and at the firm level play in knowledge transfer and creation in the context of BPO. Contribution of our research is that we have identified four factors, viz., Process Structure, National Culture, Fear, Resistance, & Top Management Involvement, and Employee Age, as being enablers of social capital in the context of BPO.

Of the above four factors,as far as process structure is concerned, vendor firms are happy with well-structured business processes as it reduces their dependence on soft knowledge. They even try to capture details of the process steps by relying on software tools that capture minutest process details at the keystroke level. This allows them to transfer the process to their end without much face-to-face interaction with the clients.

While remote knowledge capture has many advantages-like reduced cost and circumventing employee concerns regarding offshore BPO - it is not suited for all processes. One large BPO provider in India classifies business processes on a scale of 1 to 5. Of these, #1 &#2 processes, like customer billing, are fairly straight forward and knowledge about such processes can be captured easily. Such processes can also be handled by relatively inexperienced employees of the vendor. Processes at level #3, like mortgage processing or customer risk assessment, require the intervention of a domain expert. Some face-to-face time is required in such cases for the vendor to capture the knowledge of the process. Still higher level processes, like medical claim settlement, require human intervention. For example, a US qualified medical professional will be needed to verify medical claims. In such cases, knowledge cannot be transferred to the vendor without face-to-face meeting with a domain

expert. Naturally, requirement of social capital will vary depending on the nature of the process. Still, better the process structure, less the need for social capital to capture its knowledge.

National culture emerged as another salient factor that seems to be affecting social capital and thereby knowledge transfer. Here our findings are interesting because all the vendors in our study were Indians and most of their clients were the US firms. In terms of Hofstede's model of National Culture, India and the US are quite dissimilar(Hofstede, 1983; Hofstede, 1993). This dissimilarity was noticed in the approach of the Indian teams in relying on an affinity for the group, in their flexibility in working hours, and in their adaptability and their willingness to make sacrifices in the short term so as to achieve longer term gains, to name a few. It is also interesting to note how these cultural dissimilarities are handled in the client-vendor interactions so as to make the knowledge transfer go smoothly. Some of our informants said that they see palpable changes in the current generation of 20-something employees in India who are becoming more individualistic than their older colleagues. These employees are less enthusiastic about sharing knowledge and value personal gains over team gains. Still another insight here is that quite a few of the vendor firms have adopted practices and techniques like quality control and six sigma. For example, one key informant, when asked about the tendency of the Indian teams to miss deadlines, mentioned that at his firm deadlines are not output based but are based on activity. They also have implemented the toll-gate approach where outcomes are evaluated at each step of the project before committing resources to the next step.

Regarding the sensitive issue of the fear of job loss at the client firms, one significant finding of our research, as discussed above, lies in the increasing reliance on remote knowledge capture. Other salient factors in this respect are the involvement of the top management at the client firm and the professional attitude of the employees themselves. It was also mentioned to us that the actuality of job loss due to offshoring is less severe than the perception thereof. This is borne out by various studies that haven't found correlation between offshoring and reduction in employment in the US (Khimm, 2012; Ottaviano et al, 2012). One key informant told us that large US firms that offshore their business processes are not actually firing their employees but are relocating them. So, the take away here is that it is very important for the top management role to clearly articulate its vision regarding BPO, communicate it well to its employees, and thus assuage their fears and resistance to knowledge transfer.

As far as vendor companies located in India are concerned, there are some interesting demographics at play: It has one of the youngest populations in the world. Median age in India is 25 yrs. Given a population of 1.2 billion, that amounts to a population of 600 million that is under 25 years of age (Wikipedia, 2014). India produces nearly 300,000 engineers every year - that is five times as many as the US produces (Carmel and Tija, 2005). For the past decade India has shown fairly good economic growth and currently it is the third largest economy in the world in terms of purchasing power parity (Wikipedia, 2014). Because of these favorable factors, Indian youth sense good growth opportunities and are willing to work hard to pursue their "American Dream" in India itself (Freidman, 2007). In short, a combination of all these factors has made a large workforce of young, hardworking, English speaking, college educated youth available to IT and BPO firms. Some of the mindset of this workforce is reflected in the above quotes. Despite political saber rattling over offshoring of jobs, in our opinion, this is a win-win situation for both the client companies (and countries) as well as for the vendor companies (and countries). As one of our key informant (an Economist) remarked:

"Any arrangement that reduces the cost function and improves productivity has to be beneficial for all the parties."

As discussed earlier, this is an exploratory study and, therefore, is limited in its scope. Future research can build on our research and conductmore interviews to identify additional constructs that affect social capital. This can be followed up with quantitative research to understand the impact and importance of the factors identified in this and future research. Secondly, this

study was done by interviewing managers at the vendor firms in India. Similar studies can be carried out at the client firms as well as at vendor firms in other countries for better generalizability.

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Appendix: The Interview Guide

The following main issues were explored with informants of offshore BPO vendor companies.

1. Introductory remarks: Describe who we are and the purpose of our study (with reference to the cover letter already sent to the interviewees).
2. Questions about the interviewee's firm and their role in BPO: General and specific questions like whether the firm has moved higher in to the value chain of BPO work, if yes, how? What factors prompted such a move? Whether or not the BPO firm views itself as a strategic partner with the client firm? Questions about the role of knowledge acquisition from the client about their business processes, services, and products in offering innovative solutions; questions about the role of knowledge creation in enhancing client satisfaction.
3. Questions about the mechanism of acquiring knowledge from the client firm: How does the BPO firm acquire knowledge about the client's business processes, services, and products? How much of it is formal, how much is informal? How much time do the client and vendor teams spend in face-to-face communication, how much in technology-mediated communication? How do vendor teams get to understand the client business - the explicit as well as the tacit parts? How much of a role does the culture at client firms play in the structuring of their business processes?
4. Questions about the social capital at the alliance level: What formal and informal mechanisms are there for the vendor team to interact with the client? How frequently? How many contact points are there? At what level? Are there any formal/informal rules and mechanisms in place about what knowledge can the vendor team ask for? Does the vendor team identify itself with the client firm?
5. Questions about the mechanism of knowledge creation at the vendor firm: How does the BPO firm disseminate knowledge about the client's business processes, services, and products amongst team members? How much of it is formal, how much is informal? What factors facilitate and hinder knowledge dissemination and creation among the team members?
6. Questions about the social capital at the level of the vendor team: What formal and informal mechanisms are there are for the vendor team to interact amongst themselves? How frequently? How are teams structured? Is there continuity from project to project so that team members get to spend longer time with one another? What is the organizational culture? How would they describe the level of trust among team members? Will team members be willing to go an extra mile to carry another member who is lagging behind? Do team members get work done outside of office hours?

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Developing Social Capital through Self-help Groups

Akhaya Kumar Nayak

Abstract

From the co-operative societies of the 19th century to Self-help Groups (SHGs) of the 21st century, the principle of self-help and mutual aid has remained a popular approach in development interventions. The present paper is an earnest attempt to capture the complex relationship between the principle of self-help (in SHGs) and generation of social capital for development of underdeveloped. The paper particularly aims to explore the impact of participation in SHGs and pre-membership socio-economic status on accumulation of social capital by the members of SHGs. It also touches upon the two way spiral relationship between accumulation of social capital and effectiveness of SHGs in empowering its members economically, socially and politically. Employing a structured interview schedule method for data collection, the study deduces conclusions through quantitative analysis. The paper concludes that more participation in SHG activities and a better pre-membership socio-economic status help the members of SHGs to accumulate more social capital.

Keywords: Social Capital, Self-help Groups (SHGs), Development, Income Generating Activities (IGAs), Non-Government Organization (NGO), Participation, Effectiveness.

1. Introduction

Self-help Group (SHG) has become a buzz word for the social scientists of developing countries working on development issues, especially after Muhammad Yunus won the Noble Prize for peace for his contribution towards eradication of poverty through Grameen Bank. SHGs came into existence in Europe in the form of Alcoholic Anonymous in 1935 (Oka and Borkman, 2000) to help hopeless alcoholics recover from alcoholism. Such groups, addressing the needs of the patients suffering from various chronic physical and mental illness, still persist in different parts of the world. However, members of some SHGs share space other than health concerns. Single parents, members of sexual minorities or persons of ethnic minorities for instance carry out social advocacy for their 'cultural rights' through the medium of SHGs. The formation of these groups is an attempt to have the right to define themselves, to name themselves and to give voice to their experiences as valid (Borkman, 1999). Further, SHGs existing in Germany provide women members with part-time works. However, the nature of these SHGs are different from the SHGs existing in India (or for that matter in Bangladesh as well) in many respects. Whereas SHGs (in western countries and other Asian countries such as China and Japan) are concerned with health problems or identity politics focus on a single issue and are thus unidirectional, SHGs in India are multidirectional in nature. Indian SHGs address a number of relevant issues related to the economic, political and social life of their members. Another notable difference between them is that while the former is concerned with a single aspect of life of its members, the latter follows a holistic approach touching upon almost all the aspects of the life of its members starting from basic necessities of life to luxury.

2. Defining SHGs in India

SHGs in India are small, economically homogeneous and affinity groups of poor people. The members come together to save some money regularly by mutually agreeing to contribute to a common fund. These groups intend to meet the emergency needs of their members by providing collateral free loans on terms decided by the group itself which generally is less than the market driven rate of interest. They practice collective decision-making and resolve conflict through collective leadership. These groups try to empower the previously deprived and powerless mass (mostly women) socially, economically and politically. SHGs emphasize face-to-face social interactions and personal responsibilities by

its members (Katz & Bender, 1976). The mutual trust is the spirit of the organization. It has its own set of rules and regulations. There is transparency and accountability in SHG transactions (Pangannavar, 2008: 12-16) because each one in the small group keeps an eye on the other. The transparency and accountability enhance the trust and solidarity among the members of the groups which sociologists term as social capital. Since social capital is one of the important variables here, it needs to be explained from the viewpoints of some of the early users of the term in social science research.

3. Defining Social Capital

"Social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition - or in other words, to membership in a group - which provides each of its members with the backing of the collectively-owned capital, a 'credential' which entitles them to credit, in the various senses of the word" (Bourdieu, 1986: 21). As defined by Putnam (1993: 35-48) "social capital refers to features of social organization, such as networks, norms, and trust that facilitate coordination and cooperation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital." The volume of social capital possessed by a given agent depends on the size of the network of connections he/she can effectively mobilize and on the volume of the capital (economic, cultural or symbolic) possessed in his/her own right by each of those to whom he/she is connected (see Bourdieu, 1986: 21).

4. Social Capital in SHG Movement

SHG movement involves social capital in form of a large number of networks, many horizontal and mostly vertical. In the horizontal or integrative social capital (Woolcock, 1998: 151-208), the network, trust and reciprocity among the members do not involve the element of hierarchy as the agents are mostly equals where one can expect a similar return of the gifts (material or nonmaterial) given. The vertical network between the SHGs and Self-help Promoting Institutions (SHPIs)[1], or SHGs and Banks, though involve a hierarchical relationship, the element of control is mostly absent there. Because, in most cases, SHPIs are NGOs, which are philanthropic organizations, and thus have no intention or necessity to control the groups. Banks and Microfinance Institutions (MFIs), on the other hand, are profit making financial organizations. These institutions do not have any motive to exercise control over the members as long as they are getting desired profit, but as soon as the groups become defaulters,banks and private Microfinance Institutions (MFIs) at times apply force to make them pay the instalments. On the other hand, the government (Government of Odisha) initiated SHPI, called as Mission Shakti, provides a seed money of 5000 INR to the newly formulated SHGs, which the groups need not refund. However, the state government uses this opportunity to showcase government's effectiveness in delivering good governance. Women who have received the seed money from Mission Shakti are on occasion persuaded to participate in radio and television programmes to share their success stories to mobilize popular support in favour of the ruling party. Ministers and other political leaders while organising any political gathering, also request these women to attend the gathering (which the women cannot refute because of their obligation and loyalty towards the local leaders) to showcase their support base and ability to empower women[2].

Having discussed about the existence of various forms of social capital in SHG movement, it is necessary to delineate the relationship between social capital and SHGs. There exists a complex network of relationship between these two, one influencing the other in myriad of ways. These complex interactions between social capital and SHGs may be put in a simplistic way as (a) impact of 'existing social capital among the members' on the 'participation of members' and 'effectiveness of the groups' (in terms of economic, social and political empowerment of SHG members) and (b) impact of 'participation in SHG activities' on 'accumulation of

1. Self-help Promoting institutions (SHPIs) are organizations, may be government (such as Mission Shakti in Odisha, Kudumbashri in Kerala, Nationalized Banks etc.) or non-government (such as NGOs, Microfinance Institutions, Gram Sabha, Private banks, etc.), which not only promote the formulation of SHGs but also help the SHGs sustain by providing or helping those getting loans, capacity building training, marketing support of the products etc.
2. Earlier very few women were attending the political gatherings. Now they are doing it in large number being persuaded by the local leaders for members are obliged to government for the seed money they obtained from Mission Shakti to start the group. The leaders want to prove that their policies helped the women to come out of the boundary of their home to participate in the economic, social and political activities, which previously were considered to fall in the male domain. (Source: fieldwork conducted in Odisha for the Ph.D. Work of Akhaya Kumar Nayak).

social capital by the members'. In fact there exists a spiral relationship between these two. The existing social capital accelerates effective participation of the members in group activities and also helps in smooth functioning of group, ultimately resulting in bettering the effectiveness of the group. And active participation in group activities further helps the members accumulate more and more social capital which in turn helps them mobilize more resources to their groups, improve the participation of members, and makes the group more effective. The impact of the existing social capital on SHGs has already been studied by social scientists like Babington (2006: 97-114) in Peru and Guatemala, Santana (2010: 75) in India, etc. This paper, therefore,explores the effect ofparticipation in SHG activities on accumulation of social capital by the members.

The level of participation has been operationalised as the combination of 14 items such as, 1. Length of Participation, 2. Number of Loans taken by the member from the SHG, 3. Volume of Loan taken by the member from the SHG, 4. Number of Loans taken by the group from bank, 5. Volume of Loans taken by the group from Bank, 6. Number of income generating activities (IGA) undertaken by the member at a point of time, 7. Amount of thrift collected per month, 8. Training received through SHG, 9. Mode (collective/individual/both) of Undertaking IGA, 10.Type of Participation (as ordinary members/office bearers), 11.Member's Voluntary attendance in meetings, 12.Member's voluntary participation in Community mobilization activities, 13.Collective effort to encourage others to take part in SHG, and 14. Collective effort to encourage others to form new SHGs.

Social capital in this context has been operationalized asthe network and trust. Network here includes the intra-group and intergroup relationship as well as group's network with external agencies like banks, block offices[3], NGOs, etc. Trust here refers to the trust among the fellow members and trust between members and non-members.

5. Hypotheses

This paper proceeds with the hypotheses that (1) higher the level of participation higher the accumulation of social capital, (2) better the pre-membership socio-economic status of the members higher the accumulation of social capital and (3) more the members acquire social capital more effective an SHG becomes in terms of empowering its members economically, socially and politically.

6. Methodology

The study made use of a before and after experimental research design where before factor is assumed. A multistage sampling method combined with random sampling method has been used to choose the representative samples from seven districts of the northern Odisha. 353 SHG members (including leaders and ordinary members) have been personally interviewed from the above mentioned study area with the help of a fully structured interview schedule. Statistical tools such as Chi-Square test, Correlation and ANOVA have been employed to analyse the data. Non-participant observation from the field adds qualitative information and helps in interpreting the obtained results.

7. Analysis

After becoming the members of SHGs, the women acquire substantial amount of social capital both horizontal and vertical. They forge new networks with the government and non-governmental officers, bureaucrats, other leaders of SHGs, etc. The level of trust among the members and the trust between members and non-members are also enhanced after participating in SHG activities.

It is found from the study that 37.7 percent of the respondents obtain high scores in accumulation of social capital, 53.3 percent of the respondents get moderate scores and 9.1 percent of the respondents obtain low scores. Higher percentage of respondents getting high or moderate scores indicates that SHGs help members in accumulating higher amount of social capital. After becoming the members of SHGs, the women come in contact with several officers and outsiders such as bank

3. Blocks are the next level of administrative divisions after districts. Block offices are responsible for carrying out developmental schemes formulated by Women and Child Development Department (WCD). These offices often facilitate formulation of SHGs through the representatives of Integrated Child Development Schemes (A scheme by WCD Department for the development of Children) known as Anganwadi Workers.

personnel, NGO personnel, ICDS personnel, etc. and establish vertical linkages with them which they further use to benefit themselves in individual level as well as in the group level. Having worked together for a long time and sharing a lot of space together, members develop trust among each other. Through the process of lending to outsiders and getting the repayment with interest, the members develop trust on outside women. This helps the women generate horizontal networks and linkages. By taking loan and utilizing it for Income generating activities (IGAs), they develop trust on the formal financial institutions. Women of small income generally do not have much trust on these institutions when they are not very much acquainted with formal banking facilities. But after becoming the member of SHGs, they start transacting with the formal financial institutions and develop trust on those institutions.

The level of participation is one of the variables having significant impact on the effectiveness of SHGs (Nayak, 2013). Thus it is pertinent to examine the relationship between level of participation and accumulation of social capital. The hypothesis proposes that higher the level of participation higher will be the accumulation of social capital.

The correlation value between the level of participation and accumulation of social capital is 0.563 which is positive, moderately high and highly significant. Thus, there is a valid correlation between the two variables. Increase in one leads to the increase in other ($p< 0.01$). Our hypothesis suggests that the direction of relationship is from level of participation to accumulation of social capital.Thus we can conclude that increased level of participation leads to the increased accumulation of social capital. Increased level of participation means more years of participation, more loans from bank, more loans to group members, more IGAs, etc. They automatically lead to more network and trust among the SHG members which is considered as the accumulation of horizontal social capital. Similarly they also lead to increasing interaction with personnel/ officials of SHPIs, Banks, NGOs, ICDS, etc. for several years and result is accumulating more vertical social capital.

The table 1 shows the relationship between level of participation and members' accumulation of social capital after becoming the members of SHGs. The pattern of the data in different cells affirms the positive relationship between the two variables. (Table 2)

The chi-square value, as depicted in table 2, is highly significant and thus it is suggestive of a close association between the level of participation and social capital acquired by virtue of being the members of SHGs.

The chi-square value and a moderately high and positive r value between accumulated social capital and total effectiveness of the group ($r=0.671$, $p< 0.01$) indicated that there is a spiral and cumulative relationship between thetwo. Accumulated social capital helps the members to become more and more effective which in turn helps them in gaining more social capital and the process goes on. Women members of SHGs forge considerablevolume of network and generate substantial level of trust among the members and on other institutions.They also convince other institutions to have trust on the group and the members. As a result, they reap the benefits in terms of more loans from financial institutions, training and marketing support from SHPIs which enhance their level of participation and thus lead to more effectiveness in all the dimensions.

Table 4 shows that all the respondents having high scores in socio-economic status have high score in accumulation of social capital. 54.7 percent of the respondents having moderately high scores in socio-economic status have higher scores in accumulation of social capital. 41.7 percent of the respondents having moderately low scores in socio-economic status have higher scores in accumulation of social capital. Similarly there is a kind of convergence of low scores of both the variables. This pattern shows that there is a strong correlation between socio-economic status and accumulation of social capital.

A highly significant chi-square value (see table 5) indicates that there is a strong association between the socio-economic status and accumulation of social capital of respondents through SHGs. Socio-economic status, therefore, is found to be a factor influencing accumulation of social capital. Higher the socio-economic status of

the respondents, more social capital they acquire after becoming the members of SHGs. From the non-participant observation it was found that women having higher socio-economic status have better education and thus have better ability to communicate with the bank, block and NGO officials and thus acquire more social network and thus enhance the social capital.

Table 6 displays the relationship between socio-economic status of the members of SHGs and accumulation of social capital by them. It is observed that with a higher pre-membership socio-economic status, women accumulate more social capital after becoming the member of SHGs, but it may not be proportionate. The correlation value between pre-membership socio-economic status and change in the respondents' accumulation of social capital ($r=0.363$, $p< 0.01$) is positive and significant. Though it is low it is highly significant and thus is indicative of an association between the two variables. From qualitative study through observation and case studies we found that this relationship between pre-membership socio-economic status and accumulation of social capital may be as follows[4];

1. Members having high socio-economic status are also more educated thus can easily forge a network with others on the basis of their interpersonal communication skills and win the trust of other members because of their better understanding of the phenomena.
2. They are from higher castes making it easier for them to approach people from all walks of life.
3. Better family occupations and higher income also facilitate their access to officials of banks, block offices and NGOs.

8. Conclusion

On the basis of the above empirical evidences we conclude that by participating in SHGs, women members are able to secure and enhance all three kinds of social capitals (Woolcock, 2000) namely bonding (social capital arising out of solidarity among members), bridging (capital generated because of groups coming together for common purposes like savings and credit) and linking (social capital arising out of groups forming links with external institutions like banks, other community and government institutions and social movements) social capital (Burra, Ranadive & Murthy, 2005: 63). As per the results presented above, the members of SHGs are developing closer relationship among themselves. The members are collectively involved in community mobilization activities such as revolting against alcoholism (in Baragarh district of Odisha), planting trees, protecting forests, cleaning the village roads, purifying the village pond, beautifying the village entrance (in Angul district of Odisha) and campaigning for their own candidates in election (in Jaipur district of Odisha) (Nayak, 2013). These collective involvements further give impetus to the existing solidarity among the members and increase their stock of 'bonding social capital'. Further the women members organize themselves into SHGs for saving thrift, getting loans, undertaking income generating activities, obtaining economic, social and political benefits etc. These common goals keep them bound together. Though they sometimes perform different activities following division of labour, their common goals keep them together. This increases their level of trust upon each other and accelerates their accumulation of 'bridging social capital'. Participation in SHG activities require the members to forge linkage with banks, block offices and officers, Panchayat office and Sarpanch, Gram Sabha, political leaders, NGO personnel, capacity building agencies, market, etc. Frequent encounter with these linkages and networks enhances the 'linking social capital' of SHG members.

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4. These reasons are based on the indicators of measuring socio-economic status i.e. education, caste, income and occupation

Table 1
Level of Participation vs. Accumulation of Social Capital by Respondents through SHG Membership

			Accumulation of Social Capital by Respondents through SHG Membership			Total
			Low Score	Moderate Score	High Score	
Level of Participation	Low Score	Count	17	105	18	140
		Expected Count	12.7	74.6	52.7	140.0
	Moderate Score	Count	14	78	78	170
		Expected Count	15.4	90.5	64.1	170.0
	High Score	Count	1	5	37	43
		Expected Count	3.9	22.9	16.2	43.0
Total		Count	32	188	133	353
		Expected Count	32.0	188.0	133.0	353.0

Table 2
Chi-Square tests
Level of Participation vs. Accumulation of Social Capital by Respondents through SHG Membership

	Value
Pearson Chi-Square	84.532**a(4)
Likelihood Ratio	91.093**(4)
Linear-by-Linear Association	65.143**(1)
N of Valid Cases	353

Notes:

1. ** The value is significant at the level of 0.01.
2. Number in the bracket indicate degree of freedom.

Table 3
Chi-Square Tests
Accumulated Social Capital and Total Effectiveness of SHGs

	Value
Pearson Chi-Square	120.704**a (4)
Likelihood Ratio	135.476** (4)
Linear-by-Linear Association	103.880** (1)
N of Valid Cases	353

Notes:

1. ** The value is significant at the level of 0.01.
2. Number in the bracket indicate degree of freedom.

Table 4
Socio-economic Status vs. Accumulation of Social Capital by Respondents through SHG Membership (Crosstab)

			Accumulation of Social Capital by Respondents through SHG Membership			Total
			Low Score	Moderate Score	High Score	
Socio-economic Status	Low Scores	Count	15	83	21	119
	Moderately Low Scores	Count	13	85	70	16
	Moderately High Scores	Count	4	20	29	53
	High Scores	Count	0	0	13	13
	Total	Count	32	188	133	353

Notes: N = 353.

Table 5
Chi-Square Tests Socio-economic Status vs. Accumulation of Social Capital by Respondents through SHG membership

	Value
Pearson Chi-Square	49.773**a (6)
Likelihood Ratio	55.841** (6)
Linear-by-Linear Association	37.545** (1)
N of Valid Cases	353

Notes:
1. ** The value is significant at the level of 0.01
2. Number in the bracket indicate degree of freedom.

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Vulnerability of HR Systems and Practices to Corruption: A Review and Research Agenda

J. Vinayan

Abstract

Greenwood (2002) in her seminal essay brought out the subtle, yet significant differences between mainstream HRM, critical HRM and ethical HRM. She conceptualized ethical HRM as a moral activity with potential to enhance quality of life as against mainstream HRM being just an organizational tool and critical HRM merely as a control device. Several students have examined the relationship between HR practices and profitability, turnover etc. in different settings and HR practices were found to be positively related to these performance parameters. This domain of ethical HRM is even more relevant in today's globalized workplaces with multi-location, multi-culture, multi-time-zone working styles of organizations. Corruption can be present in every aspect or area of an organization's work which is 'sensitive' since it involves use of discretion, power, responsibility, possibility of private benefit etc. and HR Systems and practices find a position in this set of 'sensitive' functions. This paper collates from literature, the ethics-sensitive (therefore 'vulnerable') practices in the HRM domain such as performance appraisals, education, training and practice, recruitment and hiring, risk management etc. The experiences and literature from diverse geo-political and socio-economic scenarios are scrutinized including a meta-analysis and several macro-analyses. The paper proposes a research agenda in ethical HRM domain to bring in fresh perspecives to new emerging areas of concern and relevance on account of the latest global trends and practices.

1. Introduction: Ethics and HRM

In her seminal paper 'Ethics and HRM: A review and analysis' Greenwood (2002) developed the concept of ethical analysis of human resource management (HRM). Greenwood (2002) defined HRM as the productive use of people in achieving the organization's strategic business objectives and the satisfaction of individual employee needs. Greenwood (2002) brings out the differences between the mainstream and the critical perspectives of HRM in developing and positioning the ethical perspective. For this, she follows the Kantian (the Moral question) and utilitarian (the end usefulness question) ethical theories as applied to the gestalt of HRM, in its entirety (Stone,1998). She differentiates mainstream HRM as being mostly US based, individualist, unitarist, prescriptive and as a practitioner oriented tool and Critical HRM is seen as mostly UK based, collectivist, pluralist, analytic, and as an academic oriented conceptual and control device. The concept of 'Ethical' HRM furthered the ethical analysis of HRM drawing on the assumptions of affirmative obligation and ideas from stakeholder theory, Kantian ethics and utilitarianism. Later, Greenwood (2013) positions ethical HRM as broadly based (neither US nor UK), with antecedents in social philosophy and applied ethics, nominalism as the ontological nature of reality, anti-positivism as the epistemological understanding of knowledge and conceptual (ideographic) analysis as the methodological tool used in enquiry. She conceptualizes ethical HRM as a moral activity with potential to enhance quality of life as against Mainstream HRM being just an organizational tool and critical HRM merely as a control device. Today's discussions on corruption vulnerability in HRM functions can be seen to be linked to the original thoughts propounded in the two papers by Greenwood (2002 and 2013).

Rhodes & Harvey (2012) differed somewhat with Greenwood's conceptualization in presenting a re-evaluation of the way ethics is promoted and understood within Mainstream HRM discourse. They theorized on the possibilities of a relationship between ethics and HRM that does not place HRM at its center as the chief intermediary and interpreter of the ethics of the employment relationship, rather sees HRM as being a powerful player in a set of 'agonistic' (as different from 'antagonistic') socio-ethical relationships (Rhodes & Harvey 2012).

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2. Significance of HR Systems and Practices

The body of research examining the relationship between HR practices and firm performance has grown exponentially over the past few years. The seminal work in this area was produced by Huselid (1995), who examined the relationship between HR practices and corporate turnover, profitability and market value. After controlling for a number of variables, he found that his HR Index was significantly related to the gross rate of return on assets (a measure of profitability). Delery and Doty (1996) examined the relationship between HR practices and profitability in a sample of banks in the US and they found that, in general, HR practices were positively related to profitability. Guthrie (2001) noted that HR practices had an impact on turnover, and that the relationship between retention and productivity was positive when firms implemented high-involvement HR practices, but negative when they did not.While financial performance may serve as an organization's blood, human resource practices are its heart. Ethical firms treat their employees, - as well as owners, customers, suppliers, local community and natural environment, with respect and dignity (Collins, 2000). These studies have established the significant and positive relationships between HR Practices and Systems with the organizational turnover, return on assets, profitability, as well as employee morale, motivation and public and stakeholder goodwill.

3. HR Practices & Systems

Wright et al. (1994), distinguished between the firm's human resources (i.e., the human capital pool) and HR practices (ie.,those HR tools used to manage the human capital pool). The HR practices include staffing, training, rewards, appraisal, work design, participation, recognition and communication (Wright et al., 2001). Turner, Imbaruddin and Sutiono (2009) have examined the major elements of HRM at the subnational and organizational level -recruitment and selection; promotion and advancement; training and development; remuneration; and performance management. A set of such elements or practices designed to act together to carry out an organizational HR function is an HR system; much like a performance appraisal system, recruitment system, rewards system etc. Strategic HRM is a sub-field of human resource management (HRM), devoted to exploring HR's role in supporting business strategy with one of its aims being to provide one avenue for demonstrating the value of HRM to the firm (Wright et al., 2001). In a study applying Resource Based View (RBV) to Strategic HRM, Wright et al. (1994) argued for imitability of individual practices whereas, Lado and Wilson (1994) noted that the system of HR practices, with all the complementarities and interdependencies among the set of practices, would be impossible to imitate. This point of view seems well accepted within the current Strategic HRM paradigm (Snell, Youndt& Wright, 1996). This also serves to place in context the concepts of HR Practices, HR Systems and Human Resources per se.

4. Concept of Corruption

The notion of corrupt behaviour somewhat overlaps with related notions in the management literature, such as unethical behaviour, antisocial behaviour, dysfunctional deviance, organizational misbehaviour and counter productive work behaviour. (Ashforth, Gioia, Robinson & Trevino, 2008). But they also point out that Corruption differs from all of these organizational outcomes in two specific ways: Corruption implies a wilful perversion of order, ideals and, most importantly, trust. It can be defined as (Ashforth, Gioia, Robinson & Trevino, 2008) the illicit use of one's position or power for perceived personal or collective gain, and is considered to be dangerous like a 'virus-like' infection of an individual, a group or an organization.

Corruption is a source of concern for governments, entrepreneurs, private individuals, non-governmental organizations, private companies and indeed the society as a whole (Argandona, 2001). Corruption is characterized by some preconditions such as: 1) a power or influence that someone (say, a civil servant, politician, manager or employee) has, in the exercise of a public or private function; 2) a discretionality derived from this power or influence that enables that person to make certain decisions on an exclusive basis;3) certain duties associated with the position or function in the public office, company or institution in which the person who has power or influence works or serves; 4) the incorrect exercise (contrary to, or not aligned with, the duties associated with the position or function) of that power or influence, or the attempt to cause such incorrect exercise, either by the decision-maker or executor himself

or by another person within or outside of the organization; and 5) a private benefit for the person performing the corrupt act, or for another person, company, organization, political party (Argandona, 2001).

For the purpose of this paper, I propose that if any activity exists in an organization where the organizational member's position or situation satisfies any one or more of the above five preconditions, like discretion, power, responsibility, possibility of private benefit etc., such an activity can be considered vulnerable to corruption or can be called a 'sensitive' activity. Corruption can be present in every aspect or area of an organization's work which is sensitive by the above definition, the common ones being procurements, sales, tendering of works, allotment of resources, managing vendors or suppliers etc. As mentioned earlier, HR encompasses 'sensitive' activities like recruitments, transfers, postings, promotions, rewards and punishments. All these activities are characterized by a certain 'discretionality' with respect to functions or duties entrusted to individuals in the HR function by virtue of their positions, the possibility of obtaining a benefit or avoiding an expense for one or more individuals as against the public good, wielding power for doling out favours or punishments at one's whims, presence of large and complicated or opaque rules and procedures known to few personnel, etc. Such being the domain of HR Systems, HR as a whole, certainly can be considered a 'sensitive' domain, and its practices and systems, vulnerable to corruption.

In the context of HR Practices and Systems, we can see that the following general observation by Argandona (2001) is apposite: corruption usually takes place in a context of opaqueness (or non-transparent nature) in the rules or in the initial conditions, or in a context of concealed information. This characterization of corruption is not a definitionas such; it only seeks to delimit the scope of theactions we call corrupt (Argandona, 2001). Corruption is often associated with non-performance of a duty, mandate, law, regulation, rule, contract or (explicit or implicit) commitment to act always in accordance with the interests of the public office or company in which the corrupt person renders his services. This is often pointed out as "looking the other way". There are also other situations where the aspect of non-performance does not occur, like a bureaucrat-politician-businessman nexus erecting barriers to entry of competition, or creating monopoly-like situations; but these are also generally classified as corruption since they are for private benefit,and not in public interest (Argandona, 2001).

Incidence of corrupt or unethical behaviour in an organizational setting is not fortuitous. Whether we are looking at corruption in the HR function or in any other function, it is very often institutionalized, well rationalized and entrenched in the system. Extortion and bribery are much more profitable and entail much less risk when they are organized and disseminated. The vertical and horizontal integration of corruption (at different levels and in different offices) makes for optimal return, reduces the likelihood of being caught and facilitates protection. In addition, corruption is contagious: it creates complicity, it acts as a "demonstration effect" vis-a -vis the other organizational members, provides information about opportunities and the means to exploit them, and creates an atmosphere of impunity. In the end, individual corruption may degenerate into a general situation of favor-currying, subservience, and "protection". Situations of corruption may also occur within the company, between the company or the environment because the same conditions described can also arise within the company's internal HR processes as well as through interactions with the external world like recruitments from the market. First, managers (and,on a smaller scale, employees too) have a broadmargin for discretionality, because it is not possible to put down in a contract all foreseeable actions, nor measure performance with suitable variables, nor adequately supervise managers' activities without incurring high monitoring costs. The other factors affecting (an HR) Managers' attitude to a possible unethical decision (opportunity for profit, cost ofthe corruption, etc.) are similar to those mentioned previously (from Argandona, 2001). In particular, a person'schances of obtaining an extraordinary benefit in his/her dealings within a company will depend on various factors like the transparency of the procedures, availability of ethical codes, ethical leadership, the organizational culture, the societal and environmental factors as well as the individual predisposition of the organizational members involved. When HR functions become vulnerable to corruption and get affected by it, it affects all other functions adversely, by virtue of the

pivotal role played by HRM function touching every other function in the organization. In this context, corruption becomes an evolutionary hazard, a strategic impediment, a competitive disadvantage and an organizational deficiency' (Luo, Aug 2002). Thus the literature shows that like any other sensitive function, HR systems and practices also are vulnerable to the threat of internal corrupt activity. Let us now take a closer look at which particular practices are the most sensitive in this domain.

5. Vulnerable Practices in HR

With individuals (or groups/committees etc.) being given discretionary powers to decide on matters of recruitment, hiring, transfer, postings, promotions, rewards and punishments within the organization, we open up several avenues for unethical practices to emerge. Particularly in organizations where transparency and equal opportunity are not insisted upon or modelled by the senior and top management, the vulnerability of these functions get even more acute.

5.1) Performance Appraisals and promotionsare widely used as an HR instrument, and often an area of abuse and misuse. A study among 332 police officers examined the effects of performance appraisals from a behavioral ethics perspective. A singular yearly performance appraisal was linked to both ethical and unethical behaviors at work. A finding was that ethical and unethical aspects of employee behavior share several of the same organizational antecedents, namely organizational justice perceptions, and this has strong practical implications (Jacobs, Belschak & Den Hartog, 2014).

The performance appraisal interview is an important managerial practice that triggers justice perceptions (Folger and Cropanzano 1998; Greenberg 1990; Heslin and VandeWalle 2011; Holbrook 2002). Even though appraisals represent short, single events in the magnitude of daily interactions at the workplace, they have a huge impact on employees. Appraisals offer supervisors the opportunity to give performance feedback, agree on targets or work goals, establish a basis for promotion and salary decisions, and discuss employees' career ambitions. These activities, in turn, have strong implications for employees' position in the organization and their career development, which affects their attitudes (e.g., satisfaction, commitment, trust) and work behaviors (e.g., Mayer and Davis, 1999). Thus, a sense of justice in relation to appraisal is important for employees, and HRM practices in this system are particularly vulnerable to misuse and abuse, if the management is not vigilant about it.

5.2) Training and Education: Petrick, (2012) points out that the challenge of managing people ethically based upon an ethical human resources (HR) education or training is a daunting task at any time and place.The great global recession that originated in the U.S. and the lack of U.S. human resource management (HRM) accountability for recruiting and rewarding irresponsible CEOs and financial risk managers that directly contributed to the crisis has aroused public concern about perceived amoral HRM education and practice (Gillespieand Zweig, 2011; Körten, 2010; Morgenson and Rosner, 2011). One commonly voiced complaint is that the HR Managers will always conform to the views of the Management, irrespective of the morality (or lack of it) in the Management decisions, pointing to lack of professionalism and sychophancy. The relative lack of corporate HR managers in the U.S. engaged in whistle blowing during the numerous domestic business scandals from Enron to the present has severely undermined employee and public trust in HR professionalism (Kanes,2010; Maister, 2000; Rendtorff, 2009;). There is a growing stakeholder demand for more morally responsible HRM education and practice in the US as well as elsewhere. HR managers become professionals by sustained performance that meets all of the definitional dimensions of professionalism, including service for the common good of society and universally accepted tenets of ethics. Evenif slavery (or racial discrimination or prohibiting the right of freedom of association) were permitted by custom, common law, federal andstate law, executive order, or by a collective bargaining contract, it would still be a violation of core human rights principles that support the common good of society.

5.3) Responsible HR Practices vs Stakeholder Interests: The key context for morally responsible HRM education

and practice is multi-dimensional and divided by two overarching perspectives on the purpose of business and the corporation: the monotonist and the pluralist perspectives (Donaldson andDunfee, 1999).The monotonist perspective maintains that thepurpose of business and the corporation is the legal, short-term maximization of shareholder wealth (Friedman, 2002). From the monotonist perspective, responsible HRM practice requires that HR professionals eschew any extra-shareholder considerations in decision-making as reflecting inappropriate social, political, moral or cultural influences, possible violations of innate property rights, or even subterfuges that would allow HR managers to act in furtherance of their own interests to the detriment of aggregate investor interests.The monotonist view endorses investor capitalismand the efficient market hypothesis, i.e., that the unregulated market guided by an invisible handwill always generate the most efficient, rapid, and accurate determination of the price of any entity including human resources. The sole economic and moral purpose of HRM education and practice is to deliver legal, short-term financial results to investors through the management of human capital (Ulrich, 1998). The pluralist perspective maintains that the purpose of business and the corporation is the long-term maximization of shareholder wealth and the addition of value to other market and non-market stakeholders (Donaldson and Dunfee,1999; Petrick 2010; Blanpain, Bromwich,Rymkevich and Senatori, 2011). The pluralist perspective endorses fiduciary respect for multiple stakeholders (Boatright, 1994; Freeman, Harrison, Wicks, Parmar, and DeCole, 2010), sustainable stakeholder capitalism (SSC) (Petrick, 2010), and the reasonably regulated market hypothesis, i.e., only the properly regulated market shaped by the visible hand of responsible leaders will likely generate the most efficient, rapid, and accurate determination of the price of any entity including human resources. From the pluralist perspective, responsible HRM practice requires that HR managers include stakeholder considerations in decision-making and override short-term maximization of shareholder wealth interests when either evidence-based authentic community norms or evidence-based universal, international hypernorms are better in meeting aggregate stakeholder interests (Boemer and Sickles, 2010; Gosling and Huang, 2009). For example, the responsible pluralist HRM educator or practitioner would be expected to resist a tobacco firm'shiring employees to implement an advertising strategy encouraging pre-teens to smoke because it would violate authentic domestic community norms and to also resist recruiting sales representatives to sell carcinogenic-contaminated baby diapers in poor countries with insufficient legal or social institutions to control the sale ofsuch products because the sale would violate the universal norm of refraining from doing intentional harm to others - even if short-term profits would be generated for investors (Donaldson and Dunfee, 1999).

5.4) Appointments: If the HRM function in an organization makes political (or otherwise influenced) appointments without a proper focus on the right qualifications and skills needed for a job in the public sector, and in even private companies, these appointments may affect productivity. This leads to poor turnaround times in dealing with suspensions of senior managers or hasty decisions to dismiss managers without proper investigation (Meyer, Roodt & Robbins 2011). Deloitte (2008) argue that every business scandal or regulatory violation ultimately has its roots in the workforce. That is why HR practitioners must expand their role from stewards (which focuses on workforce compliance and administration) to strategists (which affects governance, risk and compliance issue with a human element). HR practitioners should also play a more proactive role in ensuring the appointment of staff with the right abilities, values and ethical culture. Organizations place too much emphasis on the technical knowledge and skills of employees and not enough on their ethical character and behavioural fit. Organizations need to consider the psychological contractual front. Employee's values and needs must align with the values and culture of the company. HR practitioners can help line managers to probe for character fairly and legally when conducting interviews. In addition, organizations need HR due diligence to prevent the damage that incompetence causes (Deloitte, 2008).

6. HR Risk Management

HR risk management addresses key HR risk issues like reducing risk,HR due diligence, the role of HR committees, implementing codes of ethics and fair labour practices. Companies should identify HR risks in different sites or countries and develop proactive risk-reducing plans to deal effectively with these risks (Meyer, Roodt & Robbins 2011). Fraud, Corruption, theft and other unethical practices are common types of human resources risks where companies could lose large amounts of money and their reputation is adversely affected.

Very few rigorous academic studies on corruption/ ethics in the HR domain are seen either in major private sector organizations/industries or in public sector organizations. We do hear about recruitment scams in the public sector in India such as the VYAPAM scandal (2015) of Madhya Pradesh State Government, India, or the occasional Railway Recruitment Board irregularities. But on the one hand these are not recruitments done by HR departments of organizations, but by specialist government agencies engaged in manpower hiring for Government positions; and on the other hand the only information we have on these incidents are the media reports rather than robust research studies. Further, rigorous academic studies are also not very forthcoming from the private sector corporations. Possibly due to the negative connotations and stigma attached to corruption, that too in the core management function of man-management, one can only presume that the organizations will be highly reluctant to open up these issues to public or academic scrutiny. However, there are some significant efforts made in certain pockets like the study in Poland (see Ryan, 2006). The five specific categories analyzed by Ryan (2006) for looking at ethical personnel management. are: (1) Ethical issues in recruitment; (2) Ethical issues in hiring (Discrimination issues); (3) Ethical issues in performance appraisals and promotions; (4) Abuse of authority (including sexual harassment), and (5)"Mobbing". Though many of the issues analyzed are typical of the Polish ethos, we do see several universal themes in the observations made. The key observations in this (rare in this domain) academic paper in this area are discussed below so as to accentuate their appositeness in most of the other economies.

Ryan, (2006), analyzed the ethics and corruption related issues in the HRM function under several heads. Under Ethical issues in recruitment and hiring, the common irregularities highlighted are, giving employment to friends, political nominees/favours or cronies, recruitment not being done in a transparent manner, not giving proper job description or proper contracts terms, job interviews being unstructured, informal and just a formality, invading privacy of prospective employees, unfair discrimination between candidates based on age, sex, religion, political affiliation etc. instead of merit, and discrimination in the hiring of women was very seriously highlighted. (Ryan, 2006). Under Ethical issues in performance appraisal and promotions, (unequal treatment of employees) the commonly highlighted issues were related to their lack of transparency. No policy of periodic reviews and performance appraisals existed in many firms, especially smaller firms. In other companies the policy, if it does exist, is not transparent or ispoorly defined. It has also been reported,especially about performance appraisal, that whatever system does exists is often administered with a bias. Just like in recruitment, nepotism, favouritism and cronyism is seen to be frequently encountered in performance appraisal and promotions, postings etc. Under Abuse of Authoritythe issue of ethical leadership (or lack of it) is the major cause for concern, with arbitrariness, whimsy, capriciousness, spying or 'pimping' employees to report on other employees, abusing relationships, disrespect for women or minorities, setting bad examples for subordinates in business practice, bullying or intimidation by seniors are reported. Mobbing is a rather unique phenomenon which describes actions relating to the employee or directed against the employee, which consist ofpersistent and sustained harassment or intimidation ofthe employee, resulting in the employee's feelings of diminished professional usefulness, causing or aimedat humiliating or ridiculing the employee, isolatingor placing him outside the workers community. This last risk is something more frequently observed in socialist settings, like Poland, erstwhile Soviet bloc countries

where the labour is heavily unionized, politicized and permanently at loggerheads with other unions and with managements. It is also observed in some local markets in the Third world like Kerala and West Bengal in India with long histories of governance by Communist/ Socialist led coalitiongroupings. Managements in such systems are legally bound to provide protection to employees against mobbing but very often, are seen to be playing along with the system. Other ethical areas affecting HRM include bribery and corruption, false documentation, lying, cheating etc. which are clearly an overlap of the general societal environment into the HRM domain of study.

7. Some Other Experiences across the World

Europe: Ryan, (2006), has based his study on a sample in socialist Poland, which, as discussed above, revealed several issues regarding HRM practices' vulnerability to abuse, some of them unique to Poland, some definitely generalizable, as seen in the above discussion.

Africa- Nigeria: Okpara & Wynn (2008) made an exhaustive study to examine the extent to which organizations in Nigeria use various human resource management (HRM) practices, and the perceived challenges and prospects of these practices.The findings reveal that HRM practices, such as training, recruitment, compensation, performance appraisal and reward systems, are still in place in numerous organizations. With regard to the challenges HRM professionals face, issues of tribalism, corruption, government regulations and resistance to change are some of the challenges identified by the respondents as issues which must be addressed. These issues have inhibited management and economic development in Nigeria and stained the country's image. Unethical business practices have also tarnished the country's image, and in 2002, Nigeria was rated as one of the most corrupt countries in the world (Transparency International Report, 2002).

South Africa: Meyer, Roodt & Robbins (2011) in a study done in South Africa, stated that against a backdrop of uneven and uncertain economic recovery, the worldwide economic recession has led to a renewed focus on managing risk. The South African Board for People Practices (SABPP) identified the management of HR risk as one of the most important opportunities that HR practitioners have for adding value to the new governance dispensation in the country.

United States:In fact, the 2009 Ernest and Young Business Risk Report highlighted the importance of HR risk management. Christopher Lipski, HR Risk Management Service Line Leader in the United Statesof America (USA), said that 'managing risk in the HR area has become an increasingly importantissue for global executives' (Ernest & Young, 2009, as quoted by Meyer, Roodt & Robbins 2011).

This article by Meyer, Roodt & Robbins (2011), gives a brief overview of the importance of managing risk from an HR risk management perspective. The point of departure is that, in addition to other factors in business, a lack of proper HR risk management contributes to poor governance because businesses often use a reactive approach to HR management with no or little regard for managing risk. Risks are 'uncertain future events which, left unchecked, could adversely influence the achievement of a company's business objectives' (Naidoo, 2002). The purpose of managing risk is to ensure the effectiveness and efficiency of operations, to enforce compliance with regulations, to support business sustainability, to ensure reliable reporting to stakeholders and to ensure responsible behaviour. (the requirements in italics, being clear pointers for eliminating corruption and unethical behaviour, and increasing transparency).People risks include company culture, talent shortages andretention, incompetence, employee performance, unethical behaviour, low morale, grievances and disputes, excessive absenteeism, employee wellness, sabotage, workplaceviolence, as well as non-compliance with industry and other regulations and laws. All these are areas where HR Systems Practices have a crucial role to play, both in detecting and eliminating the problem as well as preventing its occurrence in the first place..

We have so far seen several micro-level studies in this field. Now we will look at some macro-meta analyses.

8. Meta-analysis and other Macro Analyses

In 2000, Journal of Business Ethics published an analysis of the first 1500 Articles published in it since inception in 1982, in an article entitled 'The quest to improve the human condition: the first 1500 articles published in Journal of Business Ethics'(Collins, 2000). This article in its second half provides an analysis of quantitative research findings on certain key topics from the 1500 articles studied. The major research topics include, prevalence of ethical behaviour, ethical sensitivities, ethics codes and programs, corporate social programs and policies, human resource practices and policies, and professions- accounting, marketing, sales and finance/strategy. The analysis done by Collins (2000) reveals that much of the research on Human Resource practices has focused on what firms do wrong rather than right, with the hope of improving the situation. However we see that the incidence of corruption in HR practices as an area of focus, is very rare. Out of 37 human resource situations observed in the 1500 articles analyzed in JBE by Collins (2000), the most frequently observed ethical violation was providing preferential consideration to friends and relatives (Daley, Harrick, Schaefer, Strickland and Sullivan 1996).This certainly refers to cronyism, nepotism or favouritism, which are considered examples of corrupt and unethical activities. Two-thirds of the involuntarily displaced white-collar workers did not receive any advance warning of their dismissal, and only 56 percent were provided with an explanation from their supervisor (Eby and Buch, 1998).Though some of these may be a side effect or collateral damage of certain corrupt practices within HR, by and large it may be more due to apathy or negligence rather than downright corruption. It has also been pointed out that invasion of privacy of employees by the HR department (such as email monitoring, social networking sites monitoring etc.) is resented by the employees and 'negative evaluations of the performance appraisal process are partly based on the invasion of privacy issues', as observed by Mossholder, Giles and Wesolowski (1991).Here again, this snooping activity by HR departments on the private activities of personnel may be due to company policy or leadership style rather than due to any unethical or corrupt intentions within HR departments. Collins (2000) also says that Bartels, Harrick, Martell and Strickland (1998) have proved that firms with strong ethical climates have less ethical violations. The studies underline the fact that HR Practices certainly have a lot to do with the growth and development of good ethical climates in organizations.

A Function-based Macro-analysis: While HRM functionas a whole has not been scrutinized much for its corruption vulnerability, Collins (2000), points out that other functions in the organization have come under this scanner in a more significant manner. Fraudulent activities, violation of integrity, uses of codes of ethics, etc. have been scrutinized under the accounting profession. In marketing/sales, various kinds of (irregular? illegal? Grey area?) gratification such as gifts, favours and entertainment benefits received from customers, purchasers, suppliers etc. have been thoroughly studied in various contexts. Ethical issues in a broad spectrum of activities like advertisements of ecologically or otherwise sensitive or harmful products, assessing questionnaires, ethical perceptions of various situations also figure in the analysis of the marketing/ sales profession. Corruption as traditionally understood, is studied in its closest within the finance/ strategyfunction.. Among financial analysts the most problematic ethical issues studied are failure to use diligence and thoroughness while making recommendations, writing reports that support predetermined conclusions, and trading on insider information (Veit and Murphy, 1996 as mentioned by Collins, 2000). Fraud, lies, deceptions and employee theft are also observed in studies in the banking sector. So, though all the above failures or lapses could very well be occurring in the HRM function too, where academic scrutiny is concerned, HRM vis-à-vis Corruption vulnerability is certainly a road less traveled.

Budhwar & Debrah (2009)in their article, 'Future research on Human Resource Managementsystems in Asia', re-emphasize the need to examine human resource management (HRM) in context. This article builds around four themes. First, it analyses the mainissues discussed in the existing literature regarding HRM in the Asian context. Second, it highlights the critical

challenges facing HRM function in the region.Third, along with the analysis, it presents an agenda for future research. Fourth, it presents a framework useful for highlighting the context specific nature of Asian HRM functions and the main determinants of HRM policies and practices from across-national comparative perspective. While impact of globalization, issues in BPO/ITeS sectors, emerging issues of diversity and multiculturalism in work places etc., are seen on their agenda, they do not seem to have noticed the growing need for examining the link between the corruption vulnerability in HRM Systems and practices with organizational corruption, particularly in the context of bourgeoning global awareness and concern over the phenomenon of corruption. Therefore this is emerging as a research gap in the area.

Fritzen, (2007) found that a range of organizations are increasingly turning to performance measurement systems to fulfill several functions related to organizational integrity: To hold organizations accountable for reaching publicly stated standards of fiduciary responsibility and corruption control; to identify vulnerable operational points in multi-faceted public enterprises; and to facilitate organizational learning regarding ''what works''. Yet corruption is difficult to measure, and corruption vulnerabilities often arise from informal practices, insufficient incentives for enforcement or adherence to standards, and managerial blind-spots. Enhanced information systems need to be coupled with effective and multi-directional accountability arrangements in order for performance measurement to contribute effectively to corruption control. The paper also shows that improved information systems and a reassessment of managerial incentives and attitudes are both essential in order to reduce organizational vulnerability to corruption and to the public backlash that follows in the wake of corruption scandals.(Fritzen, 2007). One can clearly appreciate that these relooks are needed for HRM systems and practices simultaneously with the other organizational functions.

9. Conclusion

Collins (2000), after analyzing over 1500 articles in the first two decades of JBE, concludes that several issues need to be debated and researched. He gives the insight that some topics (like ethical sensitivities of students) have received too much attention while others (like impact of management and non-management employees growing up in dysfunctional families). Unexpectedly, many of the articles are uncritical of business practices and often fail to advance new theory. (Collins, 2000). Another area not subjected to rigorous scrutiny is corruption vulnerability of HRM practices and its influence on organizational ethical culture and climate, the organization's profitability and public goodwill.

Due to a preoccupation with managing tangible assets for short-term profits and an unfamiliarity with how to enhance integrity capacity to contribute to professionalism and the corecapability differential of reputational capital,many HR managers have failed to manage this key intangible asset responsibly, facilitating the injury of multiple stakeholders, they are now being held accountable (Gross, 2010; Körten,2010; Sloan and Gavin, 2010). It is time forHRM educators and practitioners (everywhere)to acknowledge a broader conception of ethicsin exercising their professional responsibilities and to act accordingly.

Collins (2000) in his meta-analysis reports that as compared to the HR Practices within companies, the professions of accounting, marketing/sales and finance/strategy have been much more frequently (and deeper) analyzed with regard to ethics/integrity/corruption related issues.In their article, 'Future research on human resource management systems in Asia' Budhwar & Debrah, (2009) re-emphasize the need to examine human resource management (HRM) in context. Fritzen, (2007), also shows that improved information systems and a reassessment of managerial incentives and attitudes are both essential in order to reduce organizational vulnerability to corruption and to the public backlash that follows in the wake of corruption scandals.

I feel that prevalence or possibility of corruption in HR Practices and Systems and its impact on the organization is such an area given relatively less focus and importance and there are serious reasons why this aspect needs to be now looked into by researchers in today's fast changing global business environment.

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The State of Topics and Methodological Trends in International Marketing Literature: 1990 - 2012

Sudhir Rana and Somesh Kumar Sharma

Abstract

The present study investigates patterns and trends in the recent literature in the domain of international marketing (IM) and categorizes it into major themes/ subthemes. This study is conducted a systematic review of 1,787 relevant journal articles published between 1990 and 2012. 57 configurational contents were identified from the extant literature and were segmented under the seven prime research streams. The authors identify that though the body of IM knowledge is growing, methodological domain is suffering from theoretical paucity. On the whole, preference was skewed towards quantitative techniques. Out of 1,787 articles 1,219 articles prioritized quantitative research designs and only 568 qualitative research designs. Study concludes that IM has several coherent thematic areas with respective methodologies and is rich in potential for future research and theory development.

Keywords: International Marketing, Configurational Contents, Methodological Domain, Research Designs, Analytical Techniques

1. Introduction

It is witnessed in several articles that international marketing has made tremendous improvements from 1960 onward and has gained credibility as an independent discipline. Research methodologies utilised in international marketing have been also the subject of discussion for a long time (Rana and Sharma, 2015). Past reviews on the methodological domain of international marketing have evaluated trends by mostly considering empirical studies only, rather than by taking all the studies together to propound a comprehensive conceptualisation and integration of all the relevant facets of the methodological domain. Numerous efforts have been made to address various issues, such as methodological problems in comparative analysis of international marketing system (Winter and Prohaska, 1983), confirmatory factor analysis (Madsen, 1987, and Douglas and Craig, 1983), research design, data collection and analysis of data (Nasif et al., 1991; Haris, 2000, and Samiee and Jeong, 1994), conjoint analysis (Baalbaki and Malhotra, 1995), methodological issues in empirical cross-cultural research (Cavusgil and Das, 1997), sampling choice (Reynolds et al., 2003), textual data (Sinkovices et al. 2005), measurement equivalence (Mullen, 1995, Herk et al., 2005, and Salzberger and Sinkovics, 2006) and qualitative research (Sinkovics et al., 2008 and Brecic et al., 2013). Other issues include application of different methodologies suited for international marketing research, such as transaction cost analysis (Klein et al., 1990 and Seggie, 2002), outlier analysis and structural equations (Mullen et al., 1995 and Mostafa, 2010), partial least squares path modelling (Henseler et al., 2009) and bibliometric analysis (Saimee and Chabowski, 2012).

In recent years, research in international marketing has gained greater acceptance and credibility in both the academic and the corporate world, thus making it an independent subject of research. Despite the burgeoning growth of international marketing in recent years, further expansion and development is hampered by the absence of suitable methodological grounds (Malhotra et al., 1996). In particular, the growth of theoretical development has exceeded the advancement and application of suitable research methodology (Aulakh and Kotabe, 1993). While numerous research papers have been published in recent years, they lack adequate focus on the theoretical base of the methodological domain. Hence, the focus of this paper is to advocate the provision of a valid theoretical ground to access the methodological domain of international marketing. More precisely, the objectives of this paper are:

(1) Identification of international marketing configurations and cluster them under research streams.

(2) To construct a general conceptual framework for the research process and classify methodologies appearing in international marketing literature.

(3) To establish and assess the different methodological trends in the various research streams of international marketing.

Much of the literature on international marketing has ignored the basic phase of development from generalization to specialization of the subject. It would be rational to explore and highlight a set of configurational contents for the conceptual domain of international marketing. To delineate conceptual and methodological domain of the subject few gaps are noticed in the literature. Most reviews on international marketing have not linked up and evolved configuration of international marketing in a sequential manner. Research streams, assessment of research methods are not allied with theoretical foundations. Number of research streams and their governing variables vary for different researchers. Streams identified by different authors are: Albaum and Peterson (1984) _ 7, Aulakh and Kotabe (1993) _ 6, Li and Cavusgil (1995) _ 8, Cavusgil (1998, 2003a, 2003b) _ 10, and Nakata and Huang (2005) _ 9. Most of the reviews are presented based on a combined view of both theoretical and methodological aspects of international marketing. International marketing domain is delineated keeping both theoretical and methodological portions in mind by the authors (Albaum & Peterson, 1984; Aulakh & Kotabe, 1993; Bradley, 1987; Li & Cavusgil, 1995; Nakata & Huang, 2005).

Therefore, in assessing the theoretical and methodological domain the authors have considered the more recent literature to distinguish the primary methodological trends for each research stream and for international marketing as a whole. Authors first examine previous review papers belonging to the methodological domain of international marketing, and then develop a strong theoretical background in section 2. In section 3, they present the method of review and in section 4, discuss the theoretical background that led to a conceptual framework highlighting steps to perform and delineate the methodological domain. Section 5 contains a process to evaluate the methodological trends. Results of methodological assessments and trends are discussed in section 6 and the last section discusses the findings and draws conclusions.

2. Literature Review

Several researchers have conducted reviews of theoretical and methodological trends in international marketing literature. Most of the reviews have focused on the overall developments and trends in the research methodology related to international marketing. However, researchers have noticed several appropriate attributes and procedures for evaluating development of articles published in international marketing literature, including conceptual focus, research designs and research techniques (Albaum and Petersen, 1984; Aulakh and Kotabe, 1993; Li and Cavusgil, 1995; Nakta and Huang, 2005), international marketing projects (Javalgi et al., 2007) and textual data in international marketing research (Sinkovics et al., 2005). There are potential sreams in IM literature that has emerged over the years such as; firm characteristics (Keegan 1972), globalization (Modelski 1972; Muller 1975), International market selection (Davidson 1983), global competition (Terpstra 1987; Arora and Gambardella 1997), global branding (Roth 1992), liberalization policies (Gillespie and Teegen 1995), pricing for global markets (Cavusgil 1996), international direct marketing (Mehta et al. 1996), competitive positioning (Hooley, Broderick, & Möller 1998), international marketing behavior (Rundh 2001), international market selection (Papadopoulos, Chen, & Thomans 2002), customer and supplier relationship (Cavusgil 2005), Local environments and global strategies (Grewal, Chandrashekaran, & Dwyer 2008), international consumer (Wilkinson, Anna, & Widmier 2007), role of multinational corporation's network (Lee 2010); technical environment and international marketing (Chirapanda 2012) are also emerged as potential streams in international marketing literature. Uncertainty in business occurs when changes cause a chance to intervene in the shape of business activities with the passage of time. This chance of intervention leads to a more refined and updated path to perform business activities, which the authors believe is relevant to the current scenario. As a consequence, established trends must be re-evaluated and updated with the acquisition of new knowledge. In previous literature researchers have invested efforts to add knowledge in international marketing research methods, Such as:

Malhotra (1991) discussed the various methods of questionnaire administration for collecting quantitative survey data in international marketing research. Sarkees and Luchs (2011) explored the basic characteristics of stochastic frontier estimation, discusses advantages of the method that make it conducive to research in international marketing. Loane and Mcnaughton (2006) described and evaluated the application of information communication technologies (ICT) to enhance qualitative international marketing enquiry. Chetty et. al. (2014) explained conducting longitudinal cross-country case study. The issues of the research methods in previous literature were assessed as a function of a particular problem. Only few Researchers have thoroughly examined the issues found within the research methodologies in international marketing studies (Craig and Douglas, 2005 and Taylor, 2002). Even a somewhat generalised view of the methodological state can be seen in the study of Taylor et al. (2011). However, previous review articles on the methodological domain reveal that much of the attention was given to the methodology, but their focus on procedure and compliance of methodological state was meagre. The results of previous reviews of research methodologies used in international marketing are presented in Table 1.

Most of the reviews on IM have provided a consolidated and general investigation on the theoretical and methodological state (Malhotra et al., 1996, Cavusgil and Das, 1997, Young and Javalgi, 2007 and Taylor et al., 2011) and methodological focus of research papers published in specific publication outlets (Malhotra et al., 2013), or studies have been based on a particular nature/research design (Andriopoulos and Slater, 2013). It is important for researchers to know the emerging areas of research related to IM subject and reasons for choosing specific attributes of the methodological domain to be considered in evaluation of the methodological state in the existing literature. Researchers should focus on the importance of assessment steps and investigate how and why specific assessment steps are formed and included. Thus, the criteria chosen for assessment should match the theoretical bases. Moreover, previous studies have explored the state for international marketing as a whole. So, it becomes difficult to measure and identify the exact trend of the topics and methodology followed by the authors for specific research streams of IM. Therefore, this paper is an effort to bridge these gaps and provide the relevant information related to the research trend of international marketing under one parasol. The study seeks to add value to the body of existing knowledge through an intensive study of the literature. As a first step towards attaining this objective, the authors put together a general conceptual framework on the research process in international marketing. This framework helped them in delineating parameters that are important to be assessed when exploring the topics along with methodological domain.

In the present paper, assessment of the methodological domain is restricted to the research articles published in journals with the belief that academicians and practitioners prefer to publish articles most often and contribute a high level of research in journals. For this study, the authors have taken into consideration all the high-impact factors and reputed journals suggested and considered in previous reviews. A list of key journals is provided under fifth section.

3. Methodology

3.1 Planning the Review

Many researchers have performed reviews reflecting the theoretical and methodological state in international marketing literature from time to time. For example, Albaum and Peterson (1984) have examined topics, research designs and methods of data collection in empirical studies published between 1976 and 1982, Aulakh and Kotabe (1993) have reviewed research topics, research designs and analytical techniques for the literature published between 1980 and 1990, Samiee and Jeong (1994) have addressed trends in advertising studies published between 1980 and 1992, Li and Cavusgil (1995) have classified research streams under conceptual and empirical methods in the literature published between 1982 and 1990, and Nakata and Huang (2005) have identified research themes along with research designs and analytical techniques in the literature published between 1990 and 2000.

Therefore there was a need to explore the methodological trends in international marketing literature. To identify the latest trends and to record the progress in methodological aspects, they have restricted themselves to the period between 1990 and 2012 deliberately because progress and development of the undertaken time span is unaddressed in IM literature.

3.2. Identification and Consideration of Research Streams

Over time, some dimensions of IM have been bifurcated, while some have been merged with others. Therefore, the authors believe that the process of continually updating the literature should involve a significant update of the variables and their clustering under the various governing streams.

For this exercise, the authors took support from literature reviews and research stream formations performed by Albaum and Peterson (1984) and Bradley (1987). After exploring the dimensions, they categorised each study under the research stream to which it applies effectively. The most reflective focus of this approach is convinced by earlier reviews and classification of research streams on international marketing literature (Aulakh and Kotabe, 1993, Li and Cavusgil, 1995, Cavusgil, 1998 and 2003, and Nakata and Huang, 2005). They have examined the issues at length to identify the relevant and appropriate research streams of international marketing.

3.3. Conceptual Framework of the International Marketing Research Process

The preliminary step in assessing the methodological state is to understand how research has been conducted. Therefore, the authors have adopted and modified the conceptual framework developed earlier (Craig and Douglas, 2000, and Young and Javalgi, 2007). The adoption of the conceptual framework has played a vital role in helping them in understanding the important steps in the methodological domain that offer guidelines for undertaking an international study. It also sheds light on the assessment of methodological trends in the existing literature. Figure 1 illustrates the international marketing research process within the context of four general and familiar stages.

3.4. Assessment of the Methodological State

After taking into consideration the stages involved in the conceptual framework of the international marketing research process and previous reviews, the authors have evaluated the methodological state within the following parameters: nature of research study, research designs, methods of data collection and analytical techniques. Figure 2 illustrates the substantial of the methodological domain. While assessing the methodological state, the following points have been taken into consideration:

(1) Selection of Research Papers: With the objective to collect all the possible literature published on international marketing, authors have included research articles under 57 congifurational contents of international marketing which are latterly categorised under seven research streams. All the key database and publishers, such as: Emerald, Science Direct, Springer, Taylor & Frances, EBSCO, Proquest, Inderscience, Sage and other common interfaces of journals have been investigated with these keywords. Special attention was given to the highly preferred journals of international marketing literature suggested and considered in previous reviews, such as Cavusgil and Naveen (1981), Luke and Doke (1987), Li and Cavusgil (1995) and Leondiou et al. (2010).

(2) Time Frame: To identify the recent trends, they have assessed the relevant literature published between 1990 and 2012.

(3) Domain Focus: The authors have carried out this assessment on the basis of the methodological context opted by the respective authors under each research stream of international marketing.

The authors' purpose in this paper is to be descriptive and inductive in nature. As a first step, they have identified the domain of methodologies in international marketing with different viewpoints of international marketing researchers. This exercise helped in measuring the strength and occurrence of international marketing research methods after classifying methodological domain of international marketing.

4. Conducting International Marketing Research: Conceptual Framework

Organisations are increasingly forming international R&D alliances to acquire and leverage technological

capabilities across markets. However, a considerable volume of research has shown that such alliances are often not an effective and efficient mechanism for internationalising R&D activities (Robson et al., 2012). Therefore, the use of an effective research process contributes to and yields effective results of a study. A conceptual framework of the general research process of international marketing is shown in Figure 1. It illustrates the research process in the context of four general phases: research objective, research design, data collection and analysis of results. Although these steps are not customised to highlight international challenges, they do provide a backdrop for the international marketing research process.

As Figure 1 elaborates, the first step in the research process is to decide the area of research, collect the relevant information, evaluate previous findings, and develop propositions and questions. Once the preliminary step of identifying the research problem and research objective has been completed, the second step of adopting an appropriate research design starts. To adopt the most suitable and effective research design, the researcher must have knowledge of the available options and their usefulness. The researcher should also be aware of the range and functionality of conceptual, empirical, qualitative and quantitative research. Research design entails specification of the data to be collected as well as tools and instruments used to collect it. Based on the research design chosen by the researcher in the second step, further decisions, such as the nature of data to be collected and tools through which data can be collected effectively and efficiently, can be made. Other decisions, such as those regarding the appropriate sample size, the sampling technique, field survey and experimental setup, are then executed in the third step of the research process. The last step involves an analysis of data and evaluation of results. Researchers generally analyse the data using different analytical techniques and validate the results using the various validation standards to establish the authenticity of the results. Sometimes researchers use more than one analytical technique to evaluate the authenticity of results, to make comparisons or to better explain the results. After an analysis of data, findings are examined and conclusions made to make the study useful as well as relevant for future use.

If the findings do not confirm the expected result, then this process will have to repeat itself. The conceptual framework provides a clear idea about how research should be conducted and where researchers take major decisions.

5. Identification and Distribution of Research Studies

The first effort in this sequence is to delineate the conceptual domain of international marketing which classify dimensions under the research streams that represents the integrated view of international marketing. It is observed in the literature that facets of international marketing covered a wide range. To explore this observation, exhaustive literature review is performed to re-arrange and organize the published articles. In the time frame 1990 - 2012 a total number of 1,787 research articles were published in around 450 academic and research journals. It is observed that today international marketing research articles are not only occupying space in IM core journals even other journals also prefer to publish research work on IM. Only scholarly journals are included since the subject matter is the investigation of configurational contents in IM. Following are the key journals which have contributed the maximum number of research articles.

Advances in International Marketing
Asia Pacific Journal of Marketing and Logistics
European Management Journal
Industrial Marketing Management
International Business Review
International Journal of Research in Marketing
International Marketing Review
Journal of Business Ethics
Journal of Business Research
Journal of Euromarketing
Journal of Global Marketing
Journal of International Business Studies
Journal of International Entrepreneurship
Journal of International Marketing
Journal of Marketing
Journal of Marketing Management
Journal of the Academy of Marketing Science
Journal of World Business
Management International Review
Strategic Management Journal

Distribution of research articles to conceptual domain of international marketing

All the possible dimensions are identified and updated with their current status which brought a clear view of research trend & publication volume. The classification of configuration contents leads to develop & representation different derived clusters of research streams (narrated by Li and Cavusgil, 1995). But Li and Cavusgil (1995) have considered 757 research articles focusing on major research streams, but in this article results are interpreted in the ncontext of individual contents which finally lead to represent the research stream. To the least of our knowledge, meager research are available that considered the volume of contents as this research has carried. With other reviews (Albaum and Peterson 1984; Aulakh and Kotabe 1993; Li and Cavusgil 1995; Javalgi et al. 1997; Nakata and Huang 2005), this study contains evaluation and categorization of high volume of research articles which categorized under individual configurational contents listed in Table 2. (Aulakh and Kotabe 1993) has presented the review till 1990 with the contents emerged till 1990. This research expands further attempts to update international marketing subject with latest contents till 2012. (Table 2)

The study categorizes configurational contents into main research streams of international marketing which are summed up as: nine contents are evolved under International Marketing Environment, eleven contents evolved under Comparative Studies of Marketing Systems, eight contents were summed up under International Marketing Management, nine were summed up under International Consumer & Buyer Behavior, seven were summed up under International Marketing Research, and eight contents were summed up under Interaction Approaches. As interpreted by Table 2 international marketing from 1990-2012 is governed by 57 configurational contents which are consolidated into 7 major research streams. The publishing space occupied by these research streams differs stream wise and mentioned ahead against each research stream: International Marketing Environment - 212, Comparative Studies of Marketing Systems - 192, International Marketing Management - 300, International Consumer and Buyer Behaviour - 192, International Marketing Research - 121, Internationalization Process - 224, and Interaction Approaches - 546, Whereas, research is at meagre stage on International Marketing Research - 121. It simply concludes that maximum attention of researchers is being captured by interactional approaches (546 research articles) whereas; research is at comparatively meagre stage on international marketing research (121 research articles). Adding to these findings, very limited articles (29) are available that focus on basics and reviews of international marketing.

Distribution of research articles based on Research Streams

Under this section of simple meta-analysis, all the configuration contents are consolidated under research streams to which they govern. Prime objective of this section is to identify publication space covered by each research streams in publication outlets and review up to which extent individual research stream is preferred by international marketing researchers. (Table 3)

It can be observed from the table - 3 that all the research streams covers almost equal space in publication outlets except interaction approaches which takes up the most space with 546 research articles - 31.27% of the total space, and international marketing research which takes up the least space with only 121 research articles and only 6.91% of the total publishing space. It concludes that articles published under interaction approaches theme is most preferred by the researchers and captured the highest volume of articles, whereas international marketing research has captured minimum attention and captured least volume (121 - 6.77%) and all other areas such as international marketing environment (212 - 11.86%), comparative studies in marketing systems (192 - 10.74%), international marketing management (300 - 16.78%) consumer & buyer behavior (192 - 10.74%) and internationalization process (224 - 12.53%) are the other growing areas of research in international marketing that leave the scope for serious attention of researchers.

6. Methodological State of International Marketing Literature

Many studies have investigated the issues related to research designs and analytical techniques in international marketing. Some of the studies have focused on the involvement of the best research designs and analytical techniques (Nasif et al., 1991, Saimee and

Jeng, 1994 and Harris, 2000). Based on the issues undertaken in the previous studies, it is clear that knowledge of research designs, methods of data collection for specific research designs and analytical techniques play a vital role in the international marketing research process. However, researchers have not only addressed issues of methodologies, but also invested efforts in investigating qualitative and quantitative research designs (Albaum and Peterson, 1984), conceptual and empirical research techniques (Li and Cavusgil, 1995), univariate/bivariate and multivariate analytical techniques (Aulakh and Kotabe, 1993), and research designs and analytical techniques (Nakta and Huang, 2005). The authors have noticed that the body of international marketing literature as a whole and the assessment of the methodological state in particular have been carried out without a sophisticated theoretical base. Therefore, taking the previous reviews into consideration, they have framed a classification of the methodological domain. Figure 2 illustrates the methodological domain and classifies research design and analytical technique under the relevant categories.

In simple words, the methodological state refers to the trends in the solution-based methodologies opted by authors in previously published literature. An examination of the existing literature shows that researchers have been using different research designs and analytical techniques to solve the problems related to international marketing. To achieve research objectives appropriate research method is required to be used. Figure 1 spell out the four general steps involved in the research process. First step in the process is about the conceptual domain of the research whereas next three steps are interrelated and emphasise on its methodological part. Figure 2 depicts classification of methodological domain existing in international marketing literature. As figure 2 portrayed, two types of studies have been identified in international marketing literature, namely qualitative and quantitative studies. Qualitative studies are based on qualitative methodologies and a formalised procedure of gathering, analysing and interpreting qualitative data, such as concept evolvement, research questions, proposing hypothesis, presenting viewpoints, analysing and developing theories, reviewing literature, making observations of a phenomena and expert opinion. Scholars perform qualitative studies using primary as well as secondary data. Based on the nature of data used, qualitative studies are segregated into two segments, namely conceptual qualitative studies and empirical qualitative studies. Examples of conceptual qualitative studies include literature review studies, view points, identifying research gaps from theories, research prepositions and hypothesis, and general observations of the subject based on the experience of the researchers. Studies based on first-hand qualitative data, such as observations, expert opinion, interviews, case development and analysis, are considered under empirical qualitative studies.

The second segment of the methodological domain refers to quantitative studies. Quantitative studies emphasise more on quantifying results by using different analytical techniques, mathematical and numerical analysis, and calculations/modelling using assorted software. Researchers use different quantitative methods and techniques to perform quantitative studies. Like qualitative studies, quantitative studies are also classified into micro segments based on the data incorporated to perform the study. These are conceptual quantitative studies and empirical quantitative studies. For quantitative studies, analytical techniques are common for quantifying and analysing data. The content analysis technique however falls under conceptual quantitative studies. In conceptual quantitative studies, the researcher applies these analytical techniques on secondary data, whereas in empirical quantitative studies, the researcher first collects the data from a primary source and then applies these analytical techniques. The analytical techniques often used to perform quantitative studies are univariate/bivariate and multivariate techniques. Univariate/bivariate techniques include cross tabulation, t-test, ANOVA, correlation and simple regression methods. Multivariate techniques include ANCOVA, MANOVA/MANCOVA, multiple/OLS/stepwise/logistic regression, discriminant analysis, conjoint analysis, cluster analysis, factor analysis, path structured analysis/structural equation modelling and econometrics methods.

An important observation from an investigation of analytical techniques is that researchers prefer representing all the research papers under a single analytical technique. For example, in the univariate/ bivariate and multivariate segmentation performed by Aulakh and Kotabe (1993), and Nakta and Huang (2005), they have considered all the research papers in one of

the segments and left other studies uncategorised/ unnamed. In contrast, the authors of this study have adjudged from the literature that researchers have used more than one analytical technique to validate their studies. In research papers, authors have used either a single analytical technique (such as univariate/ bivariate or multivariate) or a combination of techniques (such as univariate/bivariate and univariate/bivariate or univariate/bivariate and multivariate or multivariate and multivariate). Papers based on research using more than one analytical technique are considered in the multi-technique category. Moreover, authors have noted that researchers have explored analytical techniques falling under empirical studies, while conceptual studies are not taken into consideration. To bring a clear picture of the methodological state to the surface, the authors have considered all the studies for review. They have identified the methodological domain of international marketing under two broad categories of studies - qualitative and quantitative. They govern four types of research designs - conceptual qualitative, conceptual quantitative, empirical qualitative and empirical quantitative. A review based on this general classification of methodological domain reveals that solution-based methodologies are being used by following the various analytical techniques. All the seven research streams of international marketing are assessed on the research design, method of data collection and analytical techniques followed.

7. Assessment of Methodological Trends in International Marketing Literature

The issue of methodological domain and state of methodological practice appeared to be under-researched over two decades. The authors started their assessment of the methodological state of international marketing literature by identifying the international marketing research process (as detailed in section 4). This exercise produced the basic constituents of the methodological domain. They then combined the typologies of the methodological domain performed by researchers in the past and classified them in a sequential manner (as described in section 5). After performing the basic exercises in sections 4 and 5, they reviewed the methodological domain used in 1,787 research papers related to international marketing and published between 1990 and 2012. First, they assessed the research designs, then discussed methods of data collection and lastly assessed the analytical techniques used in research papers. The authors assessed research designs individually for each research stream and collectively for the whole international marketing literature.

7.1 Assessment of Research Designs

Research designs in international marketing literature are segmented as conceptual qualitative, empirical qualitative, conceptual quantitative and empirical quantitative. After the authors identified the research designs (discussed in sections 4 and 5 in detail), they reviewed all the research papers individually on the bases of the research designs they use and research streams they belong to. Table 1 represents the research designs under all the seven research streams of international marketing. (Table - 4)

The greater use of quantitative as compared to qualitative studies confirms the significant role that software tools, statistical methods and mathematical calculations have played in the research published until now. The authors also notice that empirical quantitative studies are the most preferred research design, which confirms the observations of the previous researchers (Aulakh and Kotabe, 1993, Li and Cavusgil, 1995, and Nakta and Huang, 2005). Table 4 shows additional insight into the results as there is a significant difference in the relative frequency of research designs when analyzed by research streams. The evaluation however no mean to emphasize on the large number of empirical research in international marketing, rather its to draw attention to the numerous opportunities existing for qualitative methods.

7.2 Assessment of Data Collection Techniques

The next assessment of the methodological state is based on the methods of data collection chosen by the authors in literature published recently. The segmentation of data collection methods in this study is based on the study of Taylors et al. (2011). The different methods of data collection in international marketing literature are explained in Table 2. It represents that a wide variety of data collection techniques are being used. (Table 5)

As evident from the table and also from the study by Taylor et al. (2011), surveys (49.18) are the

single-most-used technique. It simply means that researchers prefer to produce their research work using primary data. Researchers also prefer secondary data (14.32 percent) and case studies (8.05 percent). Content analysis (0.39) is the least-preferred technique. Results of data collection methods appears 'opportunistic' to a certain extent than conceptualized and integrated to the relevant literature. Choice of data collection techniques seems to be a decision of convenience than research objective. The evaluation of data collection techniques thus be considered a 'call to action' for researchers in the subject.

7.3 Assessment of Analytical Techniques

The authors have noticed that both qualitative and quantitative studies employ analytical techniques. The analytical techniques used in the 1,787 research papers perused by the authors are listed in Table 3. They have preformed different than previous researchers in reporting analytical techniques. In previous reviews analytical techniques are reviewed only for empirical studies (Albaum and Peterson, 1984, Aulakh and Kotabe, 1993, and Nakta and Huang, 2005). It was adjudged in literature that researchers in the past have used one or multiple combinations of techniques for their studies. The authors of the present study have classified analytical techniques based on the nature of research study. (Table 6)

From Table 3, it can be seen that a large number of studies fall in the multi-technique category. It indicates that the authors have used more than one analytical technique while performing their studies. Under qualitative studies, literature reviews analysis is most popular among researchers (347 studies). Techniques falling under univariate and bivariate techniques are used in 248 studies, and 188 studies have employed multivariate techniques. The use of multiple techniques in the various states of research shows the advancement in the rigour of research (Aulakh and Kotabe, 1993). This pattern is perhaps a logical outcome of the dominance of empirical studies and surveys. In particular, for which there is an increasing availability of softwares to perform complex statistics (Nakata and Huang, 2005). The assessments of analytical techniques conclude that more attention has been given to multi techniques. It denotes multi techniques allow researcher to be more 'flexible' and 'integrative' in their research.

8. Findings and Conclusion

The present review is not definitive nor is it intended to be. Rather, authors attempt to innovatory in summarize, synthesize and interpret research in international marketing over the 1990 - 2012 timeframe. Authors have reviewed 1816 research articles. Out of this 1787 articles contributed to evolve 57 configurational contents of conceptual domain and 29 articles belong to the review aspects of international marketing. This analysis finally evolves seven major research streams of international marketing. Aim behind this piece of research work is to review & evolve conceptual and methodological domain which constructs a repository of extent thought and its development. By discussing the literature within the context of domain areas and its more delicately gained themes, authors have attempted to draw attention to key developments and findings. The review of recent literature on international marketing indicates that the field is making headway on several fonts. Equally important is the identification of numerous areas of research in international marketing which has been the parallel focus of the review.

While assessing state-of methodological domain, literature synthesis concludes what is the current position of research methods in international marketing subject. Review articles available in this area have considered the methodological domain as an isolated phenomenon without linking the different possible constituents of the domain that could bring home comprehensive information. The findings of this study have been aimed at drawing an objective view as to the theoretical gaps existing in the previous literature, and however does not pour scorn on efforts invested by previous researchers on this subject. It could be a valuable resource for potential researchers of international marketing if they opt for a decisive methodology while appreciating and taking into consideration the different approaches and efforts of the earlier researchers on the subject. Thus, the review and assessment presented here may be considered as a theoretical base for assessing the methodological domain of international marketing.

Through this study, the authors also endeavour to encourage researchers by providing information regarding the relevant research processes. Therefore, they have represented research designs, methods of data collection and analytical techniques in a comprehensive manner along with the framework. This study traces the methodological state for the seven established research streams of international marketing. The research methodologies adopted in the seven streams have been evaluated in the context of research designs, methods of data collection and analytical techniques. The results of the review of the methodological domain show that international marketing has attained a scientific degree in literature because the work done so far has swung towards empirical quantitative studies. It is also clear that researchers are also investing efforts in applying burly research designs. Notably, a broader array of qualitative methods is also being used. The results of the assessment also indicated that previous works employed a wider range of analytical techniques and most of the authors have used more than one analytical technique to arrive at the results for their studies. The authors also conclude that multiple techniques and mixed methods also exist in the international marketing literature. Owing to the nature of the subject, there is always room for improvement on the theoretical base in this study. Nonetheless, the authors believe that the scope of this study may function as a formidable basis or reference on which potential areas can be further explored.

Implications

This study augments the existing body of knowledge by adding theoretical insights to the IM literature. It spells out configurational contents, research designs and analytical techniques of various research streams of IM to highlight as well as to derive the exact relationship between a particular research stream and its methodologies as the basis for future research. One of the questions before international marketing researchers and practitioners is whether the qualitative and quantitative research designs will continue to dominate the research methodology. Mixed methods (combinations of qualitative and quantitative research designs) have begun to receive attention in studies. It is also clear from an assessment of the methodological trends that international marketing researchers prefer more than one analytical technique and not just single univariate/bivariate or multivariate technique. Therefore, the authors believe this topic is evolving interesting ways and there will certainly be ample scope for further assessments in future. Conversely, the inclusion of quantitative to qualitative research often increases the generalibility. In this piece of research it has been suggested that research methods allow practitioners toward more trustworthy decisions than any single pattern. For international marketing practitioners, the inclusion of both deductive and inductive logic allow for a more holistic view of a given IM problem.

This study might help the researchers and practitioners of international marketing in identifying types of research designs and analytical techniques for various research streams that have been published on international marketing. For example, authors find that importance of theoretical development and qualitative research usually is the one that help researchers to generate ideas and theories, quantitative research mostly tests them. Therefore, preference was skewed toward quantitative techniques. In addition, this article provides information on process and facets for designing preliminary methodology in conducting international marketing studies. From this extensive analysis of previous studies we suggest that researchers' of this subject must first develop a strong research question by analyzing available theories and concept than test them empirically.

The state of methodological trends have reviewed under 57 configurational contents clustered into seven governing research streams of international marketing.

This review cannot be claimed to be fully exhaustive, however it does provide quite a reasonable insight into the state-of art international marketing research. Analysis of research methods and analytical techniques are restricted to articles published in international marketing subject between 1990 and 2012. Hence, results cannot be generalize to whole marketing subject.

Table 1: Literature Review Studies Focused on the Literature Review Along with Methodological State of International Marketing

Authors (Year of Publication)	Period Covered	Years Covered	Number of Papers Analysed	Focus on
Winter and Prohaska (1983)	NA	NA	NA	An examination of methodological issues in comparative analysis and proposed solutions in international marketing systems
Albaum and Peterson (1984)	1976-1982	7	111	What has been researched and how the research has been conducted
Bradley (1987)	NA	NA	1,014	Determining the extent of development in international marketing literature
Aulakh and Kotabe (1993)	1980-1990	11	720	An assessment of changes in both substance theoretical and methodologies employed in international marketing
Li and Cavusgil (1995)	1982-1990	9	757	Research stream development, research designs and data-collection techniques employed in international marketing
Malhotra et al. (1996)	NA	NA	NA	Organising methodological issues around a six-step framework describing the marketing research process
Cavusgil and Das (1997)	NA	NA	NA	Identifying relevant methodological issues in empirical cross-cultural research
Craig and Douglas (2001)	NA	NA	NA	Examining the capabilities and skills international researchers will need to acquire in order to conduct research in the increasingly diverse and rapidly changing marketplace
Reynolds et al. (2003)	NA	NA	NA	Providing justification for sampling issues in international marketing research
Nakta and Huang (2005)	1990-2000	10	587	Development of the theoretical and research methods in international marketing
Cavusgil et al. (2005)	NA	NA	NA	Critically evaluating the progress in international marketing through ontological, thematic and methodological lenses
Herk et al. (2005)	NA	NA	NA	Presenting a framework for establishing equivalence of international marketing data
Young and Javalgi (2007)	NA	NA	NA	Providing a framework for conducting international marketing research projects and presenting several factors that should be considered in global market research studies
Taylor et al. (2011)	2005-2010	6	80	Summarizing guidelines for conducting cross - national research

Table 1 (B): Studies focused on Conceptual Domain of International Marketing

Authors (Year of Publication)	Period Covered	Years Covered	Number of Papers Analysed	Focus on
Terpstra (1987)	NA	NA	NA	Reviewing per- and post 1970 global environment also discussing the implications of changes for international marketers
Javalgi et al. (1997)	1987-1993	7	1645	Examining international marketing literature published in twenty prime journals during 1987-1993
Cavusgil (1998)	NA	NA	NA	Examining five international marketing scholarly questions
Sheth and Parvatiyar (2001)	NA	NA	NA	Emphasizing contextual factors of international marketing
Chao et al. (2003)	NA	NA	NA	Highlighting international marketing developments, opportunities and research issues that warrant closer issues in Asia - Pacific region.
Cavusgil (2003)	NA	NA	NA	Attempting to critically evaluate progress in international marketing research
Malhotra et al. (2005)	1983-2003	21	540	Summarizing the output and content of international marketing review
Czinkota and Samli (2007)	NA	NA	NA	Evaluating the future of international marketing in the age of globalization
Leonidou et al. (2010)	1975-2004	30	508	Assessing the contribution of leading mainstream marketing journals to the international marketing discipline
Saimee and Chabowski (2012)	1999-2008 2009-2010	12	3632	Examining the forces that shape international marketing field using bibliometric methods
Cavusgil and Cavusgil (2012)	NA	NA	NA	Drawing attention to major disruptions impacting impacting international marketers and provided insights for appropriate firm response.
Rana and Sharma (2015)	1990-2012	22	1817	Evolving and evaluating conceptual domain of international marketing

Table 2. Development and Categorizing the International Marketing Configurational Contents

Configured Contents (1990-2012)	Derived Clusters	No. of Studies
International Culture	International Marketing Environment	25
International Economic Environment		23
International Demographics		19
International Political & Legal Environment		29
International Social Aspects		13
International Marketing Policies		13
International Commerce		7
Technical Developments		22
International Marketing Ethics		58
International Marketing Environment (Basic)		3
Comparative Assessment	Comparative Studies of Marketing Systems	24
International Competitiveness		36
Globalization		45
Assessment of Market Capabilities		21
Characteristics of International Markets		10
International Marketing Performance & Engineering		14
International Marketing Structure		12
International Marketing Behaviour		6
International Marketing Operations		13
International Marketing System		11
International Marketing Segmentation	International Marketing Management	48
International Market Selection		39
International Marketing Mix		61
International Advertising & Communication		7
International Brand Management		40
International Marketing Channels		12
International Marketing Strategy		45
International Marketing Planning		8
Country of Origin	Consumer and Buyer Behaviour	42
International Buyer and Supplier Relationship		27
Consumer Choice, Knowledge and Attitude		31
International Brand Preferences		20
Family Decision Making		9
Information Search Behaviour		12
International Customer Loyalty		16
International Customer Satisfaction		23
Perceived Risk		12

Internationalization Orientation & Communication	Internationalization Process	103
International Entrepreneurship		49
International Positioning		18
International Retailing		31
Domestic Vs. International Marketing		23
Evaluation, Investigation and Assessment	International Marketing Research	13
Measurement and Comparable Scales		22
Methodological Aspects		8
Data Analysis		11
International Product/Service Development		5
International Innovation and Diffusion		32
Research Trends in International Marketing		20
International Marketing Research (Basic)		10
Exporting	Interaction Approaches	122
Importing		49
Foreign Direct Investment		113
International Joint Venture		49
International Direct Marketing		5
International Franchising		24
International Subsidiaries		30
International Strategic Alliance		59
Market Entry Mode (Miscellaneous)		95
International Marketing Miscellaneous (Basic and Reviews)		29

Table - 3: Contribution of research articles against research streams.

Configurational Clusters	No. of Studies
International Marketing Environment	212
Comparative Studies of Marketing Systems	192
International Marketing Management	300
Consumer and Buyer Behaviour	192
Internationalization Process	224
International Marketing Research	121
Interaction Approaches	546
Total No. of Studies	1787

Table 4: The State of Research Designs in International Marketing Literature

Research Streams	Research Designs					
	Qualitative Studies			Quantitative Studies		
	Conceptual Qualitative (CQL)	Empirical Qualitative (EQL)	Total Qualitative Studies	Conceptual Quantitative (CQN)	Empirical Quantitative (EQN)	Total Quantitative Studies
International Marketing Environment	77	31	108	27	77	104
Comparative Studies of Marketing Systems	43	18	61	37	94	131
International Marketing Management	60	35	95	68	137	205
International Consumer & Buyer Behaviour	17	11	28	18	146	164
Internationalisation Process	58	48	106	31	87	118
International Marketing Research	28	13	41	33	47	80
Interaction Approaches	64	65	129	201	216	417
Total	347	221	568	415	804	1,219

Table 5: Methods of Data Collection in International Marketing Literature

Data Collection Method	No. of Studies
Content Analysis	7
Experiment & Modelling	65
Surveys (Primary Data Collected Using a Standardised or Customised Tool)	879
Conceptual	339
Qualitative	44
Case Studies	144
Interviews	31
Secondary Data Analysis	256
Others	22

Table 6: The State of Analytical Techniques Being Used in International Marketing Literature

Analytical Techniques	Research Streams in International Marketing							Total
	International Marketing Environment	Comparative Studies of Marketing Systems	International Marketing Management	Consumer & Buyer Behaviour	Internationa-lization Process	International Marketing Research	Interaction Approaches	
Qualitative Studies								
Literature (Viewpoint) Analysis	77	43	60	17	58	28	64	347
Case Study/In-depth Interview Analysis	24	15	26	7	44	10	49	175
Qualitative Mix	7	3	9	7	4	3	16	46
Quantitative Studies								
Content Analysis	1	-	-	3	-	1	2	7
Univariate/Bivariate								
ANOVA	9	10	9	18	4	2	7	59
Correlation	12	11	11	13	6	4	22	79
Regression	6	12	18	4	7	1	37	85
T-test	5	5	2	6	2	-	5	25
Multivariate								
ANCOVA	-	-	1	1	-	-	-	2
MANOVA	2	-	2	5	-	-	6	15
Cluster	1	-	3	-	3	3	1	11
Discriminant	-	2	1	-	-	-	3	6
Regression (Multiple)	3	6	17	9	9	3	20	67
Factor Analysis	-	2	1	1	3	-	3	10
Path Structured Modelling	6	9	20	5	5	6	24	77
Multi Techniques	59	74	120	99	79	60	287	778
Total	**212**	**192**	**300**	**192**	**224**	**121**	**546**	**1787**

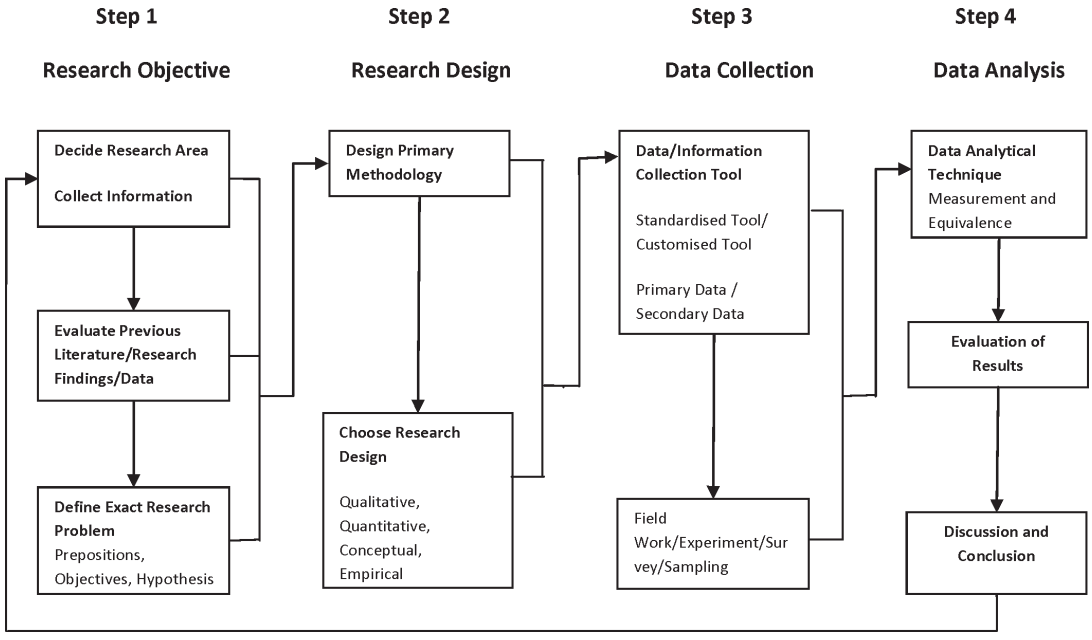

Figure 1. International Marketing Research Process Framework

Modified from Malhotra et al., 1996, Douglas and Craig, 2000, and Young and Javalgi, 2007

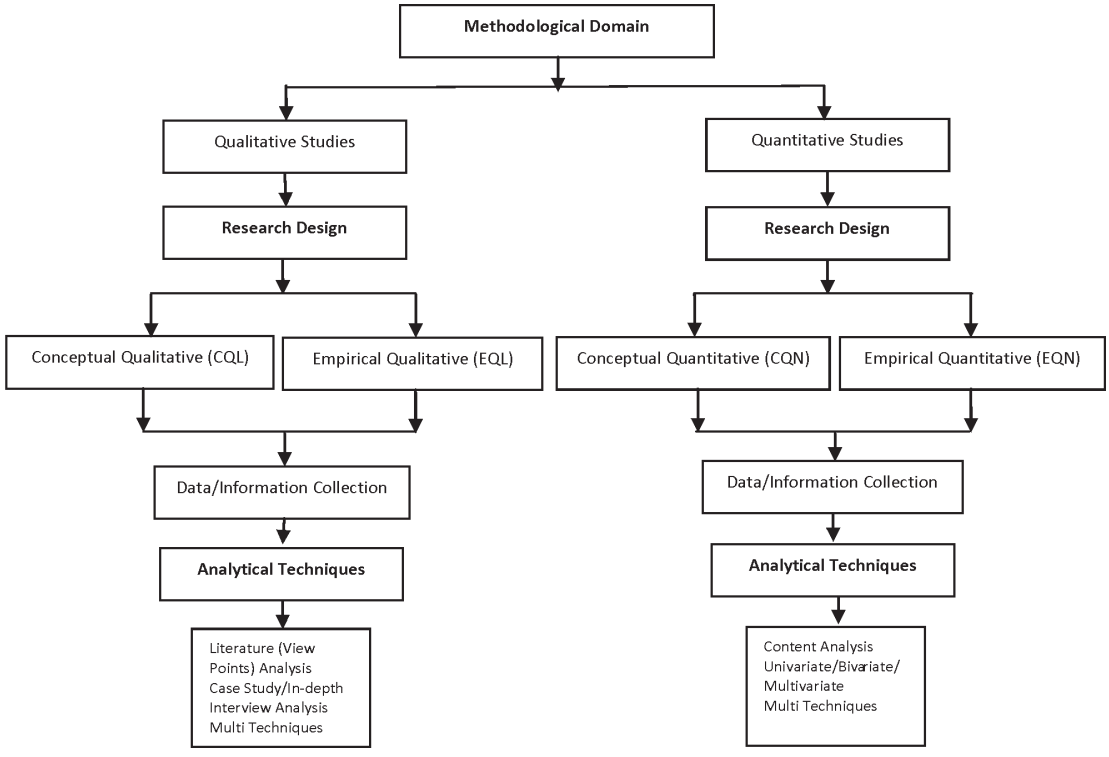

Figure 2. Assessment of the Methodological State in International Marketing

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Influencers of Customer Satisfaction - Customer Loyalty Relationship: A Conceptual Research Model

Medha Srivastava

Abstract

The association between customer satisfaction and customer loyalty has so far attracted ample dscussions, deliberations and discourses in theory and practice of marketing: Most of these discussion recognized a significant relationship between customer satisfaction and customer loyalty. From delineating both the concepts as plainly as possible to differentiating them from each other, researchers left no stone unturned and presented substantial literature pertaining to meaning and measurement of customer satisfaction and customer loyalty. The purpose of this study is to develop a holistic research framework for investigating the dynamic relationship between two metrics of business success - customer satisfaction and customer loyalty. The study argued for a positive relationship between customer satisfaction and customer loyalty. Moreover, various factors such as life situation of the customer or his cognitive processes have been identified as influencers of customer satisfaction - customer loyalty relationship.

Keywords: Customer Satisfaction, Customer Loyalty, Switching Costs, Perceived Risks

1. Introduction

Global competition and consumption has brought customer centricity to the fore and any business organization inept to feel, capture and adapt to the nerves of contemporary trends is bound to find itself in a hapless position. As put by Hansemark and Albinsson (2004), customer satisfaction has been believed to have an impact on the market share and customer retention and thus, has been treated as the primary objective of businesses. Zineldin (2000) pointed that conventionally satisfied customers have been deemed as less price sensitive and prone to switching and are more likely to purchase extra and stay loyal. However, McCarthy (1997) noted that satisfied customers of Xerox Corporation do not conform to these expectations since they did not necessarily repurchase from Xerox.

Various studies investigated the linear as well as non-linear relationship between customer satisfaction and customer loyalty (Anderson and Mittal, 2000; Agustin and Singh, 2005; Streukens and Ruyter, 2004; Verhoef, 2003). A large section of literatures have established customer satisfaction as a precursor of customer loyalty. However contradictory evidences have been offered about the form and significance of their relationship. Further, researchers probed into the factors that can affect the aforementioned relationship in the capacity of a moderator and presented mixed findings (Chandrashekaran et al., 2007; Chiou et al., 2002; Evanschitzky and Wunderlich, 2006). With this backdrop, it becomes imperative to build a clear conceptual understanding of customer satisfaction - customer loyalty relationship. Exploring the possible external influences which hold the potential to alter this relationship by affecting its form or strength or both.

2. Theoretical Background

Customer satisfaction has often been quoted as the most obvious antecedent of customer loyalty (Alegre and Cladera, 2009; Eshghi et al., 2007; Kandampully and Suhartanto, 2000; Streukens and Ruyter, 2004). However, contradictory evidences have also been presented in the literature as some studies did not find any, direct or indirect, relationship between these constructs (Jones and Sasser, 1995; Verhoef, 2003). Moreover Oliver (1999) acknowledged the effects of various mediators and moderators such as exchange-relevant constructs on customer satisfaction - customer loyalty relationship. The subsequent sections explain and explore the concepts and relationship of customer satisfaction and customer

loyalty before presenting a case for potential moderating variables which may influence the form or direction of the aforesaid relationship.

2.1 Customer Satisfaction

Customer satisfaction has been proposed as a construct extensively studies in the literature of customer behaviour (Fornell, 1992; Johnson and Fornell, 1991; McDougall and Levesque, 2000). It has been perceived as total evaluation of a product or service over a period as a result of purchase and consumption experience (Anderson et al., 1994; Oliver, 1999). Oliver (1997) called customer satisfaction a consumer's response to fulfilment which is a judgment on a product or service or any of its feature's ability to provide an enjoyable level of fulfilment resulting from consumption.

Kotler and Keller (2006) suggested that customer satisfaction stands for emotional states of pleasure or disappointment which a person may feel due to comparison between his perception and expectations of a product's performance. Tarus and Rabach (2013) postulated that a dis-satisfied customer is one whose expectations exceeded the actual outcome of service interaction whereas a satisfied or delighted customer is a case of interaction matching or surpassing expectations.

Johnson et al. (2001) reviewed the literature on customer satisfaction and posited two rudimentary conceptualizations of satisfaction i.e., transaction-specific and cumulative satisfaction. Fornell (1992) referred to cumulative satisfaction as a customer's consumption experience over a period of time with regard to a particular product or service. Olsen and Johnson's (2003) definition of satisfaction fall under transaction specific approach where they considered satisfaction as customers' evaluation of experience of themselves and their reactions to a service transaction, and episode or encounter.

2.2 Customer Loyalty

Customer loyalty is a multidimensional concept which consists of behavioural and attitudinal rudiments (Oliver, 1999; Zeithaml, 2000; Rauyruen and Miller, 2007). Researchers studied the patterns of buying and took proportion of total purchases into consideration (Cunningham, 1956; Blattberg and Sen, 1974) while others gave importance to sequence of purchasing (McConell, 1968; Kahn et al., 1986). Bandopadhyay and Martell (2007) explored the behavioural perspective and underlined the main assumption of repeat buying has the capacity of incarcerating a consumer's loyalty towards the brand that holds interest. Baldinger and Rubinson (1996) suggested that in order to understand brand loyalty more clearly, the behavioural definition of loyalty needs to be stretched to include attitudes. The attitudinal perspective of customer loyalty has been explained as a willingness to retain a relationship with a service provider (Kim et al., 2004; Oliver, 1999).

Tarus and Rabach (2013) pointed that literature has bestowed substantial space to customer loyalty research. Yang and Peterson (2004) found the task of defining customer loyalty particularly difficult. The most well accepted and widely quoted definition of customer loyalty has been given by Oliver (1999) who posited that "a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts have the potential to cause switching behaviour". More recently, Rai and Srivastava (2013) defined customer loyalty as "a psychological character formed by sustained satisfaction of the customer coupled with emotional attachment formed with the service provider that leads to a state of willingly and consistently being in the relationship with preference, patronage and premium".

Firms give highest priority to customer loyalty as repeat buying of their products and services is critical in achieving success and profitability in the business (Hallowell, 1996; Oliver, 1997; Silvestro and Cross, 2000). Onyeaso and Johnson (2006) defined customer loyalty as an incorporeal strategic strength that will augment performance of an organization whereas Cooil et al. (2007) considered it as a tactical objective for managers.

2.3 Customer Satisfaction - Customer Loyalty

Fornell (1992) pointed that literature of marketing has been consistent in recognizing customer satisfaction as

a vital forebear to loyalty. In the context of service industry also, customer satisfaction has repeatedly and consistently been identified as a significant factor in determination of customer loyalty (Boshoff and Gray, 2004; Lam et al., 2004; Mittal and Lassar, 1998). Studies also pointed that customer satisfaction is the most researched antecedent of customer loyalty (Eshghi et al., 2007; Seiders et al., 2005; Cooil et al., 2007); García and Caro, 2009).

Studies found a positive relationship between customer satisfaction and customer loyalty (Anderson and Mittal, 2000; Streukens and Ruyter, 2004) and revealed that customer satisfaction also impacts the main pointers of customer loyalty (Kandampully and Suhartanto, 2003; Lin and Wang, 2006; Mittal and Kamakura, 2001). Lam et al. (2004) opined that satisfaction can affect a customer's attitude to a degree where he/she not only feels motivated to re-buy but also offer recommendations to the service provider. Kandampully and Suhartanto (2000) carried out their study in hotel industry and established significant positive impact of customer satisfaction on customer loyalty. Zins (2001) also supported these findings and confirmed customer satisfaction as a significant antecedent of customer loyalty in commercial airline industry. Yang and Peterson (2004) surveyed online customers and concluded that improving customer satisfaction can actually lead to customer loyalty. Studies in the context of B2B services, who investigated big organizations offering B2B services in USA and Canada, advocated for the strong positive relationship between customer satisfaction and customer loyalty (Lam et al., 2004; Murali et al., 2007). Alegre and Cladera (2009) found strong empirical evidence supporting customer satisfaction as an antecedent of customer loyalty.

Some studies exhibited the effect of customer satisfaction on a firm's profitability (Gomez et al., 2004; Rust et al., 1995) whereas other researchers found customer satisfaction to affect customer retention along with profitability (Anderson and Mittal, 2000; Heskett et al., 1994). However, some studies found no relationship between customer satisfaction and customer loyalty (Jones and Sasser, 1995; Verhoef, 2003). Such contradictory results have largely been attributed to the use of varied measures of customer loyalty in various studies. Yi and La (2004) established a positive relationship between customer satisfaction and customer loyalty measured as repurchase intentions. Verhoef (2003) used repurchase behaviour as a measure of customer loyalty and revealed contradictory results with regard to relationship between customer satisfaction and customer loyalty. Lemon et al. (2002) took into consideration the nature of services and postulated that customers' decision regarding the continuance and significance of a relationship gets influenced by the type of service i.e., on-going or transaction specific.

Also, the non-linear models of customer satisfaction - customer loyalty relationship have been investigated by a number of studies who argued that non-linear models represent the relationship more accurately (Mittal and Kamakura, 2001; Fullerton and Taylor, 2002; Agustin and Singh, 2005).

Above discussion points toward the intricacies of customer satisfaction - customer loyalty relationship. In order to deepen the understanding of this association, studies investigated the variables that moderate the relationship between customer satisfaction and customer loyalty (Homburg and Giering, 2001; Magi, 2003; Mittal and Kamakura, 2001; Seiders et al., 2005; Verhoef et al., 2002).

2.4 Moderators of Customer Satisfaction - Customer Loyalty Relationship

Tuu et al. (2011) reviewed many studies (Bloemer and de Ruyter, 1998; Mittal and Kamakura, 2001; Szymanski and Henard, 2001) and asserted that the relationship between customer satisfaction and customer loyalty can be categorized as a moderate one with former accounting for only 35.9 percent of variance in latter. It has been argued that inclusion of other variables in addition to customer satisfaction is called for in order to uncover the hurdles and reasons of explaining variance in customer loyalty (Seiders et al., 2005; Cooil et al., 2007; Olsen, 2007). Various studies investigated the possible moderating effects on the relationship between customer satisfaction and customer loyalty (Chiou et al., 2002;

Evanschitzky and Wunderlich, 2006; Chandrashekaran et al., 2007; Cooil et al., 2007; Tuu and Olsen, 2009). On the basis of these studies, Tuu et al. (2011) examined the collective moderating effects of perceived risk, objective knowledge and certainty on the aforementioned relationship and found that taking these factors along with customer satisfaction into consideration explained around 50 percent of the variance in customer loyalty. Following is an account of some moderating variables which have been tested in varied contexts and were found to be exercising significant moderating influences over the customer satisfaction - customer loyalty relationship:

2.4.1 Switching Cost

Fornell (1992) posited that the effect of customer satisfaction on customer loyalty differs in different industries and industry specific switching costs can be one of the factors that affect this association. Jones and Sasser (1995) pointed that switching costs may result in inducing fake loyalty instead of commitment based loyalty as customers are more likely to keep relationship with their service provider due to sizeable amount of costs involved in switching.

Empirical evidences have been found in support of the moderating role of switching costs in customer satisfaction - customer loyalty relationship (Jones et al., 2000; Lee et al., 2001; Yang and Peterson, 2004; Lam et al., 2004; Aydin et al., 2005). Jones et al. (2000) argued that in case of lower perceived switching costs, an unsatisfied customer is less likely to stay with his service provider than a satisfied customer whereas the possibility of staying with the current service provider increases even in the event of dissatisfaction when switching costs are perceived to be higher. Lee et al. (2001) studied the effect of switching costs on customer satisfaction - customer loyalty relationship and found that the relationship weakens when switching costs heightens as customers are likely to ignore their level of satisfaction while deciding to continue with their service provider when they estimate the amount of time and efforts in searching for a new service provider to be higher. Lee (2013) noted that the interaction of customer satisfaction and perceived switching cost has a positive and significant effect on customer loyalty which implies that an increase in perceived switching costs leads to stronger relationship between customer satisfaction and customer loyalty.

Studies empirically investigating the moderating effects of switching costs on the customer satisfaction - customer loyalty relationship, revealed motley findings (Lee et al., 2001; Yang and Peterson, 2004; Aydin and Ozer, 2005). Nielson (1996) reasoned that the contradictory findings in respect of moderating role of switching costs may be attributed to the contingent influences of various situational elements such as nature of products, forms of businesses, types of consumers, etc. He et al. (2009) pointed that most of the studies conceptualized loyalty as a one-dimensional construct collectively measuring repurchase intention and recommendation leading to possible equivocal fallouts. They employed canonical correlations to examine the moderating role of switching costs between the three antecedents and consumer loyalty via four loyalty dimensions, i.e. repurchase intentions, appreciating behavior, complaining behavior, and price-increase tolerance and found significant evidence for the moderating effects on repurchase preference and partial support on account of other three dimensions.

2.4.2 Gender

Slama and Tashchian (1985) suggested that women get more involved while purchasing as according to Fournier (1998) they form an association with the brands. Fournier (1998); Mittal and Kamakura (2001) opined that buying behaviours of men differ from that of women. Moreover, Mittal and Kamakura (2001) found women to be more tolerant with relatively fewer psychological barriers. Saad and Gill (2000) noted that gender has been considered as a moderator in marketing literature. They posited that though several studies (Fournier, 1998; Korgaonkar et al., 1985; Odekerken-Schro¨der et al., 2000) examined the potential direct effects of gender on customer loyalty, gender also acts as a moderating variable in marketing and consumer behaviour. Mittal and Kamakura (2001); Homburg and Giering (2001) indicated that men who are satisfied with a product show higher probabilities of repurchasing it in

comparison to women satisfied with the product. Walsh et al. (2008) empirically supported the moderating role of gender in the relationship between different facets of satisfaction and certain measures of loyalty. However, they could not find any support for the moderating role of gender in customer satisfaction - customer loyalty relationship.

2.4.3 Income

Studies have found that income and customer loyalty are related (Crask and Reynolds, 1978; Korgaonkar et al., 1985; Zeithaml, 1985). Zeithaml (1985) suggested that consumption related decisions bear large impact of income as higher income allows more choices to the consumers making them less loyal compared to consumers in lower income category. Homburg and Giering (2001) noted that lower income positively moderates the customer satisfaction - repurchase behaviour relationship as it tends to be stronger when consumers earn less.

This can be explained with the findings of Farley (1964); Walsh and Mitchell (2005) who pointed that higher income is generally related to higher educational levels and higher ability to process information which play an important role in this context as suggested by Spence and Brucks (1997) who argued that consumers with greater cognitive aptitudes handle new information with better ease. Consumers in lower income groups are more likely to escape the "cost of thinking" (Shugan, 1980) by resorting to fewer information cues such as their own satisfaction while evaluating and buying. Cooilet al. (2007) found income as a negative moderator; an increase in income diminishes the impact of changing satisfaction on change in expenses. Others also established income as a moderating variable in the customer satisfaction - customer loyalty relationship (Evanschitzky and Wunderlich, 2006; Walsh et al., 2008). Walsh et al. (2008) stated that higher incomes provide flexibility to the consumers in case of dissatisfaction or boredom with usual service provider. Quite the reverse, consumers with relatively lower income level choose to stay with a service firm even if satisfaction levels drops down in order to avoid search costs. They further compared low-income group with high-income group and asserted that low income group face relatively higher opportunity costs while switching and thus, sustaining an unsatisfactory relationship seems preferable to searching for and shifting to a new service provider as that brings in the possibility of even poorer consumption experience..

2.4.4 Age

The information processing theory asserts that older customers are unlikely to engage in new information search and tend to resort to heuristic or schema-based forms of processing (Wilkes, 1992; Yoon, 1997). Gilly and Zeithaml (1985) opined that information processing ability deteriorates with age. Wakefield and Baker (1998) proposed age as a moderator variable in relation to customer satisfaction - customer loyalty relationship. Various studies established the difference between repurchase behaviours of older and younger consumers empirically (Evanschitzky and Wunderlich, 2006; Homburg and Giering, 2001; Lambert-Paudraud et al., 2005; Mittal and Kamakura, 2001). Homburg and Giering (2001) pointed that younger customers' repurchase behaviour is strongly influenced by satisfaction and age moderates the relationship between customer satisfaction and customer loyalty where older customers are more apt to be loyal. Mittal and Kamakura (2001) suggested that retaintion of older customer gets less affected with the changes in customer satisfaction. Older consumers tend to be more loyal to a product in comparison to younger ones as they evaluate their experience with the product while making purchase decisions (Homburg and Giering, 2001; Lambert-Paudraud et al., 2005). Lambert-Paudraud et al. (2005) argued that older customers have narrow set of consideration and they tend to select long established brands. Evanschitzky and Wunderlich (2006) reviewed Oliver's (1999) study involving four stage loyalty model which considered age as a moderating variable. Walsh et al. (2008) proposed that the relationship between customer satisfaction and customer loyalty is stronger in case of older customers as they would have fewer decision criteria and proceeded to test the moderating effect of age which offered contradictory results as no moderating effect of age could be established.

2.4.5 Involvement

Gainer (1993) found a relationship between involvement and regular buying behaviour. Mittal (1995) noted that involvement stands for the significance of a purchase is determined by the needs, value system and interests of the customer. Anderson and Sullivan (1993) argued that customers with favourable experiences over a period are more likely to forgive and refrain from switching to other brands. Bolton (1998) stated that length of relationship between a firm and its customer affects retention positively.

Wakefield and Baker (1998) reported direct relationship between involvement and repurchase intentions. Seiders et al. (2005) suggested that the higher level of satisfaction results in more involved customers buying more as customers with high involvement levels tend to spend more by purchasing more. Tuu and Olsen (2010) found that involvement positively moderates the relationship between customer satisfaction and repurchase behaviour.

Verhoef et al. (2002, 2003) supported the moderating influence of relationship length on the link between customer satisfaction and the number of services purchased and customer retention. However, Cooil et al. (2007) contradicted by stating that relationship length negatively moderates the relationship between customer satisfaction and purchasing behaviour.

2.4.6 Knowledge and Expertise

Alba and Hutchinson (1987) defined expertise as the skill that enables successful performance of product-related responsibilities. Previous research shows that expertise influences brand evaluations and strength of attitude (Alba and Hutchinson, 1987; Bettman and Sujan, 1987; Mitchell and Dacin 1996). Walsh et al. (2008) referred to information processing theory while arguing that customers with higher expertise take a number of information cues into consideration for evaluation of a service. Thus their buying behaviour get more objective with more importance given to quality and availability of a product. They argued that expertise tends to sensitize to disparities in satisfaction, especially in case of range or variety and enables the adjustments in attitudinal loyalty when lower satisfaction levels are reached. On the contrary, neophytes most likely are focused on discrete product information cues, such as level of satisfaction during earlier encounters. Clarifying this further, Walsh et al. (2008) explained that once novices experience satisfaction with a product, they choose to stay due to lesser reliability, inferior quality of available alternatives and the efforts required for acquiring and processing information to ensure new satisfactory alternatives.

It has been proposed that market expertise as a moderating variable in the customer satisfaction - customer loyalty relationship and greater knowledge of customer lessens the predictive power of customer satisfaction on customer loyalty (Cooil et al., 2007; Evanschitzky and Wunderlich, 2006; Tuu and Olsen, 2009). It has also been pointed that the moderating role of knowledge may differ due to the nature, level, content of knowledge and its measurement as a construct (Cordell, 1997; Fabrigar et al., 2006). Researchers found expertise to be negatively moderating the relationship of customer satisfaction with customer loyalty (Capraro et al., 2003; Evanschitzky and Wunderlich, 2006; Cooilet al., 2007; Tuu and Olsen, 2009). However, Tuu et al. (2011) asserted that objective knowledge positively moderates the aforementioned relationship which implies that the "true" knowledge of consumers bridges the gap between satisfaction and loyalty as it influences their evaluations and decision making process regarding continued consumption of products.

2.4.7 Certainty

Krosnick et al. (1993) defined certainty as "the degree to which an individual is confident that his or her attitude towards an object is correct and is usually gauged by self-reports of certainty or confidence". Tuu and Olsen (2012) reviewed various studies and posited that certainty refers to the level of confidence a person brings to an attitude (Bennett and Harrell, 1975; Olsen, 1999; Smith and Swinyard, 1983). In the context of loyalty, Dick and Basu (1994) looked at certainty as an evaluative mechanism for consumers to evaluate the appropriateness or accurateness of individuals' beliefs about brands and alternatives.

Researchers discoursed about the potential interaction between certainty and customer satisfaction (Dick and Basu, 1994; Oliver, 1997). Spreng and Page (2001) linked certainty with customer satisfaction formation. Campbell et al. (2004) opined that confident customers tend to believe that a favourable outcome like satisfaction should be credited to their own behaviour and the factors leading to such favourable outcome shall be continued in future as well. Wu and Chang (2007) also suggested that satisfaction exerts greater impact on loyalty when customers possess higher confidence. Chandrashekaran et al. (2007) explained the moderating role of certainty in customer satisfaction - customer loyalty relationship and stated that the link between satisfaction and loyalty strengthens when customers are confident about feeling satisfied with a product. Tuu et al. (2011) supported the research propositions of Dick and Basu (1994) and confirmed the findings of Chandrashekaran et al. (2007) while investigating the moderating role of certainty. They found that certainty does moderate the relations of customer satisfaction with customer loyalty.

2.4.8 Perceived Risks

Perceived risk has been considered as a construct with multiple aspects related to a purchase decision such as potential financial, performance, physical, psychological or social losses (Jacoby and Kaplan, 1972; Tuu et al., 2011; Yuksel and Yuksel, 2007). Tuu et al. (2011) reviewed several studies and viewed perceived risk as an "integral construct" which has association with vital consequences with respect to health, performance, financial and social risks.

Campbell and Goldstein (2001) found that perceived risk moderates the impact of incongruity on evaluations in a way that higher risks mitigate the preferences for incongruity. Gurhan-Canli and Batra (2004) examined the moderating role of perceived risk in relation to product evaluation and choice. Tuu et al. (2011) noted that customers try to diminish the unfavourable impact of risk when it crosses the individual threshold of tolerance by gathering further information (Mitchell, 1999), swapping with low risk alternatives (Yuksel and Yuksel, 2007) or careful appraisals of substitutes and product trials (Cho and Lee, 2006; Dowling and Staelin, 1994). As opined by Oliver (1999), the impact of satisfaction on loyalty gets negatively affected in the presence of appealing alternatives which render susceptibility to customer satisfaction.

Tuu et al. (2011) argued that perceived risk exercise a negative moderating effect on the relationship between customer satisfaction and customer loyalty as the predictive power of satisfaction in relation to loyalty decreases in case of higher perceived risks.

3. Discussion

Numerous studies indicate that customer loyalty bears a profound and positive impact of customer satisfaction. Several studies explored and established a significant relationship between these constructs and offered diverse perspectives about the nature of above mentioned linkage. An exhaustive survey of literature pertaining to customer satisfaction - customer loyalty relationship reveals that this relationship can be affected by a number of factors. A thorough perusal of literature pertaining to customer satisfaction - customer loyalty relationship revealed that demographic factors such as age, gender, income and a psychographic factor namely customer's level of involvement can play a moderating role. Along with these, customer's perception of costs of switching and the risks as well as his knowledge about the product or service and degree of confidence are also argued to affect the aforementioned relationship. The moderating influences of these factors have been acknowledged by different researchers who tested and analysed the customer satisfaction- customer loyalty relationship in the light of possible external influences. Fig. 1 proposes a research model which involves testing the relationship between customer satisfaction and customer loyalty along with the influencers.

The moderating factors depicted in Figure 1 can be classified into two broad categories of influencers which affect the impact of a customer's satisfaction on his loyalty. These are life situation of the customer and the cognitive processes that take place due to his interaction with outside stimuli. The life situation of a customer is determined by the demographic characteristics she/ he possesses which to a reasonable extent affect her/ his level of involvement with the product or service in question. These factors together form the nature of

customer's consumption interests, habits and patterns which in turn affect his service evaluation and consequent responses. Thus, customers in different life situations are expected to have varied parameters which affect the strength of their satisfaction or dissatisfaction and its impact on customer loyalty. Moreover, customers with different life situations would require distinct degrees of satisfaction in order to attain a state of loyalty in consumption based relationships.

The other set of influencers involves perceived switching costs and perceived risks which are largely related to consumer psychology that determine individual traits like perceptions, attitudes, motivation, learning, risk aversion, etc. along with customer's level of confidence and certainty and then knowledge, expertise & experience related to product or service. These factors belong to the cognizance and cerebral thought mechanism of mind and thus, are collectively denoted as the cognitive processes which play a major role in shaping a customer's evaluative criteria and the resultant behaviours.

Terefore, it is proposed that the relationship between customer satisfaction and customer loyalty gets influenced with various personal factors discussed above. These factors, though act as individual influencers of the customer satisfaction - customer loyalty relationship, can be grouped under life situation and cognitive processes that govern a customer's overall consumption behaviour.

Figure 2 represents the direct relationship between customer satisfaction and customer loyalty and the factors influencing the relationship and the broad classification of these influencers.

The present paper analyses the factors influencing the relationship between customer satisfaction and customer loyalty. Further research can be undertaken to provide empirical evidences to our claims. There may be certain moderating variables which operate in a particular context with greater strength than in others. More studies can be undertaken to identify the list of moderators by establishing their industry or culture specific significance.

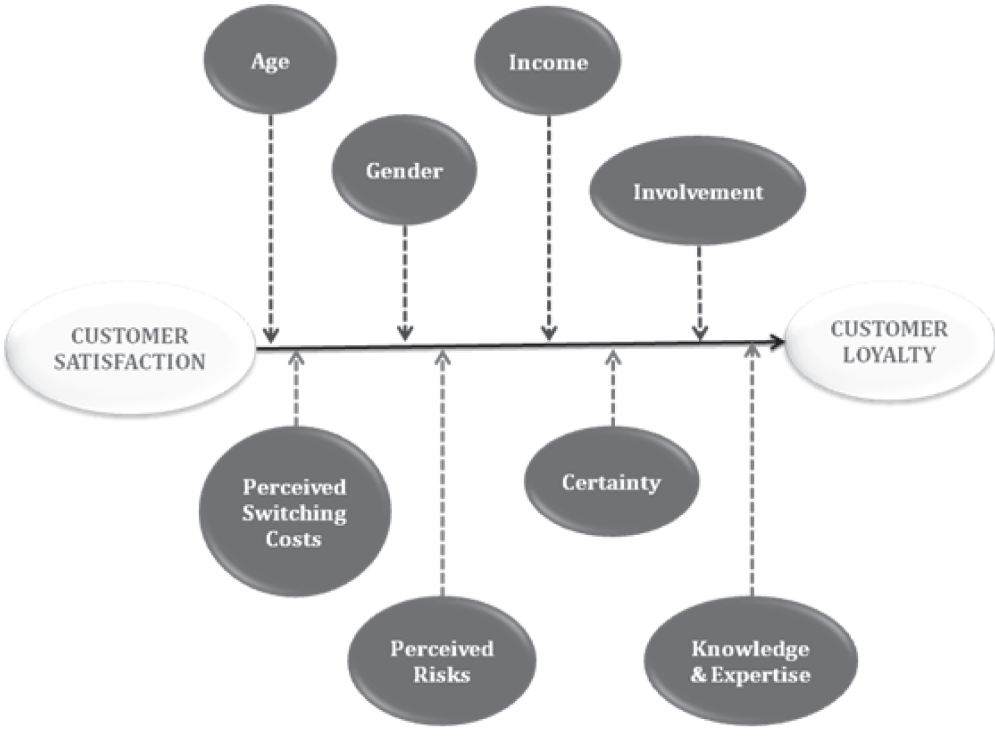

Figure 1 : Proposed Research Model

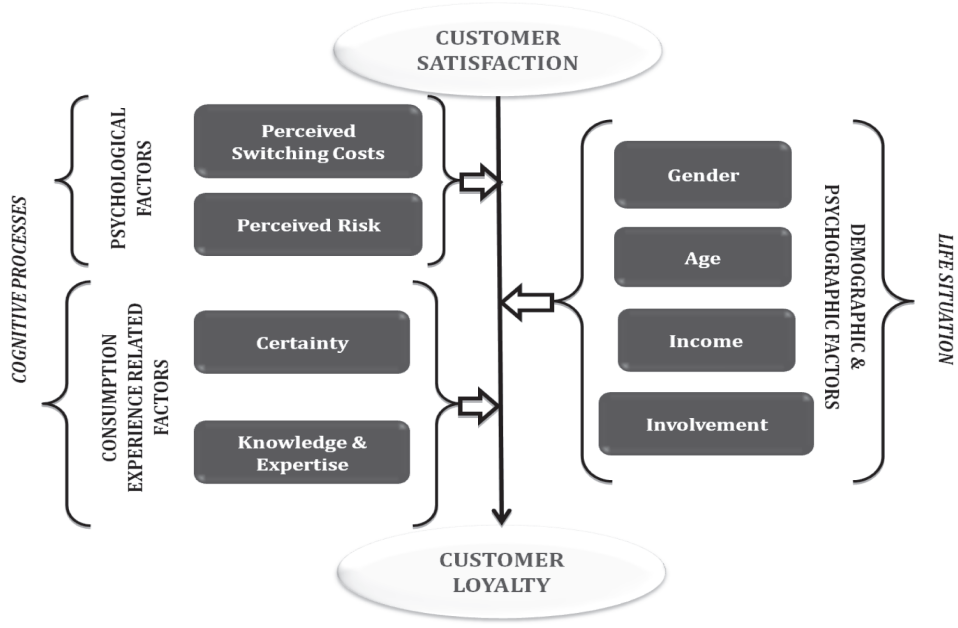

Figure 2 : The Moderators of Customer Satisfaction - Customer Loyalty Relationship

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Does Meaning in Life Mediate the Relationship between Hope and Organizational Commitment: An Empirical Analysis among IT Professionals in India

Umamaheswararao Jada, Lalatendu Kesari Jena and Ranjan Pattnaik

Abstract

For achieving sustainable growth, modern day organizations expect every employee to be committed to their job assignments. In this context, hope for a better and comfortable life enables a professional to commit towards organizational goals. Earlier research has suggested that meaningfulness in one's life posits hope and this in turn increases the commitment level. Keeping this in view, the present study was designed to examine the effect of hope on employee commitment towards organization. Similarly authors have tried to examine the mediating role of meaning in life between hope and organizational commitment. Data were collected through an online survey with a sample size of 307 professionals working with Information Technology organizations located in the metropolitan cities of southern-eastern part of India. A set of standardized tools were used to measure hope, meaning in life and organizational commitment. The outcomes of the study indicate that hope is positively associated with organizational commitment. We have also found that meaning in life is significantly mediating between both the variables satisfying our proposed hypothesis. The findings provide number of practical implications for managers.

Keywords: Hope, Meaning in Life, Organizational Commitment, Indian IT Industry.

1. Introduction

In general, human race dreams to lead a prosperous and purposeful life. To achieve that, they try to invest much of their accumulated resources for deriving a purpose driven life. It is said, 'when there's life, there's hope; equally true, and equally basic, is the reverse statement, 'when there's hope, there's life'. Sometimes in our life we may come across number of disappointments, but a single hope may wipe out all the disappointments so that we start our journey with fresh expectations (Jones, 2013). When everything goes out in life we get to be surrounded by darkness and during such times, hope is the one which can bring life back to the momentum. The extent of hope or dream a person has; leads him to put necessary efforts towards achieving the desired goals. In addition, being hopeful stimulates an individual to persuade all the difficulties in life or at work as challenges and learning avenues (Kilbride & Anisef, 2001).

The growing importance of "hope" as a construct in positive psychology has increased the attention of researchers to explore its antecedents. Basically, hope is a positive belief that drives people to fulfill their dreams or so called future goals (Snyder, 1989; 1994; 2002). Moreover several studies carried out in organizational setups have suggested that hope to grow better in one's job profile is considered as an essential element for igniting employee performance (Adams et al., 2002; Shorey & Snyder, 2004).

In contemporary times, IT industry comprising of knowledge workers is one of the dynamic industry propelling the economic growth in global economy. Proper utilization of knowledge worker in the IT sector is found to be helping the economy for achieving rapid pace of economic growth and attaining economies of scale (Dubey & Garg, 2014). The high demand for the services provided by this industry has created a large number of fast-growing and high-paying IT jobs (Csorny, 2013). Since IT industry provides higher salary jobs people tend to join in large numbers. Usually in IT

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companies young professionals use to start their career with the hope that they will have gainful employment for their family, organization and society at large. Earlier studies conducted in such industries have found that hopeful and knowledgeable individuals use to have an inherent commitment towards realizing organizational goals (Ahiauzu et al., 2009). In this context, Rego & Cunha (2007) has argued that more committed employees are inclined to contribute higher efforts towards their work, which ultimately leads to attainment of organizational performance. Hope is argued to be a source of organizational commitment (Ozag, 2006). There are sufficient evidence in this regard on deriving positive effect through hope on employee satisfaction, organizational commitment and work happiness (Youssef & Luthans, 2007).

It is predicted that, when an employee is committed to an organization he expects the same kind of treatment from the organization in return; else there is likely to be a chance of divergence between employee and organization. Organizational commitment arises when an employee is personally and emotionally attached towards fulfilling the strategic objectives of the organization and continuing relationship for a long time. Organizational commitment is cited as a behavioral predictor of employees in organizations (Mowday et al., 1982) and it represents a kind of dedication towards the organization. However, commitment is never judged in an isolated manner. A professional's commitment towards work or organization depends on the extent he/she committed to his personal life while providing necessary concern and support to one's near and dear one's. Moorman et al., (1993) has found that commitment to one's profession instills a kind of extra-role behavior, i.e. organizational citizenship behavior. As one extends support for the cause of his family in personal level; the same kind of feeling gets inculcated into the work surroundings creating the most desirable citizenship intent. Hence it is rationale that, an organization with a committed human capital with citizenship orientation stands out as a better competitor to face the challenges in global market. However, it is found that many a times one use to run in to failures during the journey towards achieving the goals. In this context, meaning in life plays a key role in keeping oneself content and drives for achieving the desired targets.

Recker et al., (1987) defined meaning as "making sense, order, or coherence out of one's existence and having a purpose and striving toward a goal or goals". Indeed, Baumeister (1991) pointed that, human life goes through number of changes during their time span and at each stage an average human being strives to derive personal and professional stability. Moreover as industry experts suggests that a person having a definite meaning for their professional life gives more importance to the organization. Psychologists have agreed to the fact that individuals need to find personal meaning and purpose to sustain a sense of well-being in times of insecurity and changes happening in their life span (Lips-Wiersma & McMorland, 2006). Whereas, having a meaning towards one's life provide a sense of purpose, filled with significance motivates oneself to perform the task (Baumeister, 1991).

In general there is a misconception between happy life and meaningful life but in reality both are different. According to Baumeister et al. (2013), fulfilling one's desires and requirements gives increased happiness. But, in principle this is not sacrosanct to meaningfulness. When we consider happiness, it is basically present oriented, whereas meaningfulness is engrossed with integration of past, present, and future. Being meaningful may involve with worry, stress, and anxiety in the initial stage but, later one can feel the ultimate happiness as meaningfulness is concerned more with the giver than who obtains it. After reviewing the literature we have found that intervention of meaning in life is an unexplored area and it warrants examining as a potential mediator for enhancing the commitment level. Therefore it is proposed to examine through an empirical study whether meaning in life acts as a mediating role between hope and commitment.

2. Hope

Hope is a positive approach based on the expectations in one's life. Hope is an emotion based cognitive activity of deliberate thinking accompanied by positive affective components (Snyder, 2000). Dufault and Martocchio (1985) stated it as "a multidimensional dynamic life

force characterized by a confident, yet uncertain expectation of achieving a future good which, to the hoping person, is realistically possible and personally significant". Long back a group of scholars have explored that hope is a kind of individual intuition that targeted goals could be achievable with efforts (Cantril, 1964; Farber, 1968; Frank, 1975; Melges and Bowlby, 1969; Menninger, 1959; Schachtel, 1959). According to Snyder, hope is a kind of ''goal-directed thinking'' in which individuals appraise their capability of producing workable routes to attain goals (pathways) and their potential to initiate and sustain movement via the pathway(s) (agency). In other words, hope is the combination of both the will and way; where in "will" helps an individual to pursue goals and "way" helps in performing it effectively. In addition to it, being hopeful means believing that one can set meaningful goals, while figuring out how to achieve them while motivating one to accomplish it. Walker (2006) has suggested that hope is a driving force within the individual towards achieving future goals. Hope increases the confidence among individuals even at final stage of life. For example, after losing everything in life, fear dominates a person and he may attempt to suicide. But if he gets some hope by any means he again try to live and lead a purposeful life. Furthermore researchers discovered that hope predicted job performance beyond cognitive ability and self-efficacy (Peterson, Walumbwa, Byron & Myrowitz, 2009).

In earlier findings, hope in the form of psychological attachment was found to deliver expected performance in various domains, including the workplace (Adams et al., 2002; Curry, Snyder, Cook, Ruby, & Rehm, 1997; Luthans, Avolio, Walumbwa, & Li, 2005; Luthans & Jensen, 2002; Luthans, Van Wyk, & Walumbwa, 2004; S. J. Peterson & Luthans, 2003; Snyder, 1995; Youssef & Luthans, 2006). Hence it is suggested that developing an emotional orientation of hope would provide an individual to articulate new goals of living peacefully while balancing one's work and life. Practical approaches for developing hope include setting achievable and challenging goals, contingency planning etc. when necessary to avoid false hope (Luthans, Avey, et al., 2006; Snyder, 2000). When employees feel that the organization promotes their hope and happiness, they tend to reciprocate (Gouldner, 1960; Settoon et al., 1996; Eisenberger et al., 2001) with a positive attitude towards the organization, including the organizational affective bonds and being loyal to the organization. Moreover, hope also have a power to control an individual's deviant behaviors like vulnerability, uncontrollability and unpredictability (Snyder, 2002). Weick and Quinn (1999) thus believe that sustaining an employees' hope is necessary for employee wellbeing and organizational productivity.

3. Organizational Commitment

Growing body of literature shows that there is an extensive research took place on the construct of organizational commitment. Allen & Meyer (1990) state organizational commitment as a "psychological state that binds an individual with the mission of the organization". O'Reilly & Chatman (1986) argue that commitment is best defined as the basis of an individual's psychological attachment to the organization. Some studies suggest that commitment is negatively associated with potentially costly behaviors such as absenteeism, (Angle & Perry, 1981) and the likelihood of turnover (Hom, Katerberg & Huh, 1979; Porter, Crampon & Smith, 1976; Porter, Steers, Mowday & Boulian, 1974). Mowday, Porter & Steers (1982) outlined the distinction between attitudinal commitment and behavioral commitment. They have stated attitudinal commitment as a mindset in which individuals consider the congruence of their goals and values with those of their employing organizations whereas, behavioral commitment depicts the process by which individuals past behavior in an organization binds them to the organization. Martin and Roodt, (2008) stated commitment as an attachment between the employee and the organization.

However it is pretty clear that, employees will be devoted to the organization when organization values and appreciates their contributions (Fuller et al., 2003). Buchanan (1974) in this connection has stated that, organizational commitment is an individual emotional commitment to accomplish the projected organizational goals. Satisfied employees build up high affective commitment which shows the sense of affection towards

organization for long term relationship (Kitchard and Strawser, 2001). In general affective commitment forms in an employee when he feels a kind of emotional connection with organization. Luthans (2006) has proposed that, organizational commitment binds the will and wish of a person to be a member of an organization and later obliged to be a part of an organization in whatever be the situation. O'Relly (1989) has stated that, organizational commitment is "an individual's psychological bond to the organization, including a sense of job involvement, loyalty and belief in the values of the organization". Organizational commitment is a behavioral attitude as feeling personally and emotionally connected, recognition and loyalty to the organization as on object of promise (Morrow, 1993).

Meyer & Allen, (1991) has made an important contribution towards defining the three components of organizational commitment i.e. affective commitment, continuance commitment, and normative commitment. Affective commitment is well known as attitudinal commitment (Ahiauzu, 2005; Iverson & Buttigieg, 1998) is emotionally binding to the organization (Coleman et al, 1999) and it indicates the comparative potency of an employee's identification with the organization, such that the employee is willing to remain with the organization because he or she wants to do so. Employees with normative commitment on the other hand, feel a persuasive sense of obligation such that their willingness to stay with the organization is because they feel they ought to do so. Employees with continuance commitment or calculative commitment (Ahiauzu, 2005; Iverson & Buttigieg, 1998) count the cost of leaving an organization and base their judgment on whether to stay or live on the outcome of the cost benefit analysis. "Therefore employees with strong continuance commitment remain with the organization, because they have to do so, either because of low perceived alternatives or because of personal sacrifices associated with leaving the organization" (Yousef, 2002). To be particular, a study by Meyer & Allen (1997) has suggested that, organizational commitment is correlated with workforce stability (i.e., low voluntary departure rate), employee diligence (i.e., low absenteeism rate), job performance, quality of customer service, and "corporate" behaviors (i.e., professional behaviors) that go beyond the expectations and prescriptions of the assigned roles.

4. Meaning in Life

It reflects the nature and strength of the bond between the individual and his work. Meaningful life is doing something which need to have a real purpose, that makes one distinct by giving pleasure. Earlier studies have observed that happy employees always derive satisfaction at workplace and gets committed towards organizational goals. Thus, organizational commitment is a very good indicator of the quality of work life (Ketchum & Trist, 1992). King, Hicks, Krull, & Del Gaiso, (2006) described meaning in life as "lives may be experienced as meaningful when they are felt to have a significance beyond the trivial or momentary, to have purpose, or to have a coherence that transcends chaos." "Meaning is the web of connections, understandings, and interpretations that help us comprehend our experience and formulate plans directing our energies to the achievement of our desired future. Meaning provides us with the sense that our lives matter, that they make sense, and that they are more than the sum of our seconds, days, and years." (Steger, 2012).

One crucial advantage of meaning is that it is not limited to the immediately present stimulus environment. Meaningful thought allows people to think about past, future, and spatially distant realities (and indeed even possibilities). Related to that, meaning can integrate events across time. In addition to it, some of the earlier studies have found that meaning in life is consistently positively correlated with positive affect (Hicks & King, 2009; King et al., 2006). It is obvious that positive mood or positive affect refers to the experience of mild pleasant feelings: The extent to which a person is happy, pleased, cheerful, or experiencing enjoyment. In a particular study a team of researchers proposed that, giving importance to work, having beliefs and value which individuals and teams attach to working as a major stream of human activity that occurs over one's professional span at workplace (The MOW International Research Team, 1987).

According to Weisskopf-Joelson (1968), it is necessary

for the individual to maintain coherence between the private (inner) and public (outer) domains of his life to be able to find meaning in life. The importance of experiences of meaning has been supported by research demonstrating its relations to well-being and mental health variables, such as happiness, life satisfaction, positive and negative effect, depression, anxiety, and stress (Debats 1996; Harlow, Newcomb & Bentler 1986; Mascaro & Rosen 2005; Scannell, Allen & Burton, 2002; Schnell 2009; Zika & Chamberlain, 1992). Several studies have also demonstrated a significant impact of meaning in life when suffering from major medical problems, such as cancer (Breitbart et al. 2009; Jim & Andersen 2007; Lee et al. 2006), or different kinds of traumata (Dollinger 1986; Janoff-Bulman 1992; Salter & Stallard 2004). In an exploratory study it was found that, occupation itself and feeling pleasure in the product of the organization; the friendly surroundings; being religious at workplace; and becoming a caring organization points out for developing meaningfulness at the organization (Dimitrov, 2011).

5. Hope and Commitment

Numerous studies proved that hope has positive effect on organizational commitment. Hodge and Ozag (2007) in this connection has stated that viable source of the organizational commitment of employee is aligned with a perceptual hope in the workplace. Martin Luther King Jr. (1958/1986) has suggested that hope is a "deep faith for a bright future" and is necessary for a sustained commitment. Further a group of scholars found that, employee having high hope resulting in positive commitment toward work and organization (Snyder et al., 1991, 1996). It has been observed in several studies that, when employees feel that the organization promotes their hope and happiness, they tend to give in return (Eisenberger et al., 2001; Gouldner, 1960; Settoon et al., 1996) with positive attitudes towards the organization, including the organizational affective relationship, attachment, and feelings of being loyal to the organization. In a recent study on teachers hope and commitment has revealed that teachers with a sense of hope are highly committed towards organizations (Bullough, 2012). In another study it was found that hope and optimism is positively associated with organizational commitment (Vohra & Geol, 2009). Hence it is evident that, being optimistic, hope enables an employee to be committed to organization. In an empirical study of public and private organizations hope was found to be strongly related to organizational commitment and organizational citizenship behavior (Shahnawaz & Jafri, 2009).

Hope was found as a forecaster of positive outcome in critical, demanding situations (Mishra & Spreitzer, 1998) and has led to increased happiness at work, togetherness with colleagues, profitability, reduced absenteeism and turnover (Luthans & Jensen, 2002; Peterson & Luthans, 2003). Consequently, more hopeful employees would likely to stay longer in the organization because they intrinsically feel that he belongs to organization. In a recent empirical study it was found that, optimistic hope is positively related to organizational commitment (Kool & Dierendonck, 2012).

Hypothesis 1. Hope will be positively related to Organizational commitment.

5.1 Mediating role of Meaning in life

Meaning in life is more likely to represent optimistic aspects. Meaningfulness is often described as what individuals what they desire for and what they seek to find (Wolf, 2010). Further, Frankl (1984) has argued that meaningfulness is a determinant of emotional happiness and therefore it is essential for individuals to find meaning in life. Hackman and Oldham (1975), defined meaningful work as 'the degree to which the employee experiences the job as one which is generally meaningful, valuable, and worthwhile'. It is an open fact that, organizations started looking at employee's commitment as a critical factor for their success. Thus top level management willing to develop the employee's capabilities; is expected to look after their wholesome well-being (Dessler, 1999).

A primary challenge for today's organizations is to fit the employees' role to the organizational goal which can be realized by providing a meaningful profile (Hult, 2005). Based on the above arguments, this study was conducted to introspect empirically the effects of fostering meaningful work to get hold of commitment at work. Furthermore, earlier studies have established

the fact that meaningful work leads to increased levels of commitment (Steger & Dik, 2009; Steger et al., 2012) at work. Employees who experience meaningful work are found to experience their work as important (Harpaz & Fu, 2002; Steger et al., 2012), place higher value on work (Nord et al., 1990; Steger et al., 2012) and will have an obligation to stay at their work (Hakenen et al., 2006). Employees experiencing meaningful work are found to serve greater good and are better adjusted psychologically (Steger et al., 2012). Therefore it is understood that an optimum amount of hope and meaning in life does the employee has he would be more committed to the organization.

Hypothesis 2: Meaning in life will be mediator between Hope and Organizational commitment .

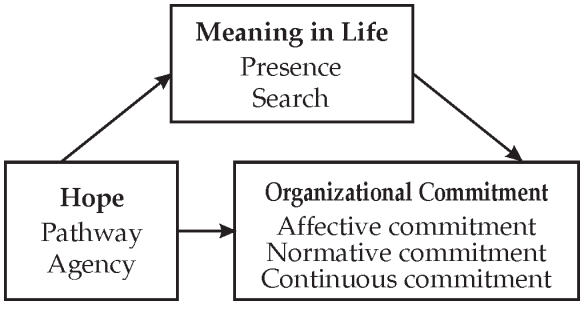

Figure 1: Conceptual Model

6. Methodology

This study was a cross-sectional survey and was built around the purpose of hypotheses testing. After developing a framework with variables we have taken hope (as independent variable), organizational commitment (as dependant variable) and meaning in life (as proposed mediating variable). We have designed a questionnaire and based on the convenience sampling method, the questionnaire was administered through online mode. Questionnaire has been circulated to 350 IT professionals across the southern, eastern part of India, out of which we have got the 320 responses. We have not considered 13 respondents as it was not filled up properly. The final responses used for the study was 307 comprises of junior, middle and senior level organizational members of Indian IT industry. The survey instruments used in this study to measure the study variables were adapted from existing literature.

Table: 1 Summary of Sample Characteristics

Gender	Male	84.09%
	Female	15.96%
Age	Age below 30	68.07%
	31-40 Years	27.68%
	41-50 Years	4.23%
Managerial Level	Junior level	61.56%
	Middle Management	32.24%
	Senior level	6.18%

7. Measures and Variables

All the variables were captured through a five point rating scale which ranges from Strongly Disagree (1), Disagree (2), Neither Agree nor Disagree (3), Agree (4), Strongly Agree (5).

To measure the construct, hope, our study used the twelve item scale adopted from Snyder (1991). Specifically scale was built up with two sub scales i.e. Pathway and Agency. Out of 12 items four items measures pathway (item no.1, 4, 6, 8), another four items measures agency (item no. 2, 9, 10, 12) and rest are fillers. Total hope scale is derived by adding up of items under both the sub scales.

Organizational commitment scale is one of the leading instruments for empirical research in social sciences and it had also been pre-tested in several studies (Albdour and Altarawneh, 2014, Shore and Martin, 1989). It is a 24-item series that has eight questions on each of affective, continuance and normative commitment. The OCQ instrument is a self-scoring questionnaire. Responses to each of the items in the research instrument were rated using a 5-point Likert scale. Instrument used for the study was adopted by Allen and Meyer (1990).

Meaning in life assesses two dimensions of meaning in life using ten items, i.e. presence and search. Standard scale (developed by Steger, 2006) was considered for the study. Total meaning in life scale is derived by adding up of items under both the dimensions. Responses were captured against each of the items on five point Likert scale.

Reliability or internal consistency (inter-item correlation) shows the homogeneity of items comprising a

measurement scale (De Vellis, 1991). Items with item-total correlation less than .30 were removed from the scale to get better corresponding alpha values (Field, 2005). The construct reliability of the scales need to be greater than .70 (Nunnally, 1978; McIntire & Miller, 2000). All the constructs included in the present study have obtained an acceptable coefficient alpha of above .70 keeping all the original items of the scales, indicating that the measurement scale is reliable and appropriate for further data analysis. The values of the reliability scores are presented in the Table 2.

The descriptive statistics and correlation matrix are displayed in Table 3. The table of correlation shows that all the components of hope is positively related to organizational commitment ($r = .594$, $p<.01$). Meaning in life is found to be significantly related to organizational commitment ($r = .737$, $p<.01$), similarly hope is also positively correlated with meaning in life ($r = .539$, $p<.01$). All the variables in the study are positive related each other, Pathway and agency were correlated low with search among all the variables. Findings suggest that hope may cultivate the commitment in employee towards organization. Further it is found that affective commitment is highly correlated with meaning in life ($r = .752$, $p<.01$) among all the dimensions of organizational commitment. (Table 3)

Table 4 shows results of step wise multiple regression analysis of the dimensions of work-life balance predicting the dimensions of job satisfaction. Regression analysis shows the differential impact of Hope on different dimensions of organizational commitment dimensions. All the dimensions of hope are positively predicting organizational commitment as a whole. But pathway is predicting organizational commitment higher than agency comparatively. However, the dimensions of Hope: pathway (?=.48, t=9.42) predicting continuous commitment Fig 2 shows overall strength of association between hope as the predictor and organizational commitment as the criterion. The beta value of (.594) between hope and organizational commitment is significant at 0.01 level of confidence. It shows significantly high association between the two constructs and hope predicts organizational commitment (Table 4).

To understand the influence of meaning in life between hope and organizational commitment a mediation analysis was performed using the causal-step approach. Though there are several mediation analysis tests available each test is having its own limitations for example Sobel test will be suitable only when the data is normally distributed (Sobel, 1982). Similarly Barron and Kenny have been criticized as it will not address type 1 error and not being able to explain suppression effect (Barron & Kenny, 1986). But whereas when we use Joes Medgraph test which provides additional details like Confidence interval to determine significance size of the mediation effect which no other test provides. The causal variable for the present study is hope whereas the outcome variable is organizational commitment and the proposed mediating variable is meaning in life. Preliminary data screening has suggested that there were no serious defilements of assumptions of normality and $\alpha = .01$ two-tailed is the criterion for statistical significance. Figure 2 has represented the total effect of hope on organizational commitment as significant at, $\beta = .594$, $p < .01$ whereas the indirect effect of hope on organizational commitment mediated with meaning in life has found to be highly significant at $\beta = .737$, $p < .01$. This was judged for statistical significance through using the Jose MedGraph (2013).

8. Findings and Discussion

In this section, findings of the statistical analysis and the hypothesis that has been stated are matching as anticipated and its relevant implications are derived with the support of previous literature. In our proposed framework organizational commitment is an integral component which eventually is influenced directly with hope and indirectly through the efficient usage of meaning in life. IT professionals are found to be having high hope while joining in an organization. But in the later stage this aspiration gets deviated slowly and the commitment level is found to be coming down. For this we have formulated two basic research question as above mentioned.

The study revealed that hope and meaning in life is strongly correlated, which is consistent to the findings of Feldman and Snyder (2005). Rego and Cunha (2008)

Table: 2 Reliability Analysis of Study Variables

Constructs	Originals Items	Items retained	Cronbach alpha
Hope	08	08	.839
Meaning in Life	10	10	.792
Organizational Commitment	24	24	.928

found meaningful life is associated with organizational commitment. Our results get support in similar line that meaning in life is associated with organizational commitment among Indian IT professionals. Further, our study explains that, meaning in life fully mediates between hope and organizational commitment (figure 2). These results supports the studies by Ivtzan et al., (2013).

In addition to it we found that, affective commitment is strongly correlating with meaning in life (Table 2). Our finding is consistent to the earlier study conducted by Eisenberger et al (1986). Moreover we have found that, among the variables of hope, pathway is dominating agency while predicting organizational commitment and both are positively correlated. Where as other study found that hope as a whole was highly correlated with organizational commitment (Law & Guo, 2015). Presence of meaningful life is strongly correlated with hope where as search of meaningful is moderately correlated with hope among Indian IT Professionals. Surprisingly, these findings are contradict o the study of kumar et al., (2012) which found that search of meaning is highly related with hope where as presence of meaningful life is moderately correlated with hope. The findings from this empirical study shed a light on the relationship between hope and organizational commitment among IT professionals in Indian IT industry. We conclude that meaning in life play a vital role in this relationship.

Implications and Directions for Future Research

We found that IT professionals are hopeful about their career in life which enables them to be committed towards organizational goals. But meaningfulness in life predicts more commitment to organization. The mediating role of meaning in life between hope and organizational commitment is the core finding of the

Table: 3 Mean, SD and Inter-dimensional Correlations (N = 307)

Sr. No.	Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10
1.	PW	4.051	0.699										
2.	AG	3.946	0.551	.573**									
3.	TH	3.999	0.555	.914**	.857**								
4.	PR	3.824	0.627	.745**	.361**	.648**							
5.	SA	3.764	0.562	.204**	.296**	.275**	.532**						
6.	ML	3.794	0.521	.559**	.377**	.539**	.890**	.860**					
7.	AC	4.034	0.526	.601**	.396**	.575**	.756**	.549**	.752**				
8.	CC	3.768	0.532	.475**	.399**	.497**	.596**	.511**	.634**	.762**			
9.	NC	3.919	0.536	.632**	.383**	.588**	.740**	.420**	.673**	.877**	.761**		
10.	OC	3.906	0.495	.612**	.422**	.594**	.749**	.529**	.737**	.945**	.903**	.945**	

**. Correlation is significant at the 0.01 level (2-tailed).

Note: PW: *Pathway*; AG: Agency; TH: *Trait Hope*; PR: *Presence*; SA: *Search*; MIL: *Meaning in Life*; AC: *Affective commitment*; CC: *Continuous commitment*, NC: *Normative commitment*; OC: *Organizational commitment*.

present empirical study. The present study throws light on the significance of hope on cultivating organizational commitment among IT professionals in Indian IT industry. Managers who wish to augment organizational commitment should nurture the hope in individuals, meaning in life is one's own look out to sustain in competitive business. Apart from that, line managers should communicate organizational objectives, goals and ensure that making employees feel that they are part of organization's success.

Employers expect committed workforce sustain competitive advantage (Mathieu & Zajac, 1990; Meyer & Allen, 1997) in the global market. Managers are required to make efforts to inspire hope in organizational members with emphasis on the long term future of the organization. Managers can foster hope in two ways. First they should celebrate success of their employees. Second encourage them to do things which are seemingly impossible (Richards & Dick, 2004). Organizational members should be made to feel important in the actualization of the long term vision of the organization. To nurture the meaningful life in the organization, managers need to create environment which encourages development of positive relationships: Do work that allows employees to make interesting contacts, development of closeness with colleagues (Morin, 2008). Future researcher may use meaning in life as a moderator between Hope and Organizational commitment to validate the present study. In addition, contributions by organizational members toward organizational goal attainment should be promptly acknowledged and adequately rewarded.

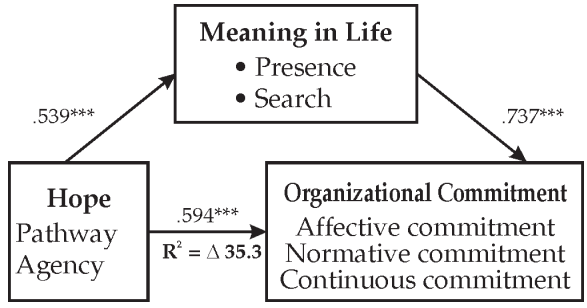

Figure: 2 Mediation Model

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Table 4: Summary of Step Wise Multiple Regression Analysis of the Dimensions of Hope Predicting the Dimensions of Organizational Commitment

Criterion Variable	Affective Commitment		Continuous Commitment		Normative Commitment		F-Value	R^2
Predictor Variable	β	t	β	t	β	t		
Pathway	.06	13.1	.48	9.42	.63	14.2	182.20	.37
Agency	.40	7.54	.40	7.59	.51	7.246	66.04	.17

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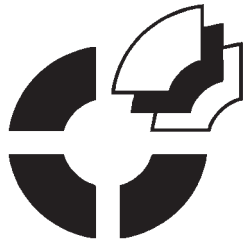

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