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EDITOR'S INTRODUCTION

We look forward to 2014 with some trepidation. The anti-democracy movement – some of whom are fascists and some just perplexed by capitalist modernity – seems determined to use violence to put an end to the rule of law in Thailand. Yet another military coup now seems possible. This would surely provoke more conflict as the great mass of the population has repeatedly demonstrated that they wish to be governed by a democratically-elected government and have shown that they prefer a party that rules in the interest of the majority of the electorate.

Hundreds if not thousands of Thais have been killed a variety of tyrants over the years in the name of democracy. Violence against pro-democracy demonstrators was witnessed as recently as 2012. It is routinely accompanied by mass arrests, falsified evidence, false accusations and perpetrators revelling in the culture of impunity that has done so much damage to Thai society. This is not a secret history; it has been played out in the full glare of publicity and it has been well-documented subsequently. I was, therefore, deeply shocked and angered to see so many westerners having joined (illegally) in one of the anti-democracy demonstrations a couple of weeks ago. Dressed up as ultra-nationalists, they laughed and cheered as anti-democracy demagogues shrieked abuse against the democratically-elected government and the useful idiots blew their whistles. It was a very shameful episode. There will be people who wish to obfuscate the nature of the struggle with talk of populism, corruption and so forth; however, that does no more than camouflage the actual events. Despite the hard-won victory to achieve emancipation for the Thai people through blood-soaked massacres, thousands of people still

wish to set it aside. It is hard to imagine how there can be a peaceful and positive resolution to this situation.

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In this issue of the SIU Journal of Management, I am pleased to present five new peer-reviewed papers, with the authors of two of the papers coming from Thailand, one from Laos and two from India. I am glad that we are able to make a contribution to south-south dialogue in which researchers and scholars can search for solutions to problems they face themselves rather than having solutions imposed on them from outside. After all, many of the problems that people in our region face have been caused by the acts of those who imposed unwanted and inequitable conditions in the past and it is inappropriate for representatives of the same interests to be imposing new so-called solutions, which would work mainly to their own benefit. Having said this, I am still conscious that we suffer from a gender imbalance in author publications; I can only encourage more women to submit papers.

The first paper is by Mahmoud Moussa and concerns the interaction between information communications technology and management. Although the introduction of such technology was once said to offer a means of liberation from Taylorist practices in the workplace but the reality has not turned out to be so simple. It is important, therefore, to consider how it should be integrated into the experience of work in a way that is beneficial for all concerned.

The second paper concerns trade facilitation across borders and takes a case study of India. It is written by Surendar Singh and R.C. Mishra. The rise of the Indian economy is one the most noteworthy economic phenomena of recent years but it is very uneven in nature.

Comparatively small areas and sectors dominate the economic gains achieved and these are also distributed inequitably. One way of evening out the economy as a whole is to provide enabling technology such as infrastructure which will promote value-adding activities for a much wider range of people.

The third paper is written by Sithixay Xayavong and concerns an empirical survey of Thai tourists in the ancient Lao capital Luang Prabang, which has been designated by UNESCO to be a world heritage site. The paper contains a wealth of data on the tourists concerned and will be very helpful in understanding how to improve the service offerings of tourism providers in the city and in Laos as a whole.

The fourth paper takes us back to India and, in particular, the city of Kolkata. Authors Jayanta Banerjee, Ajay K. Garg and Indranil Bose investigate the factors affecting brand loyalty when it comes to subscribers of mobile telephone services. This is a very popular subject in marketing and the product sector is very competitive, complex and rapidly changing. It is sometimes difficult to grasp the correct marketing strategy because of being overwhelmed by the day-to-day management of marketing tactics.

The fifth and final paper concerns the management of teams and how encountering and then confronting problems might provide opportunities to create learning events for eventual success. Ravee Phoewhawm and Worawit Janchai explain how this took place in the case study of a cooperative programme between an institute of higher education and prospective employers of students who received mentoring to help smooth their transition into the labour force.

In addition to the peer-reviewed papers, I am happy to include a report on the International Workshop on Korean Trade and Investment in the Greater Mekong Subregion, which was held at Shinawatra University at the beginning of November. This workshop was supported by the Academy of Korean Studies. The issue is completed with book reviews.

I hope that by the time that Vol.4, No.1 of the journal is published, which s scheduled to be in June, 2014, there will be better news to report from the Land of Smiles.

John Walsh, Editor, SIU Journal of Management.

Opinions expressed in this introduction belong to the editor alone and should not be ascribed to Shinawatra University as a whole or any individual member of it.

PEER REVIEWED PAPERS

A Literature Survey on Information Communication Technology (ICT) and Management in Organizations

Mahmoud Moussa

Abstract

Despite the fact that the factors driving information and technology dispersal for developing countries are different from those in developed ones, the author in this paper did not focus on a particular nation. The author reviewed materials with no regard to the place of publication or where the investigations took place. An exhaustive review of literature indicated a number of considerable challenges and implications for practitioners. These were: an information system must be set with all tools necessary to provide meaningful information with regard to time issues and completeness; become aware of what an IT system can bring and its impact on the organization's efficiency, structure, transparency and interpersonal relationships; recognize deficiencies and limitations in the organization's computer-based information systems; promote change, knowledge sharing, creativity, innovation and democratization; catch up with recent technological developments, which may enhance the efficiency of the organization's system; and become competent in maximizing the organization's outcome from the application of such an information system. Above all, policies should be scrupulously communicated to each individual in the organization to ensure the appropriate use of technology and reduce any resistance to change. Lastly, and as a caveat, the quantitative advantages of IT aspects cannot be measured easily because the system is not directly visible when it supports the different processes of an organization.

Keywords: *information, IT, management, organization, technology*

Author: Mahmoud Moussa is a faculty member at the International Business Management Programme at Rajamangala University of Technology Lanna, Chiang Mai, Thailand.

1. Definitions of Technology

Since technology is one of those words often used in a nonchalant way, Swanson and Holton (2001) defined technology in distinct ways. They defined technology (in general) as the application of the sciences to serve industries, unions, government systems and humanity in general. They defined technology (the process) as a 'sociotechnical' means of identifying and solving problems. Nelson and Quick (2006) referred to the term technology as the tools, techniques and practices performed by organizations to convert inputs into outputs. Technology is comprised of the alteration processes employed to receate resource inputs as organizational outputs (Griffin, 2008; Williams, 2010; Schermerhorn, 2011).

Bartol and Martin (1991) and Jones and George (2011) argued that technology is the mixture of equipment, machines, computers, competencies, information and knowledge that management teams use in the design, production and allocation of goods and services. Technology was also portrayed as the product of human actions or what they attempt to accomplish, while it also presumes structural properties (Prasad, 2009). Technology contains any type of equipment or process that individuals in organizations use in their work routine and "*this definition includes tools as old as a black smith's anvil and tools as new and innovative as virtual reality*" (Certo & Certo, 2009:506). Technology is a major part of change for many organizations. According to Kinicki and Williams (2011), technology is not only computer technology but, also, any process or device that allows an organization to achieve a competitive advantage in changing materials required to produce an outcome. Thus, technology is the development of any software or hardware that defines and develops human capabilities that may offer a better environment for an

organization, community and, ultimately, for all of humanity. However, we should not rely solely on technology to perform every task in our lives but it should be perceived as an aid to accomplish the required tasks.

2. Use of Technology in Different Perspectives

Numerous organizations have increased their awareness of the methods and techniques used to incorporate technology into the workplace. This has the ability to stimulate or hinder all processes and activities within an organization. Generally speaking, technologies of different kinds establish an infrastructure for communicating and sharing information necessary to build a high performance organization (Bohlander & Snell, 2004). Investments in technology may not have an immediate impact on productivity as their influence is indirect and subject to changes in many aspects (Ashrafi, 2011). In a similar vein, due to the realization of the significance of technology, organizations expect the expansion of particular processes that are more efficient and profitable, although, they do not anticipate changes in the short term (Prasad, 2008). Technology has consistently infiltrated business processes and is directly controlling them (Prasad, 2009). Prominently, advances in technology repeatedly bring changes to an organization's structure and, in turn, managers and technology professionals must support and link every area of the organization (Madura, 2001). Such linkage requires effective communication among all employees and employers in organizations.

An organization's technology is a significant variable in shaping its structure; however, elucidating the rapport between technology and structure is convoluted, because different organizations may use different technologies (Nelson & Quick, 2006). In a similar vein, Bartol and Martin (1991) observed that one reason behind the use of different structures in different organizations can be derived from technology, the knowledge, tools, equipment and work methods employed by an organization in offering its products or services. It is

generally considered best to have a movable structure, encourage flexibility and promote employee freedom for creating and innovating ideas (Daft & Marcic, 2007). However, this can be applied through integrating relevant structures and processes for innovation, creation and implementation.

Arguably, in some organizations, technology influences the number of employees needed to perform operations effectively. Correspondingly, technological changes frequently impinge on the number of employees needed and the types of competencies required (Bartol & Martin, 1991). According to Hodgetts, Luthans and Doh (2006:46), "Some experts predict that in the future technology has the potential to largely displace employees in all industries, from those doing low-skilled jobs to those holding positions traditionally reserved for human thinking. For example, voice recognition is helping to replace telephone operators." As a general rule, the more complex the technology that an organization applies, the harder it is to manage it because more unanticipated actions may occur. Thus, Jones and George (2011) stated that the more complex the technology, the more a flexible structure and culture is required to enhance the organization's ability to respond to unforeseen situations. Conversely, the more routine the technology, the more a formal structure would be relevant, because actions and duties needed to produce an output have been tested in advance.

Further, it is fundamental to develop and preserve what Schermerhorn (2011) called a high 'Tech IQ,' or an individual's capability to apply technology at work and a commitment to stay up to date on the modern technological developments. Schermerhorn (2011) also added that 'Tech IQ' is needed in basic operations, such as checking inventory, sales transactions, ordering supplies or analyzing customer favourites. It is also needed in the fast growing number of 'virtual teams' in which colleagues hold meetings, access common databases, share information and files, make plans and solve problems without having to meet face to face. 'Tech IQ' is also required as more people

are 'telecommuting' or working from home, which frees them from a normal 8:00-5:00 schedule. It has also been said that organizations are linked through computer-mediated relationships and they are increasingly developing new generations of 'virtual workers' who telecommute or work from home, hotels or wherever possible (Bohlander & Snell, 2004). Being 'virtual' refers to a primary transformation in the temporal aspects of management and organizations (Lee & Whitley, 2002). Lee and Whitley (2002) further stated that 'virtuality' implies an understanding of social changes that ensue not only in a material sense, but also in a conceptual one.

Recently, key technological changes often involve the introduction of new tools, methods, techniques, automation and equipment. Of particular importance to production is the issue of automation. Automation is defined as a technological change that substitutes humans with machines. It started in the Industrial Revolution and continues today as a management opportunity (Robbins & Coulter, 1999). Additionally, innovations in computer and IT have made available new positions within departments and, in fact, give rise to completely new roles in an organization wherein advanced IT skills are required (Mosley, Mosley & Pietri, 2011). It is thus obligatory for management to keep abreast of emerging technologies that are likely to improve effectiveness, enhance employees' training and prevent employees' resistance to change. However, technology requires both hardware (equipment) and software (management, training, education) which facilitate the latest technologies to be applied for a long period of time in a satisfactory condition for both stakeholders and stockholders (Forsyth, 2005).

Evans and Lindsay (2011) noted that technology can boost an organization's capability to leverage customer-related information and offer better customer service. For instance, today's technology enables written communication to be exchanged at a much faster pace (Dlabay, Burrow & Eggland, 2006). CRM (software) technology is a key enabler of 'customer relationship management.' This software can

be tailored to assist organizations by increasing customer loyalty, marking their desired customers and organizing customer communication processes (Evans & Lindsay, 2008).

Furthermore, organizations vary in the technologies used to produce its outputs because:

- Some organizations are very labour-intensive, necessitating lots of labour to produce goods and services;
- Other organizations are very capital-intensive, demanding large investments in machines and equipment to enhance their production processes;
- Some organizations have access to identical technologies and as such have similar cost structures; and
- Other organizations can access a technology that is not available to others (Baye, 2009).

Accordingly, organizations with advanced technology will have a competitive advantage over other organizations and eventually become market pioneers. Unsurprisingly, the rate of technological development is increasing rapidly; therefore, organizations operate in different ways today than they operated in the past. Until recently, the lack of computer-literacy competencies was said to separate 'the haves and have-nots;' now, the 'digital divide' is the expression used to portray the difference between households with Internet access and those without (Mondy *et al*., 2002). Some may argue that those without Internet access are deprived from obtaining contemporary information. Leshin (1997) claimed that numerous organizations are turning to the Internet, believing that the individuals who catch up with the latest up-to-date information and technological advances are the best candidates for positions. Cummings and Worley (2009:700) explicitly observed that "the Internet is the backbone of a global economy, and although the technology sector has suffered financial setbacks, few people doubt its future importance."

Despite all of the above, Heeks (1998) noted that the efficiency of the technology is a regular frustration and yet we persist in believing that success and productivity are easily obtainable if only (a) we purchase the latest software; (b) we possess better computers; (c) we connect to a new communication network or (d) we implement a new management philosophy in order to develop and implement our information systems.

3. IT and Management in Organizations

The operations of any organization are part of a process called the 'information processing cycle.' According to Norton (2006), the information processing cycle has four parts and each part occupies one or more specific constituents of the computer:

- Input: the computer accepts data from particular sources for processing;
- Processing: the computer's processing parts execute actions on the data, based on some commands from the user or a programme;
- Output: the computer may be required to reveal the results of its processing and the computer may also send or transfer the output to another computer through a network or the Internet; and
- Storage: the computer enduringly accumulates the results of its processing on some kind of storage medium, disks or tapes.

At this juncture, it is important to consider the characteristics of what constitutes useful information that may assist in developing strategic plans and in recognizing problems in organizations. Daft and Marcic (2007) indicate that high-quality information characteristics involve three broad aspects and these are (a) time: information should be accessible and provided whenever required; (b) content: meaningful information is error-free, complete, concise, accurate and matches the

user's needs; (c) form: the information should be easy for the user to comprehend and should be offered in a meaningful way. Moreover, information would not be valuable if it does not meet the following criteria:

- Timeliness: the information is obtainable for making critical decisions and taking action whenever necessary, otherwise known as time sensitivity; timely information is current and up-to-date; and timely information is provided frequently;
- High quality: the reliability and the accuracy of information is of great concern, clarity, orderliness, format; as well as the medium through which the information is conveyed;
- Completeness: adequate and up-to-date information to perform tasks is essential; and conciseness and details are additional characteristics of completeness;
- Relevant: scan the information for any ambiguity; and
- Understandable: comprehensible information is required to understand the essence of what is being said or presented to users in organizations (Schermerhorn, 2011; Goodman *et al.*, 2007).

Similarly, Certo and Certo (2009) categorized the four prime factors that authenticate the value of information as (a) information appropriateness; (b) information quality; (c) information timeliness and (d) information quantity. In other words, organizations should promote the distribution and the use of organizational information that is appropriate, of high quality, timely and of adequate quantity. This would then lead to a discussion of what type of information is needed across managerial levels. For instance, (a) the upper level of management may require information that is summarized and relevant for future development of the organization's systems; (b) the middle level of management may require more detailed and up-to-date information than that required by the upper-level of management, in order to deal with tactical issues such as tactical planning and tactical control and to have greater understanding of the external environment,

which may affect internal tactical plans; and (c) first-line management or supervisory management may require information that comes primarily from internal sources and that information should be more comprehensive and more recent than that needed by managers at higher levels (Bartol & Martin, 1991). Additionally, Schermerhorn (2011) outlined the following:

- Planning advantages of IT: better and more timely access to useful information, involving more people in the planning process;
- Organizing advantages of IT: more ongoing and informed communication among all parts, improving coordination and integration;
- Leading advantages of IT: more frequent and better communication with staff and diverse stakeholders, keeping objectives clear;
- Controlling advantages of IT: more immediate measures of performance results, allowing real-time solutions to problems (Schermerhorn, 2011:163).

"The most obvious areas in which technological advances in information processing facilitate the use of a particular style are the quantitative and systems perspectives. The geometric increase in microchip processing capability makes it easier to develop ultrasophisticated quantitative models of complex management systems. Rapid processing and feedback of information in these systems models allow the organization to be managed as a coordinated entity. Perhaps less obvious is the impact that information-processing technology has on the subfields of the classical perspective on management (Goodman *et al*., 2007:42)."

Prasad (2011) observed that organizations should reflect on two important elements of IT-related resources to obtain the benefits associated with investment in IT in developing nations and these are: (a) the ability to control their IT assets and (b) the identification of the

path of IT-related organization value creation. According to Prasad (2011), this level of awareness is likely to develop an understanding of the need to invest in IT-related resources in the developing countries, which may improve their capability to perceive the value from constant investment in IT. Nevertheless, IT specialists are increasingly aware of the difficulty of simultaneously meeting the information requirements and the needs of a particular organization, specifically a large one, such as Total Access Communication Public Company Limited, commonly known as DTAC, or 'Advanced Info Service,' known as AIS, which are telecommunications companies in Thailand. Thus, organizations must adapt themselves to changes in technologies and help others adapt. As a caveat, Heeks (1998) asserted that several stakeholders have a great propensity for advocating a fallaciously positive picture of IT; for instance:

- All hardware and software and training firms should be consistently involved through the investment in IT;
- All IT experts' occupations depend on IT;
- All scholars work in computer science or information systems departments;
- All journalists and other employees create IT magazines;
- All the occupations within organizational IT departments depend on IT; and
- All managers desire rapid solutions for their problems or wish for their organizations to be competitive and skilled by the use of recent technologies.

Indeed, IT is more important in some organizations and industries than others (Thompson & Cats-Baril, 2003). It depends on the positioning of the IT role within the organization; for instance, to whom, at what level, where and what functional area it reports, are among the key questions. It has been estimated that there will be more technological evolution in the next fifty years than in the last thousand years (Mondy *et al.*, 2002). Following this line of thought, organizations should then attain, systematize and utilize enormous

amounts of information to make decisions and practice control over them. One consequence of the 'information revolution' is the redeployment of power in today's more advanced organizations (Mosley *et al.*, 2011). Consequently, organizations should address and concentrate on how much the use of technology can have an impact on controlling every business area. DuBrin (2006) remarked that the development and spread of new technologies boost the significance of innovating to remain competitive in a particular market. A more contemporary view is that information and communication technology is at the heart of the technological revolution, because it makes globalization more realistic as it facilitates access to employees around the world at a practical cost (DuBrin, 2009). Jones and George (2011) also explored the issue of information richness and communication media in descending order of information through four categories: face-to-face communication (e.g. videoconferences); spoken communication electronically (e.g. voice-mail); written communication electronically (e.g. e-mail) and impersonal written communication (e.g. newsletters). It is, therefore, crucial to address the typical responsibilities for an information services department so as to conclude specifically what functions and activities should be performed:

- Formulating an inclusive IT strategy;
- Perpetuating and scripting the current inventory of corporate hardware, software and information systems;
- Developing criteria for telecommunications and setting up local and extensive networks;
- Preserving and defending databases and important applications;
- Assessing, attaining and combining new software and hardware products;
- Training and developing internal and external stakeholders;
- Developing partnerships with information systems experts and vendors in the procurement and expansion of new IT and systems;

- Encouraging technology transfer across organizational divisions; and
- Managing and taking a lead in outsourcing vendor and service provider relationships (Thompson & Cats-Baril, 2003).

Above all, "Technology is not the solution for all organizational problems, and technology will not in and of itself provide relief from poor organizational practices. The benefits that can be gained from technology are many, but the ultimate benefits from technology are the vast amounts of information that can be processed and distributed more easily (Goodman *et al.*, 2007:429)." Concisely, the definitive success or failure of IT is seldom unambiguous. Thompson and Cats-Baril (2003) also found that it is imperative to acknowledge that the functions and responsibilities of information services departments will constantly change as technology and organizations' strategies change and will impose new organizational structures as well. Notably, technological progression has modified the techniques with which information is obtained and shared; consequently, information is considered a strategic weapon in today's global economy if well managed and controlled (Ashrafi, 2011). Thompson and Cats-Baril (2003) demonstrated that the responsibilities of organizational management regarding ethical issues can be classified into two general categories: (a) 'information access' or who owns data developed by or about individuals; and (b) 'information stewardship' or the responsibilities of an organization to store, transfer or manipulate information pertaining to other individuals.

Interestingly, Gitman and McDaniel (2006) have the view that today most of us are 'knowledge workers,' who develop or use knowledge to contribute to and benefit from information while involved in the planning, acquiring, retrieving, organizing, analyzing, storing, programming, producing, disseminating, marketing, or selling functions. Perhaps most significantly, we must possess the skills that enable us to use and garner information from the different resources available to us. Above and beyond that, organizations should not avert

the generally accepted system security principles (GASSPs) for maintaining information security and these include:

- Accountability principle: organizations must clearly delineate and communicate information security accountability and responsibility;
- Ethics principle: organizations should consider standards of ethical conduct when using information and implementing information security systems;
- Timeliness principle: organizations should act in a timely manner to circumvent violations of and threats to information systems;
- Assessment principle: organizations should frequently evaluate the risks to information and information systems; and
- Equity principle: management should be concerned about employees' rights when developing policies related to security measures (Certo & Certo, 2009).

Thompson and Cats-Baril (2003) indicated that organizations that rely on IT for their operations must develop adequate security mechanisms, as part of their strategic planning process, to protect their systems and plans to recover from a crash of the system. Moreover, Miner and Crane (1995) reported that information security, in terms of human resource information systems (HRIS), comes in three forms: first, 'physical security' refers to the security against employee theft and deletion of data; second, 'access security' implies managing entry into the system and is typically implemented by the use of passwords; and finally, 'procedural security' indicates a set of policies and operating practices that ensure compliance with privacy laws. Comprehensively, DuBrin (2006, 2009) synthesized the positive and negative consequences of IT. The positive ones are as follows: (a) enhances productivity and teamwork; (b) develops a competitive advantage; (c) supports management philosophies; (d) enhances customer service and suppliers' connections; (e) develops

communication and coordination; (f) facilitates rapid access to large amounts of information; (g) enhances scrutiny of information and decision making; (h) allows better empowerment and organization structure; (i) saves time through employee self-service; and (j) takes advantage of employee monitoring and surveillance. On the other hand, the negative ones include (a) wasted time at the computer; (b) recurring actions; (c) a decline in customer service; (d) perplexed consumers; (e) wired managerial workers; and (f) reliance on the Internet. In short, the richest communication happens face-to-face; thus, IT need not always be so 'high-tech' because the critical issue is that high-performance work systems cannot thrive without timely and accurate communications (Bohlander & Snell, 2004).

O'Brien and Marakas (2006) stated that in many organizations 'technology management' is the major role of a Chief Technology Officer (CTO), who is responsible for all planning and deployment of IT. Chief Executive Officers (CEOs) ought to support their functional and organizational managers to acquire and implement the plethora of methods, tools and techniques of IT to build a genuine IT culture and not only seek to adapt and adopt the recent technologies (Seyal, Rahim & Rahman, 2000). Today, Chief Information Officers (CIOs), or Chief Knowledge Officers (CKOs) are important upper-level members of any management team, helping organizations use technology to communicate effectively with others while providing better service and lower costs (Nickels, McHugh & McHugh, 2008; Schermerhorn, 2011). As declared by Schermerhorn (2011:161-162), "The new IT-intensive organizations are flatter and operate with fewer levels than their more traditional organizational counterparts; computers replace people whose jobs were devoted primarily to moving information. This creates opportunities for faster decision making, better use of timely information, and better coordination of decisions and actions." In brief, organizations nowadays are not only using IT but also they are being affected by its changes, either positively or negatively. It is, then, rational to believe that IT

breakthroughs that influence all areas of human actions seem to be occurring daily (Thomas, 2008).

The IT specialist roles in industrialized nations are widespread and have a crucial part in connecting organizational IT requirements with knowledge and skills (Winley & Wongwuttiwat, 2012). However, that is not the scenario in developing countries in spite of the efforts made to emphasize the importance of the IT sphere. Most senior managers need more IT information and are not as acquainted with electronic information systems (EIS) as their western counterparts. Managers should receive ongoing training courses in IT services that can educate them on how to plan, design, select, implement and use emerging information and communication technologies. These courses would enable them to acquire the technical knowledge and skills required to build cohesive teams effectively, information and communication technologies and business activities, with regard to the organization's strategic goals. Such courses would allow managers to comprehend how to manage data and IT operations in the organization, recognize a systematic and professional approach to the management of IT service provision in the organization, develop precise communication tools and enhance their analytic methods when developing solutions in complex situations.

The most problematic issue for EIS development in developing nations is the potential for the project to be conducted by the IS department, with little user involvement in design and development (Jirachiefpattana, Arnott & O'Donnell, 2005). They also added that if the local culture of the organization is such that engagement in system development is under the control of a manager, then EIS may not be an effective IT system for that organization. Consequently, users should be indisputably engaged in system development; however, development should be performed by local information systems professionals who are familiar with the local management culture and customs. It is also important to note that terms such as IT departments and IS departments may be wrongly used interchangeably. However,

IT departments incorporate all aspects of IT, software, hardware and networks in organizations; on the other hand, IS departments are specifically information systems that support management, operations, decision-making and help individuals interact with technologies in support of business activities. In other words, IS departments determine the way in which an organization interacts with the technology used and the way in which the technology is applied to the organization's processes. An organization's IT is comprised of the hardware (personal computers, mainframe computers), software (operating systems, programmed applications), telecommunications hardware (routers, multiplexors), networking hardware and software (local area network cards and operating systems), database management and other technologies it implements to store and retrieve information and present them for organizational decision making (Daft, 2010; Daft & Marcic, 2007; Thompson & Cats-Baril, 2003). Dessler (1998) defined IT as any processes, practices or systems that smooth the progress of processing and conveying information. Prasad (2008) observed that there are greater benefits that IT ventures offer than the widely perceived concrete outcomes. These outcomes are more at the personal level, which is very encouraging, particularly for the developing nations, where domestic and international businesses target their IT ventures at the operational level. This necessitates understanding the relationship and the interaction between the technology and its users. As Prasad (2009) noted, understanding the interaction between technology and users could be through an 'ethnographic approach.' Equally, recognizing how technology is applied and to what extent this technology enhances the organization's performance depends on the ability to understand how employees and management perceive the term technology. Madura (2001:219) claimed that "Technology and the knowledge-based economy are not constrained by the physical objects and materials of a firm. Information is flexible and can be structured and organized in a number of different ways. For example, videoconferencing and telecommuting allow project teams and departments to work together regardless of where they are located and

what department they work for. Thus, technology enables departments within a firm to communicate more easily."

Recently, management of technology, particularly in developing nations, has become a key consideration within organizations. Undeniably, progress in IT has offered organizations huge benefits from the explosion in information. At the organizational level, there is a consensus that IT, when implemented effectively, speeds up business activities at a high rate and thereby saves organizations a significant amount of time (Lee & Whitley, 2002). Though there is an agreement that IT adds to business value, practitioners are still uncertain as to how that occurs, especially in developing nations (Prasad, 2008). Hence, it is necessary to understand how IT investments, which may support the efficient use of technology resources, add value to an organization. Contemporary critiques postulate that it is not IT itself that creates value but, instead, how IT is used to support organizational performance. Prasad (2009) assumed that preliminary meetings would be useful with organizations that have the propensity to invest in IT, to guarantee that they stand to learn something from the new trend. Management success entails 'computer competency' or the aptitude to use computers to their greatest advantage and 'information competency' or the ability to organize, assemble, evaluate and analyze information for making decisions and solving problems (Schermerhorn, 2011). In essence, the management of hastily shifting technology is paramount to any organization. Hence, advances in information systems technology will continue to have influence over the operations, costs, management work environment and competitive situation of numerous organizations (O'Brien & Marakas, 2006).

4. Core Technology and Its Management

Technology can include electronic or digital products and systems considered as a cluster. It includes the use of any software, hardware or electronic devices in organizations. Core technologies are the basic

building blocks from which all technology systems are created and we use them to help us solve problems and extend human capabilities (Smith & Gray, 2010). Core technologies are responsible for managing integrated IT systems resources and for maintaining a secure and stable computing environment for the organization. As noted by Griffin (2008), a large number of organizations apply numerous technologies but an organization's most significant one is called its 'core technology,' which is a term that can be perceived in and applied to service organizations. Haag and Cummings (2010) categorized technology as both 'hardware' (the physical tools which compose a computer) and 'software' (the instructions that the hardware follows to accomplish a particular task). Moreover, Haag and Cummings (2010) assembled the six categories that all technology hardware falls into, as follows:

- An 'input device' is a device to type some orders or information, including such tools as a keyboard, a mouse and a monitor;
- An 'output device' is a device to identify the consequences of your information-processing commands, including such tools as printers, monitors and speakers;
- A 'storage device' is a tool to accumulate some information and use it later, including such tools as thumb drives, flash memory cards and digital versatile disks (DVDs);
- The 'central processing unit' (CPU) is the hardware, which formulates and implements the software instructions and coordinates all the hardware operations;
- A 'telecommunications device' is a device to transfer information to and receive it from another individual or computer in a network. For instance, if one accesses the Internet by utilizing a modem, then the modem is a 'telecommunications device'; and
- 'Connecting devices,' which involve a universal serial bus (USB) port into which one would connect a printer for example and internal connecting devices on the motherboard.

Computers and other forms of IT could be supportive but not fundamental. In other words, they are likely to be necessary when a colossal amount of information is a prerequisite for making critical decisions in an organization. Most importantly, to amalgamate computers within the organization entails not only setting up hardware and software but, also, many physical and human conditions are required. Time, for instance, has recently become an essential issue in social sciences and management studies. Lee and Whitley (2002) found that the clock and the computer influence chronological aspects of individuals, organizations and, eventually, society, as well as the way people perceive time.

Despite the fact that technological revolutions can intimidate an organization, they may have weighty implications for a management team; for instance, they can accommodate new prospects for designing or distributing new goods and services (Jones & George, 2011). Jones and George (2011) also added that telecommuting along the information superhighway, videoconferencing and text messaging offered many organizations the opportunities to diversify commitments geographically. Similarly, technological changes can assist organizations in offering better services and operating more effectively and efficiently (Williams, 2010). Although changing technology clearly contributed to much of the environmental changes facing organizations, these same technological advances have allowed leaders to manage the organization's work in new ways to be more effective and efficient (Robbins & Coulter, 1999).

Thus, a potentially pertinent question is, 'how can management urge technological change'? As generally noted by Daft and Marcic (2007), technology change is bottom up, which means that ideas are generated and championed at lower organizational levels and channelled upwards for endorsement and execution. Evidently, the ease of use of suitable technology is a keystone of productivity and the ontology of the core technologies in use is an imperative ingredient for a competitive advantage over others (Schermerhorn, 2011). However,

new technologies, or technological changes, as indicated by Nelson and Quick (2006) are a mixed blessing that can act for the improvement of a job performance or else create 'technostress,' which results from the negative impacts of some new technologies in organizations. With the purpose of deciding which technologies to apply, Haag and Cummings (2010) explicated the following: (a) evaluate rivalry in the marketplace and pressures on the organization; (b) recognize vital business strategies to identify environmental and competitive pressures effectively; address tactics and procedures that advocate the selected organization's strategies and, eventually, integrate technological devices with those critical processes. Otherwise, organizations are highly likely to apply the wrong technologies, followed by an adverse fate and undesirable outcome. Nevertheless, it is difficult to envisage how new technologies can have a negative impact on organization's processes and productivity (Jackson & Schuler, 2000). As such, organizations should anticipate new challenges, regardless of the direction from which the changes arise.

Technology has abridged product life cycles, such as in periods of product development, market orientation, growth, maturity and decline (Allen, 2010). Additionally, Allen declared that with e-mail and the omnipresent Internet throughout organizations, customers currently anticipate rapid answers to their concerns and document preparation. Consequently, organizations must catch up with changing consumer demand, new technologies, as well as the technological innovations of their competitors.

5. Adopting and Managing Exploding Technology

A technology explosion is an increase in the development of high technology products and the innovation of new things. There are numerous ways that technology has affected our lives: it is hard even to count them all. The following points are just a few ways in which the technological explosion has influenced us and made our lives

easier: (a) computers allows us to analyze enormous amounts of data, reduce the need for paper documents and to be able to communicate quickly with people around the globe; (b) automated processes increase the efficiency of operations; (c) an organization's accounts and customer profiles can be easily stored and accessed, which increases the market penetration of a business; and (d) technology has helped us meet the security demands of business. As observed by O'Brien and Marakas (2006), numerous organizations in the 21st century around the world are converting themselves into global business powerhouses through major investments in IT. Consequently, O'Brien and Marakas (2006) recommended one well-established approach to managing IT, which consists of three important elements:

- Managing the joint development and implementation of business/IT strategies: conducted by the CEO and CIO, plans are created by business and IT professionals to enhance the strategic goals of the organization; the process also involves assessing the business situation for investing in the development and implementation of each IT project;
- Managing the development and implementation of new business/IT applications and technologies: this is the major responsibility of the CIO and CTO; this area of IT management includes organizing processes for information systems development and implementation, as well as the responsibility for research into the strategic applications of new information technologies; and
- Managing the IT organization and the IT infrastructure: the CIO and IT professionals are responsible for managing the IT infrastructure of hardware, software, databases, telecommunications networks and other IT resources, which must be maintained, acquired and monitored.

Nickels *et al*. (2008:596) wrote that, "Until the late 1980s, business technology was just an addition to the existing way of doing business. Keeping up-to-date was a matter of using new technology on old

methods. But things started to change as the 1990s approached. Businesses shifted to using new technology on new methods. Business technology then became known as information technology (IT), and its role became to change business." It is well known that a common threat mediated by IT is the peril of emerging technologies or the likelihood of a new technology adopted by a competitor in the marketplace. IT continues to grow and new methods and applications are evolving every day. For instance, Daft and Marcic (2007) explained that some of the recent trends in IT that have supreme influence are wireless applications, peer-to-peer technology, new communication tools such as blogs and wikis and international expansion. Consequently, Thompson and Cats-Baril (2003) urged professionals in emerging technologies to shed light on the following: (a) scan and monitor the environment to identify potential threats that may result from the use of some technologies in the organization; (b) assess the practicality of the accepted new technologies to specify how they can be utilized effectively; and (c) support the embracing and incorporation of emerging technologies into the organization.

Robbins and Coulter (1999) assembled some implications derived from the vast increase of IT research and these include: required job competencies will increase; employees will need to learn how to read and comprehend software and hardware manuals, technical journals and comprehensive reports; and provide organizations with the ability to innovate, offer goods and services rapidly and be able to react quickly to customer concerns. Furthermore, just having access to new technologies may not be enough to ensure the effectiveness and efficiency of an organization. Hence, Thompson and Cats-Baril (2003:229) revealed that, "Although an emerging technology group can help, what is required for organizations to keep pace with new IT and its uses is an organization composed of individuals who are all willing and able to continually learn." In other words, the management of emerging technologies is fundamentally the management of change within an organization. Robbins and Coulter (1999) noted that management can modify the technology used to

transform inputs into outputs, good and services and they claimed that perhaps the most obvious technological changes in modern times have come through managers' endeavours to widen computerization.

According to McGuigan, Moyer and Harris (2008) 'computerization' has made output per worker higher and, as a result, minimized unit labour costs when processing insurance claims. They also argued that computerization and IT increased productivity and minimized costs across different industries, because of research and development (R&D) capabilities offered by computers and IT systems. Lazear and Gibbs (2009) observed that the last few decades have experienced most remarkable developments in the speed and capabilities of IT, as well as rapid price reductions. Additionally, new forms of IT have transformed control systems because they support the flow of accurate and timely information across the organization's hierarchy and within functions and divisions (Jones & George, 2011).

The responsibility of coping with new technologies will be on workers and management who desire to use new technologies in the workplace. Prasad (2009) observed that interviews, discussions and observations should be taken into consideration with all parties involved and meeting minutes, budgets, and policy statements may offer important insights into a management vision on IT use and investment. On a similar note, the perceptions and experiences of different managerial levels and the workers of the IT department should be taken into account. Prasad (2011) affirmed that the existence of human IT capital in the developing nations will also represent an important connection between the emerging technology and organizational processes. Many believe that intellectual capital will soon be the prime way in which organizations assess their value. Consequently, leaders view information as a critical resource to manage, just as they manage raw materials, cash flow and other resources (Daft & Marcic, 2007). Further, Gitman and McDaniel (2006) showed the following procedures necessary to protect IT assets:

- Guard all equipment on premises with effective physical security;
- Secure information using the latest encryption technology to encode confidential information so only the recipient can decode it;
- Stop unwanted access from unauthorized individuals by using special authorization systems, such as passwords, fingerprints or voice recognition;
- Set up firewalls - hardware or software intended to prevent illegal access to or from a private network;
- Monitor activities with a detection system that is alerted when unauthorized access occurs or other suspicious activities arise;
- Train employees how to react to problems and anticipate them in advance rather than waiting until they happen;
- Maintain regular staff-training activities to offer counsel about necessary security measures, such as logging out of networks when leaving the office and changing passwords frequently;
- Ensure that all employees have strong passwords that include numbers, letters and other symbols and ensure that they avoid revealing their personal identities;
- Launch a database of relevant information and frequently asked questions (FAQ) for employees so they can tackle problems themselves; and
- Develop a healthy communication environment, set up a friendly atmosphere and a non-judgmental form of listening to others.

6. Recommendations for Further Studies

Further studies may explore the ethical dilemmas involved in assessing information, technology and management within organizations and its consequences. In addition to that, more research on the criteria that are essential to developing a system which enhances and promotes the use of technology in the developing

nations, would be helpful. Perhaps it is more important to determine the pertinent technologies and how they can be utilized effectively for small, medium and large enterprises in the new global economy. We also need to recognize how individual traits affect the use of these technologies and the influence of culture and politics in making critical decisions regarding the investment in technology as a strategic element. Lastly, further investigations could determine why and when decision makers should decide to search for the latest technologies in the marketplace.

7. Implications and Challenges for Leaders and Practitioners

Evidently, there are various types of computerized information systems and technologies that help a lot of decision-makers at different managerial levels. However, although there is a plethora of technologies, it is agreed that all these information systems serve leaders within organizations. Consequently, leaders must be capable of comprehending their own information systems and how they function effectively and efficiently, in order to make proper decisions. The author sees a number of significant implications for prospective leaders and practitioners, as follows: (a) provide information systems equipped with all mechanisms necessary to offer valuable information with regard to time issues and completeness; (b) become sensitive and alert to all consequences derived from the use of a particular IT system and its impact on the organization's efficiency, formation, transparency and relationships among all individuals; (c) be aware of any drawbacks, restraints and deficiencies in computer-based information systems; (d) value the magnitude of change, knowledge creation, creativity, innovation and democratization; (e) become knowledgeable and erudite about any recent technological invention that may contribute to the development of the system in storing, processing, retrieving or gathering information; and (f) become skilled at maximizing the organization's benefits from the use of such an information system.

Moreover, in order to make an organizational culture compatible with the technology used, efforts should be directed towards both systems and humans. Policies should be developed and effectively communicated to enhance the correct use of technology and discourage any resistance to change. As illustrated earlier in this paper, the alignment of IT and organization strategies is crucial. One reason behind this proposition is that organizations can accomplish their goal from their IT investments only if management functions and activities are coordinated effectively, rather than being isolated. Ultimately, practitioners should realize measuring the quantitative benefits of IT is problematic because these benefits are not directly observable and/or indirectly enhance the different activities of an organization. To this end, Goodman *et al*. (2007) thoroughly concluded the 21st century issues in the use of IT and illustrated them as follows:

1. Information architecture: developing a sophisticated plan of the information requirements of the organization;
2. Data resources: data are now considered the vital part of production;
3. Strategic planning: the most critical issue and it includes careful alignment of technology with organizational plans;
4. Human resources: identification of the breadth of professional expertise regarding information systems, to expand and maintain progressively technical and multifarious organizational computing environments;
5. Organizational learning: learning how to make effective use of information technology;
6. Technology infrastructure: includes launching an infrastructure that may enhance present operations while being flexible enough to cope with changing technology and organizational needs;
7. Information system organization alignment: support organizational activities and operations effectively without hampering either the technology or the organization;

8. Competitive advantage: technology is not the only source of achieving a competitive advantage but it is becoming an important condition. Competitive advantage results from the effective position of IT in reforming internal organizational processes, maintaining electronic connections with suppliers and customers and determining the organization's design;

9. Software development: creating new methods and techniques that are likely to ease the process of developing needed software systems; and

10. Telecommunications system planning: this can be implemented to condense structural, temporal and spatial limits on organizational relationships.

8. Remarks

Given the potential impact of culture on the understanding and processing of information, technology and management within organizations, cultural norms, values and beliefs should be of paramount importance. In particular, although most evolving technologies arise in the industrialized nations, we can still learn from one another. This paper could be helpful for either scholars or practitioners by creating and describing lessons on what leads to the effective use of IT resources. The author hopes that the tactics, procedures and explanations offered in this study will enable IT-related professionals in the developing nations to realize that the ability to cope with perpetual change and the interaction of organizational resources is vitally important and, in fact, essential to attain the greatest value from IT assets and investments.

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Trade Facilitation and Trading across Borders: A Case Study of India

Surendar Singh and R.C Mishra

Abstract

Trade facilitation has been a matter of great interest among policymakers around the globe and particularly in India. Trade facilitation is broadly defined as a set of policies aiming to reduce the cost of exports and imports. It has been used as the key instrument for promoting the exports of a country. India has also taken various steps through trade facilitation programmes to promote its exports. In the light of the above, the first part of the paper reviews trade facilitation programmes initiated by India; the second part analyzes India's performance in terms of trade facilitation vis-à-vis China, Brazil, South Africa and Russia. It further explores trading across borders at selected ports of India. The final section of the paper highlights the recent measures by various trade facilitating institutions to improve trade facilitation in India.

Authors: Dr Surendar Singh is Assistant Professor (International Business) at the University School of Business, Desh Bhagat University. Punjab. Email drsurendarsingh@gmail.com

Professor R.C Mishra is the Director, Department of Management Studies, Uttarakhand Open University. Email: rcmishra@uou.ac.in

1. Introduction

Trade facilitation is often referred to as the "plumbing of international trade" and it focuses on the efficient implementation of trade rules and regulations (Roy, 1998). In other words, trade facilitation may be defined as a rationalization of documentation-set procedures and regulations for international trade. However, in a broader perspective, it includes all the regulatory measures that affect the movement of international trade. Trade facilitation includes a number of activities; including customs clearance, technical regulations, quality-control, sanitary and phytosanitary standards. However, trade facilitation has been one of the main "implementation related issues and concerns" at WTO trade talks (Finger & Wilson, 2006). In 2005, the declaration at the ministerial meeting of the WTO emphasized the importance of technical competence and capacity building in developing countries with regard to trade facilitation. It has further been observed that supply side capacity enhancement and trade related infrastructure are strongly needed for the least developed countries as well as for developing economies. Consequently, developed nations should assist them in building the necessary infrastructure related to trade.

Trade facilitation is a part of trade development strategy which is used to improve the competitiveness and trade performance of products in international trade. Trade facilitation contributes to the overall improvement of trade performance of the countries concerned with the help of trade infrastructure and it complements overall trade promotion efforts. It also helps the countries to improve their image as efficient trading centres and facilitates the development and management of trade relations by making trade regulations and procedures more transparent and consistent with international conventions and standards. Trade facilitation also refers to reducing all the transaction costs which are associated with different kinds of enforcement, regulation and trade policies, as well as reforms that are particularly framed to reduce the costs involved in cross-border movement of goods and services (Staples 2002). According to the

World Bank, trade facilitation is not only confined to removing the bottlenecks related to procedural delays and trade regulations, it includes a vast range of activities such as customs-modernization, cross border environment, streamlining of documents, automation of electronic data interchange (EDI), efficiency at ports, logistics and transit and multimodal transport (Zhang, 2006). Despite the high expectations of gains from trade facilitation, empirical studies relating to the impact of reforms on trade performance are limited and it is difficult to provide strong supporting evidence of a causal link between trade facilitation reforms and trade performance. Consequently, much of the evidence in support of trade facilitation is focused on the improvements in procedures rather than the outcomes. Walsh (2006) notes that "… although it is hard to quantify with any accuracy the potential benefits of modernizing customs administration, there is ample evidence of the improvements that can be made in raising revenue and improving service to the trade community. These gains can be considerable."

The paper is structured in a manner such that Section 2 gives a brief review of literature relating to trade facilitation, Section 3 reviews the trade facilitation initiatives in India and Section 4 describes India's position vis-à-vis other emerging economies such as China, Brazil and South Africa in terms of trading across borders. Further, it discusses the performance of India's selected ports while trading across borders. Finally, it highlights recent measures to improve trade facilitation in India.

2. Literature Review

With the creation of World Trade Organization (WTO) in 1995, international trade has undergone a paradigm shift and the total volume of trade has increased almost 90 times compared to total trade in the 1950s. As a result, international trade has been accorded maximum importance in the trade development strategy of every country. Further, the integration of the world economy has given an

impetus to the emergence of global supply chain networks across the world and this has resulted in heightened concerns about the impact of on-the-border and inside-the-border trade transaction costs on international trade. Wilson and Otsuki (2004), conducted a study by considering the country-set to 75 and utilizing better measures for quantitative analysis, based on a gravity model. The study found the relationship between trade facilitation and trade flows in manufactured goods in global trade in the year of 2001. Further, there are other major studies on trade facilitation have been carried out, *viz*. Sengupta and Bhagabati (2003); Taneja (2004) and Banerjee and Sengupta (2005). These studies discuss the ongoing process of trade facilitation in India and identify key areas of reforms related to trade procedures particularly related to customs and ports. Sengupta and Bhagabati (2003) examine various trade facilitation measures started in India, especially by the Central Board of Excise and Customs (CBEC) since 1998. This study is based on a preliminary survey targeted at two different categories of respondents. The first category includes exporters and importers and the second category includes clearing and forwarding agents responsible for management of export and import of goods. Similarly, research by ESCAP (2000) shows the alignment of trade documents of South Asian Economies especially India, Pakistan, Nepal and Sri Lanka and it establishes the degree of correlation between transport costs and projected export growth. Clark, Dollar and Micco (2004) explain variations in trade costs, due to port efficiency, on bilateral trade flows. They show that improving port efficiency reduces shipping costs a great deal. They find that improving port efficiency from the 25th to 75th percentile can reduce shipping costs by 12 percent. Satapathy (2004) provides specific recommendations on customs and tariff structure and trade facilitation to India. Exim Bank (2003) carried out a research study on various contours of procedural complexities in international trade and their impact on exports. The study revealed that there are nine main indicators which hinder trade facilitation efforts in India. These factors include dishonesty of public agents, multiplicity of trade rules, stringent trade regulations, availability of finance and export

remittances, infrastructural bottlenecks related to transportation and communication; institutional factors which intensify rent-seeking activities in an economy and political environment of the country as it affects the policy decision making with regard to trade and so forth. Njinkeu, Wilson and Fosso (2008) analyzed the impact of reforms in port-efficiency, customs environment, regulatory environment and service infrastructure. They found that improvements in port efficiency and service infrastructures are the primary factors driving intra-African trade expansion. The study estimates the relationship between trade facilitation and trade flows in manufactured goods in 2000-01 in global trade.

This brief review of relevant literature establishes the role of trade facilitation, trade flows and other related factors, in addition to the reasons which hinder the growth of trade facilitation in India. This review, therefore, paves the way for this study aimed at exploring the status of trade- facilitation, government initiatives, various schemes and a comparison with China, Brazil and South Africa.

3. Trade Facilitation in India and Government Initiatives

The Indian economy has undergone a transformational change with the start of the economic and trade reforms which began in the 1990s. It also brought about a major change in the foreign trade policy of India. The focus of the policy has now shifted from being inward-looking to being an outward-oriented nation. The emphasis is on openness, liberalization, transparency and globalization in order to integrate the economy with the world economy. The trade policy of India has been modified and revised with a better understanding of the importance of exports in the changing global economic environment. The ultimate objective of the foreign trade policy is to accelerate the growth of international trade. Furthermore, the emphasis has been on trade facilitation to achieve global competitiveness in international trade.

In a Vision Document published by the C.B.E.C. in 1998 (Reports on India's Tax Reforms, 2003), trade facilitation has been given paramount importance and the thrust has been realizing revenues and managing the evasion of duty. Subsequently, the High Powered Committee under the chairmanship of the Revenue Secretary was asked to go into the problems of trade facilitation particularly related to transaction costs and to suggest remedial measures to curb such practices so that Indian exports do not suffer due to cumbersome and rigid procedural bottlenecks. Later, the Kelkar Committee was appointed to address the issues relating to trade facilitation in India and the committee recommended that trade facilitation is not only a subject matter of customs but it should also be addressed with reference to excise duties. It is obvious that transaction costs are higher in international trade than those in domestic trade. Nevertheless, research studies also prove that high transaction costs encourage the exporters and importers to indulge in informal and unfair trade practices (Taneja, Sarvananthan & Pohit, 2003). This indicates that transaction costs are one of the more important factors behind huge amount of informal trade in the world. However, the issue of informal trade is a matter of great interest particularly in the developing economies because it is very high in the case of developing economies. This turns out to be a pointer that informal trade may be high due to the inefficiencies in the formal of institutional framework. Further, the Government of India has taken certain steps in the medium term export strategy (2002-07) in order to reduce transaction time and the cost of doing international trade. It includes simplification of procedural activities and the implementation of Electronic Data Interchange (EDI) which has been implemented at 23 custom ports for the smooth movement of goods and the introduction of an annual advance license facility for status holders so that they can plan for imports of raw materials and components on an annual basis (Sengupta & Bhagabati, 2003).

4. Trading Across Borders: A Comparison with China, Brazil and South Africa

India's performance in terms of trading across borders is very dismal in comparison to other growing economies. India's overall rank for Trading Across Borders in 2012 was 127th, while China, Brazil and South Africa ranked 68th, 123rd and 115th respectively (see Table 1). In terms of other indicators, such as cost of exports, documents to import and time to import also, India is still far behind China, Brazil and South Africa. This indicates that India's performance in terms of trading across border is dismal vis-à-vis other economies which are considered to be the other emerging powers.

Indicator	China	India	Brazil	South Africa
Overall rank	68	127	123	115
Documents to export (number)	8	9	7	6
Time to export (days)	21	16	13	16
Cost to export (US$ per container)	580	1,120	2,215	1,620
Documents to import (number)	5	11	8	7
Time to import (days)	24	20	17	23
Cost to import (US$ per container)	6150	1,200	2,275	1940

Table 1: *Trading Across Borders 2012: China, India, Brazil;* **source:** *World Bank data (www.http://databank.worldbank.org/ddp/home.do?Step=2&id=4).*

The *Logistics Performance Index* (LPI) is another set of indicators that offers valuable insights into a country's situation in terms of trade facilitation. This index is based on the surveys carried out among exporters, importers and logistics professionals concerning the efficiency of customs clearance processes, ease of doing business, tracking time, timeliness, trade related infrastructure and so forth. In 2012, China attained 26th rank according to this index, while India and Brazil were 45th and 46th respectively. Table 2 suggests that the efficiency of the customs clearance process is a relevant bottleneck for all the three countries that offers significant scope for improvement.

Country (5 = high)	LPI Rank (out of 155)	Customs	International Shipment	Logistics Quality and Competence	Tracking and Tracing	Timeliness	Trade and Transport-Related Infrastructure
Brazil	45 (3.13)	2.51	3.12	3.12	3.42	3.55	3.07
China	26 (3.52)	3.25	3.46	3.47	3.52	3.8	3.61
India	46 (3.08)	2.77	2.98	3.14	3.09	3.58	2.87
OECD Members	3.60	3.40	3.42	3.60	3.66	3.90	3.64

Table 2: *Logistics Performance Index (LPI) 2012;* **source:** *World Bank data (*http://databank.worldbank.org/ddp/home.do?Step=12&id=4&CNO=2*).*

While there exists potential for improvement, China, India and Brazil have all made good progress in terms of trade facilitation in the recent past. However, the comparative analysis reveals that a lot remains to be done with regard to trade facilitation in India.

5. Current State of Trade Facilitation in India

In a vast country like India, there is a large number of customs clearing points, 12 major ports, 187 minor ports and many private notified ports. It is difficult to maintain effective trade facilitation for the smooth movement of goods. In order to help the clearance of goods in India's hinterland, which helps reduce congestion at the port and enables traders to get goods cleared at their doorsteps, 155 Inland Container Depots (ICDs) and Container Freight Stations (CFSs) are functioning in the country and another 89 are through different stages. Further, there are 36 functional international airports and 138 inland custom stations along with the international airports. It is a gargantuan task to facilitate exports and imports from all the entry and exit points and this can only be managed by simplifying documentation and procedures that otherwise hinder directly and indirectly the movement of goods (Dominic, Priya & Agrawal, 2012). In this process, various other parties such as customs, public and private are also involved and their role in facilitation is also very important.

India's performance is still far behind in terms of the cost to export and import, though it is better than the South Asian average. In the recent past, India has remarkably improved in terms of cost of exports and imports. India has successfully managed to reduce the documents needed for export and import and the time to export and import due to improved trade facilitation initiatives over the past few years (see Table 3).

Indicator	2012	2011	2010	2009	2008	2007	2006	2005
Overall ranking	127	100	94	97	90			
Documents to export (number)	9	9	9	9	9	9	9	9
Time to export (days)	16	16	17	17	17	18	27	27
Cost to export (US$ per container)	1120	1095	1055	945	945	820	864	864
Documents to import (number)	11	11	11	11	11	11	11	11
Time to import (days)	20	20	20	20	20	21	41	41
Cost to import (US$ per container)	1200	1150	1105	1040	1040	990	1324	1324

Table 3: *Indicators of Indian Trading across Borders;* **source:** *World Bank   data (ww.http://databank.worldbank.org/ddp/home.do?Step=2&id=4).*

It is evident from the Table 3 that India has made considerable progress in trade facilitation but still faces a number of challenges. India's overall ranking in trading across border was 127th and the time to export was 16 days, cost of import per container $1200, time to

import 20 days and cost of export container is $1120 in 2012. It indicates that India has improved in terms of various parameters of trading across borders but still needs to work on trade facilitation in order to enhance the competitiveness of India's exports in international markets. Trade facilitation is also vital for enhancing the competitiveness of agricultural exports from India. Although India is a large country having low cost agricultural products and producing nearly 11% of all the world's vegetables and 15% of all fruit, its share in global exports is very small, accounting for only 1.7% and in fruit only 0.5% (De, 2011).

6. Trading Across Borders: Selected Ports of India

In order to understand, the issue of trading across borders more precisely, it is important to have a closer look at different ports of India which are used for the purposes of exporting and importing. As per the World Bank report on "Doing Business (2012)," Bhubaneshwar ranks first for trading across borders. Moreover, its performance in terms of various procedures such as documents to export, time to export, cost of export per container and documents to import, time to import and cost of import is better as compared to other ports. Noida, meanwhile, ranks 16th according to various parameters of trading across borders. Table 4 shows the performance of Indian ports in various parameters. It is clear from the table that the performance of various ports in India differs significantly. It also raises the issue of high variation in different ports. There is a need, therefore, for further study to explore the underlying factors which are responsible for huge differences in costs of exporting and importing at different ports of India.

6.1. Government Initiatives and Trade Facilitation in India

Over the last decade, India has taken several steps towards facilitating trade at the borders, above all by making trade-related processes more

user-friendly, computerizing most of them and radically simplifying customs procedures generally.

States	Rank	Documents to export (number)	Time to export (days)	Cost to export (US$ per container)	Documents to import (number)	Time to import (days)	Cost to import (US$ per container)
Ahmedabad	3	8	17	946	9	18	978
Bengaluru	9	8	25	783	9	25	1,024
Bhubaneshwar	1	8	17	834	9	16	833
Chennai	2	8	25	541	9	19	593
Gurgaon	17	8	25	1,077	9	28	1,184
Guwahati	7	8	22	713	9	28	794
Hyderabad	13	8	26	1,012	9	23	1,084
Indore	11	8	21	912	9	35	981
Jaipur	14	8	22	1,289	9	22	1,384
Kochi	5	8	28	432	9	21	480
Kolkata	6	8	20	644	9	31	710
Ludhiana	12	8	21	1,105	9	25	1,154
Mumbai	3	8	17	945	9	21	960
New Delhi	14	8	25	1,077	9	28	1,158
Noida	16	8	25	1,077	9	27	1,187
Patna	10	8	19	941	9	32	985
Ranchi	8	8	21	678	9	36	717

Table 4: *Trading Across Borders Indicators (Indian Ports);* **source:** *World Bank data* (www.http://databank.worldbank.org/ddp/home.do?Step=2&id=4).

6.2. Indian Customs EDI Systems (ICES)

In the 1990s, the Indian Central Board of Excise and Customs (CBEC) introduced the use of information technology by launching the Indian Customs EDI systems (ICES), which automated the processes related to clearance of import and export consignments and introduced remote filing of import and export documents (Dominic *et al*., 2012). In 1995, the Customs Department issued the Bill of Entry in electronic form to make the submission of import details through electronic declaration possible. Studies on EDI reveal that it has improved the efficiency of ports. In fact, 97.5% of all import documents are processed electronically. The Government of India has implemented EDI facilities in nearly all major ports of India. Currently, EDI facilities are available at 92 customs offices and the

facility of 'round the clock' electronic filing of customs documents for clearance of goods is possible at an increasing number of centres. There are some 300 customs posts in India. According to the authorities, posts that are not automated are mainly remote land stations where trade is almost zero.

6.3. National Import Data Base (NIDB)

In 2001, the National Import Database (NIDB) was established by the Directorate General of Valuation to increase the speed of valuation procedures at various stations of India. NIDB is a powerful assessment tool that helps the customs officers to take quick decisions for those who are engaged in day-to-day activities related to customs clearance. This helps the customs officers to take well informed decisions with regard to valuation and classification of imported goods and prevent loss of revenue on account of under valuation or mis-declaration (Chaturvedi, 2007; Dominic *et al*., 2012; Srivastav, 2003).

6.4. ICEGATE

India started an electronic commerce portal known as ICEGATE (Indian Customs and Excise Gateway). It uses fore-filing services to the trade and cargo carriers and other clients of Customs Department (collectively called Trading Partners). At present, India has 8500 users registered with ICEGATE who are assisting about 672,000 exporters and importers across the country. ICEGATE links about 15 broad types of partners with customs EDI through message exchanges enabling faster customs clearance and in turn facilitating EXIM Trade (ICEGATE, 2011).

6.5. Risk Management System (RMS)

In 2005, India initiated a risk management system (RMS) in order to decide which containers to inspect and selectively screen, particularly

the high and medium risk cargo for customs examination. The RMS for processing imports is operational at 48 customs offices; some 85% of India's imports are processed via this system. The launch of the RMS in major customs locations, has cut back the average time taken by customs to eight hours with two hours for assessment and six hours for examination.

6.6. Accredited Client Programme (ACP)

The Accredited Client Programme (ACP) guarantees clients who are assessed as having a good track record of being appropriately compliant with the regulations, facilitation by the RMS, which secures faster delivery and reduced transaction costs (Chaturvedi 2007; Dominic *et al.*, 2012). Customs also works with the Custodians at various ports/airports to ensure that the cargo of such units is delivered quickly. In order to get ACP status, a trading unit has to satisfy certain laid down criteria with respect to volume of transaction/duty payments. It is also obliged to maintain the required level of compliance once it is approved for the benefits of the ACP, which is typically given for one year and is renewable thereafter. Once a trading unit is approved for ACP, then it becomes eligible for the benefits of all ICES locations (Dominic *et al.*, 2012). As of early 2011, 250 ACP importers are allowed to self-assess their consignments with no need for examination, in line with India's commitments to simplify and harmonize customs' procedures under the revised Kyoto Convention (WTO 2011).

6.7. Trade Facilitation in Special Economic Zones (SEZs)

Special Economic Zones (SEZs) offer single window clearance, automation of procedures and trade facilitation on a self-certification basis (Tantri & Kumar, 2011). It is interesting to note that SEZs have played a pivotal role in boosting the exports of the country in recent years. In SEZs, the policy is to have initiated the first step in identifying and statutorily implementing a few provisions required to

reduce timelines and transaction costs required in trade related issues. The major ones are as follows:

- Single Window Clearance for setting up units in SEZs;

- Single Window clearance on matters relating to the Central as well as State Governments;

- Simplified procedures for development, operation and maintenance of the SEZs and for setting up units and conducting business therein;

- Simplified compliance procedures and documentation with an emphasis on self-certification (Tantri & Kumar, 2011).

6.8. Trade Facilitation in the Context of Regional Integration

In order to increase trade with neighbouring countries, India has initiated a number of measures in the context of regional integration, including the establishment of Integrated Check Points on the border with Pakistan, Bangladesh, Nepal and Myanmar (Mehta, 2011).

6.9. Training Provided to Customs Staff

The CBEC has launched a number of measures to train the officers so that they can deal well with reforms and streamlining of the various trade measures, which may eventually contribute to faster clearance of goods.

6.10. Facilitating Trade at the Operational Level

In addition to reforms at the policy level, a number of additional trade facilitation measures have been launched at the operational level by various customs houses, e.g, the Jawaharlar Port introduced a system

of e-payment of duties and customs examinations through computer systems even after office hours to speed up the clearance process.

6.11. Areas for Capacity Building

It is clear that India needs to work on the issue of capacity building with a strong level of political commitment in order to streamline the various processes and institutional mechanisms. This is also emphasized in various research reports referred to in the above discussion. To achieve this, it may need far greater ownership and participation of senior customs personnel which may provide legitimacy and a boost to the ongoing efforts. Further, there is an urgent need for greater human and financial resources for enhanced and smooth cooperation at various stages. In this respect, India needs to focus on developing competent human resources, integrated software programmes, infrastructure at transit points particularly with respect to other South Asian economies and in customs valuation. These steps may be beneficial for improving trade facilitation in India.

7. Conclusion

In India, trade procedures have become more efficient. In the period between 2005 and 2011, the time needed to finish all trade procedures involved in moving goods from factory to ship at the nearest seaport or vice versa was cut by more than 40%, compared to an average 18% reduction for developing economies in the Asia-Pacific region (ARTNeT and UNNExT 2012). South-East Asia made the most progress, cutting its average time for completing trade procedures to 20 days. Cambodia and Thailand cut their time by more than 40% during the same period. India and Pakistan achieved improvements of a similar magnitude, although trade procedures in South and South-West Asia still take 50 % more time to complete than in South-East Asia (30 days on average).

Of particular importance has been the implementation of the EDI system in 1994 and the RMS in 2005 at India's major customs offices, which has increased the efficiency of procedures involved when trading across borders. The number of documents processed through the EDI has grown from 3.2 million in 2008/9 to 8 million in 2010/11. Between 2007 and 2011, the average time for the completion of export procedures was reduced by 10 days (17 days down from 27 days in 2007), which includes 8 days for documents preparation and 2 days for customs clearance and technical inspections.

India's ongoing Foreign Trade Policy 2009-2014 (FTP) states that the country aims to reverse the downwards trend of exports (De, 2011). By 2014, India aims to double its exports of goods and services. In order to bring down transaction costs, two important policy measures undertaken through FTP 2009-2014 are further procedural rationalization and, as mentioned above, enhancement in infrastructure related to exports (*ibid.*). India needs to work on trade facilitation as its position vis-à-vis other countries is weak. India is still far behind China and Brazil in terms of various of the procedures involved in international trade. This directly has an impact on the competitiveness of India's exports in international trade. Consequently, India needs to work closely with other economies on the issue of trade facilitation.

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The Characteristics, Motivations and Satisfaction of Thai Tourists Who Visit Luang Prabang Province, Lao PDR

Sithixay Xayavong

Abstract:

There are three major objectives of this study: (1) to understand and explore the demographic characteristics and travelling behaviours of Thai Tourists; (2) to study the motivations of Thai Tourists who visited Luang Prabang; and (3) to investigate the Thai tourists' satisfaction towards the destination. This study uses a 'push and pull' approach to find 23 push motivation factors and 22 pull motivation factors for travel. This study found that, firstly, the majority of Thai tourists were middle class, who came from the major cities of Thailand such as Bangkok, Chiang Rai, Chiang Mai and Khon Kaen. About half of the respondents were entrepreneurs and employees. Thai tourists preferred to travel with organized groups, friends, as a couple and with family members. They stayed in Luang Prabang between three and four days and spent relatively high amounts, approximately 1,950 Baht (67 US$) and 1,507 Baht (52 US$) per day for accommodations and for food & drink, respectively. Almost all of the Thai tourists visited and were satisfied with visiting Wat Xieng Thong and the National Museum of Luang Prabang. Also, the activity that most of Thai tourist participated and felt most satisfaction in was almsgiving. Consequently, it is suggested that religious tourism (it is known as Buddhist tourism in Thailand) could be one of the potential tourism segments to draw Thai tourists into Luang Prabang. Secondly, Thai tourists strongly agreed that 'doing and seeing destinations,' 'unique

things' and 'going to places I have never visited' are "knowledge seeking" factors which were the most important push factors causing them to visit Luang Prabang. These were followed by 'unique or different ethnic minority or indigenous people' and 'experience a simpler lifestyle,' which are "novel experience" factors. On the other hand, 'historical, archeological buildings and places' was the most important factor to motivate Thai tourists to visit Luang Prabang, followed by 'friendliness, politeness and hospitality of local people,' 'interesting rural countryside' and 'outstanding natural scenery and landscape.' Furthermore, after their trip, Thai visitors felt high satisfaction.

Keywords: *behaviour, Luang Prabang tourism, push and pull model satisfaction, Thai tourists*

Author: Sithixay Xayavong is a lecturer at the Faculty of Economics and Business Management, National University of Laos

1. Introduction

The tourism industry is one of the most important and significant economic sectors in Laos as well as in Luang Prabang province. The European Union Council on Tourism and Trade presented a report titled 'Laos: a Touristic and Cultural Paradise,' proposing Lao PDR (Laos) as the winner of the council's world best tourist destination for 2013. "Community based ecotourism is a way to share revenues and income, to support rural communities in prospering and presenting their foods and handicrafts to the world and provide a base for local development. Sharing tourism benefits all the population, and offering a kind of social tourism is a lesson that Laos is offering to the world," the report explained (Vientiane Times, 2013).

According to a Statistical Report on Tourism from the Ministry of Information, Culture and Tourism (MICT, 2013), the tourism sector contributed approximately US$514 million to the Lao economy in 2012. This was a 26.4% increase over the previous year. The number of tourists reached 3,330,072 people in 2012, which was a 22.4% increase over the previous year. The share of Thai tourists was top, accounting for 58.2% of visitors (1,937,612 people), followed by Vietnamese at 21.2% (705,596 people) and Chinese at 10.5% (348,637 people).

Luang Prabang is located in the central north of Laos. Around 400,000 people live in Luang Prabang Province. In the 14th century, Luang Prabang became the capital of the Kingdom of Lan Xang, which was founded by King Fa Ngum (who gave the city its modern name, formerly Muang Sua). It is home to the most famous historic sites in Laos (Wat Xieng Thong, etc.), making it famous as a historical location with archeological buildings and a unique townscape. Many historic temples and Lao-French buildings remain as relics of this historical background throughout Luang Prabang. In addition to visiting the cultural heritage site of Luang Prabang, tourists can also visit the surrounding areas, which offer various attractions including caves, waterfalls and villages. Luang Prabang is also famous for the scenic mountains that surround the town, as well as for its multi-ethnic population, which comprises many different ethnic groups.

Luang Prabang has been promoted as a tourist destination for two decades by the government of Laos. UNESCO also classified this town as a World Heritage site in 1995. The city's popularity further increased when it was named by Wanderlust Magazine as the Top City for tourism in 2006, 2007, 2008, 2010, 2011 and 2012 respectively (*Wanderlust Magazine*, 2013). The result of this action is

that Luang Prabang is now famous and visited by many tourists from around the world. Consequently, the number of foreign tourists has increased gradually since 2006. The number of foreign tourist arrivals to Luang Prabang increased consistently from 1997 to 2009, although the number of visitors did decrease slightly in 2003 and 2010. There were 294,213 international tourists who visited Luang Prabang in 2012, which was a 7% increase over the previous year. Among international tourists, Thai tourists were top, accounting for 17.2% (50,636 people), followed by visitors from France (9.0%), the U.K (7.7%) and the U.S. (7.6%). Thus, Thailand is one of the leading generators of international tourism and Thai tourists are the major spenders in Luang Prabang, as well as in Laos as a whole. The number of Thai tourists visiting Luang Prabang has increased rapidly over the years, increasing by 68% in 2011. However, because of political protests in Thailand and global financial crisis, the number of travellers from Thailand decreased by 35.7% in 2010 (MICT, 2013). Consequently, understanding why Thai people travel, what factors influence their visit and what they think about Luang Prabang are of significant interest to the Lao government to maintain and increase the tourists from this lucrative market.
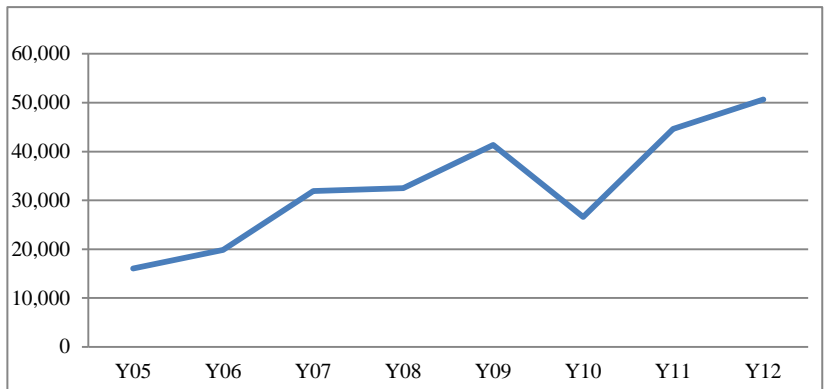
Figure 1: Thai Tourists Arrivals in Luang Prabang, 2005-12; source: MICT (2013).

Year	Rank	Country	Visitors	Year	Rank	Country	Visitors
2007	1	Thailand	31,911	2010	1	Thailand	26,569
	2	UK	21,255		2	UK	22,622
	3	USA	18,096		3	France	22,369
	4	Australia	14,978		4	USA	21,185
	5	France	14,902		5	Germany	16,372
2008	1	Thailand	32,482	2011	1	Thailand	44,656
	2	UK	22,237		2	France	25,991
	3	USA	21,859		3	UK	21,091
	4	France	20,602		4	USA	18,516
	5	Canada	17,928		5	Germany	17,706
2009	1	Thailand	41,361	2012	1	Thailand	59,636
	2	UK	28,470		2	France	26,436
	3	USA	25,913		3	UK	22,584
	4	France	19,507		4	USA	22,415
	5	Canada	19,128			China	19,894
	5	China					

Table 1: Origin of Tourists Visiting Luang Prabang; source: MICT (2013).

There are some studies related to Thai tourists that set a precedent for this case study. For example, Chartrungruang and Mitsutake (2007) studied before- and after- travel images of Sapporo and its hot springs from the viewpoints of Thai tourists. Witchu and Kullada (2011) also studied the motivation and behaviour of Thai outbound tourists to Europe. However, the number of empirical studies focused on Thai outbound tourists is still limited. There are many unknown points due to a lack of studies on the characteristics, motivation and satisfaction of Thai tourists travelling to Laos and to other locations. Consequently, this study aims to fill the gap regarding empirical data on motivations and satisfaction of Thai tourists who visit Luang

Prabang, including recommendations for improvement as an essential theme.

There are three major objectives of this study: the first is to understand and explore the demographic characteristics and travelling behaviours of Thai tourists. The second is to study the motivations of Thai tourists who visited Luang Prabang. The third is to investigate the tourists' satisfaction with the destination. The results of the study will be beneficial to tourism managers and authorities of Laos and to other countries hoping to attract Thai tourists, allowing them to know what Thai tourists think about Luang Prabang and aiding in understanding more the strong and weak points of Luang Prabang as a tourist destination. Also, it will improve knowledge about how to protect and develop tourism in Luang Prabang to make it a more attractive destination so it can maintain and attract more tourists from Thailand and from other countries.

2. Literature Review

2.1. Characteristics and Travelling Behaviours of Thai Tourists

Chartrungruang and Mitsutake (2007) studied the promotion of tourism between Japan and Thailand. This study focused on Thai tourists visiting Sapporo, Hokkaido in Japan, in particular its hot spring sites. This study assessed the before-and after-travel images of Sapporo and its hot spring sites from the viewpoints of prospective and present Thai tourists. Their travel satisfaction assessment was also conducted as a section in the after-travel image assessment. The sample in the study included two sample groups: Thai tourists departing to Sapporo and Thai tourists after their trips there.

Quantitative and qualitative methodologies, questionnaires and in-depth interviews, were used for the image assessment. The study indentified the target market group profile of Thai tourists for Sapporo and its hot spring sites. Also, it proposed how to improve the destinations to meet Thai tourists' perceptions, how to attract more new Thai tourists and how to find the right marketing strategies and activities to approach them.

Witchu and Kullada (2011) used a "push and pull" approach to identify the characteristics of Thai outbound tourists and to investigate the motivation and behaviour of those tourists when visiting Europe. The study found and recommended that (1) Thai tourists are very aware of and influenced by the desire to experience European landscapes; and (2) Thai tourists demand experiences related to exploring new things. This study suggests that, in order to increase efficiency in marketing European destinations for Thai tourists, marketing teams should focus on the beauty of the landscape.

Putachote (2013a) studied "Thai Tourist Behavior in Night Markets in Luang Prabang Lao". The purposes of this research were (1) to study Thai tourist behaviour in night markets in Luang Prabang, (2) to examine factors influencing Thai tourist purchase decisions. Data was collected from 385 Thai tourists who visited Luang Prabang. The results of this study revealed that the majority of respondents were female, aged 30-39 years old, had at least a high school education, were married and were entrepreneurs with an income of 15,001-20,000 Baht per month. The majority of Thai tourist purchases were souvenirs, local handicrafts, clothing and cotton. The main reason for buying was gifts and for the purchaser; Thai tourists were very important in all factors of the marketing mix.

Putachote (2013b) also studied "Tourist Behavior Selection Accommodation in Luang Prabang Laos." The objective of this research was to study tourists' behaviour in selecting accommodation in Luang Prabang and the influence of factors such as gender, age, education, occupation and income on the perceived importance of marketing variables in the selection. Data was collected from 385 tourists who visited Luang Prabang. The majority of tourists were females, who came from Thailand, France, Japan, China and the USA. They reserved rooms by telephone; stayed in median price hotels between 3-4 nights per time and spent US$101-150 per day. The factors influencing tourists' selection of accommodation in Luang Prabang were price, place, promotion and others. Education and occupation were significantly different and influential in the selection of accommodation in Luang Prabang.

2.2. Motivations and the Push-Pull Approach

Popular motivation theories in U.S. tourism management literature are expectancy theory and Maslow's hierarchy of human needs (Kim, 2000). The expectancy theory of motivation has been refined and expanded by Deci (1975) and Deci and Ryan (1987). According to Deci and Ryan (1987), motivation is formed by autonomous initiation or self-determination of behaviour and is expected to lead to personally satisfying experiences.

Many tourism researchers base their theoretical background on Maslow's five-stage hierarchy of needs theory. Maslow's theory offers one systematic approach to motivational structure (Jang & Cai, 2002). Dann (1977) proposed two factors as travel motives: anomie and ego-enhancement. Both of these proposed motives were viewed as push factors. Dann (1977) also noted push factors and pull factors

in a travel decision. The push factors are internal to individuals and install a desire for people to want to travel. The pull factors are external to individuals and affect where, when and how people travel, given the initial desire to travel. Thus, people travel because they are pushed by their internal force and pulled by external forces such as destination attributes. It is usually accepted that push factors must be present before pull factors can be effective.

McIntosh and Goeldner (1984) summarize previous studies on travel motivation, separating them into four categories: (1) physical motivators, including those related to physical rest, participation in sports, need for recreation at a beach and those motivations directly connected with a person's bodily health; (2) cultural motivators concerning the desire to gain knowledge about other countries in term of cultural activities; (3) interpersonal motivators, including a desire to meet new people, visit friends or relatives, get away from routine conventions of life or to make new friendships; and (4) status and prestige motivators, related to self-esteem and personal development.

Jang and Cai (2002) suggests that although a complex of motives was uncovered in previous research, the push and pull typology is an appropriate approach to study travel motivation. Jang and Cai (2002) used a push and pull approach to identify key motivational factors that have significant effects on destination choice. "Knowledge seeking" and "cleanliness & safety" were perceived as the most important push and pull factors respectively. The results of logistic regression analyses showed that the British tend to visit the U.S. for "fun & excitement" and "outdoor activities," Oceania for "family & friend togetherness" and Asia to seek a "novel experience."

2.3. Satisfaction

Satisfaction can be seen as a tourist's post-purchase assessment of the destination (Oliver, 1980; Wang & Hsu, 2010). Wang and Hsu (2006) explains that customer satisfaction can significantly influence the operation performance of enterprises. With proper assessment tools, we can precisely assess customer satisfaction of the provided products or services and further improve products and services to meet customer expectations. When assessing customer satisfaction, there are generally two methods: (1) single item: having a single item to assess the overall satisfaction. We can understand the results after customers use the product studied as the single satisfaction item; and (2) multiple items: measuring individual satisfaction of products with a general scale and summing up for the overall satisfaction. Taking a customer's satisfaction as an overall concept is important and this variable was used to assess customer satisfaction in the study.

Dunn and Iso-Ahola (1991) studied the motivation and satisfaction dimensions of sightseeing tourists. For this purpose, 225 people were tested for motives before a day's tour and for their satisfaction after it. The results indicated a considerable similarity between motivation and satisfaction dimensions, with "knowledge seeking," "social interaction" and "escape" emerging as important motives and causes of satisfaction. This similarity led to a very high overall satisfaction with the tour. A group of tourists who came together by chance scored significantly higher on the knowledge-seeking motive and on five satisfaction dimensions than did the regular tour group and the convention group.

Kao *et al.* (2008) studied the motivations of Taiwanese visitors to Australia and investigated the satisfaction they received from their

visit. The study used a push and pull approach to find 17 push motivations and 18 pull motivations for travel. 'Travelling around the world' was found to be the most important push factor, while 'sunshine and scenery' was regarded as the most important pull factor.

2.4 Luang Prabang Tourism

UNESCO (2004) examined the impact of tourism on the culture and environment of Luang Prabang and provided guidelines for indentifying and measuring the types of impacts (both positive and negative) that tourism has on the town's heritage. In addition, UNESCO (2004) suggested how to derive an overall strategy that manages tourism in Luang Prabang in such a manner that tourism becomes a positive force for heritage conservation as well as contributing to the improvement of the quality of life of the town's inhabitants. Phommavong *et al*. (2008) attempted to identify how to quantify service quality by using the SERVQUAL gap model (Q = P-E) and also to compare service delivery of major hotels and guesthouses in Luang Prabang province. Somsamone (2010) used a qualitative approach to investigate the current state of tourism and tourism development in Luang Prabang. She found that the facilities and the quality of services provided to tourists does not meet international standards and are still limited due to a lack of human resources, specifically people who have knowledge and capacity working in the tourism sector. Thus, she suggests that it is necessary to have qualified staff to manage businesses related to tourism.

Southiseng and Walsh (2011) affirmed that significant increases in tourists' arrivals to Luang Prabang have provided opportunities to the residents of Luang Prabang to earn income and increase their knowledge and levels of experience. However, the study argues that

substantial gains were not sustainable due to the lack of qualified labour to supply the booming sectors. To propose guidelines for sustainable tourism development in cultural heritage sites, Chansone (2009) studied the existing management system the world cultural heritage site at Luang Prabang and assessed the community participation in tourism development. The study found that the involvement of local residents in tourism development in terms of participation in planning, activities, decision making and benefits were at the 'fair level,' which indicated that the community participation and partnership among all stakeholders in this world heritage site was not sufficient.

Phosikam (2010) studied the significant factors influencing international tourists' decision-making to visit the town of Luang Prabang and the role of the town's World Heritage status on international tourists' decision to visit Luang Prabang. Semone (2012) noted that tourism in Laos is a relatively new phenomenon that commenced in earnest in the late 1990s. A decade later, the country's tourism portfolio is dominated by region-specific visitors originating from neighbouring China, Thailand and Vietnam, who generally tend to come in large numbers, are relatively low spenders and register a short average length of stay.

As mentioned earlier, although there have been several studies related to tourism in Luang Prabang, most of these previous studies focused on human resources or labour and tourism in Luang Prabang. However, the number of empirical studies about foreign tourists who visit Luang Prabang is still limited. By gathering and analyzing data about foreign tourist who visit Luang Prabang, this research marks the first step in the essential filling in of this hole in empirical data.

3. Explanation of Data and Research Methodology

This study uses a 'push and pull' approach to find 23 push motivation factors and 22 pull motivation factors for travel. The target population of this study was Thai tourists who traveled to Luang Prabang province. The questionnaires were translated into the Thai Language from English. The survey was conducted in March 2013. A convenience sampling method was applied to identify respondents. Once respondents agreed to participate in the survey, the purpose of the survey was explained and a self-administered questionnaire was distributed to them for completion. A pilot test with 10 tourists was conducted first. Data was collected from 136 Thai tourists who had already stayed more than one day in Luang Prabang.

The questionnaire consisted of four sections: tourist demographics, behaviours, tourist motivations, and tourist satisfaction. A Likert scale was applied as an analytical tool to explain data from the questionnaires. Specifically, a five point Linkert–type scale was used to analyze tourist motivations (push and pull factors) and tourist satisfactions. Each motivation push and pull factor and satisfaction item was measured using a five-point scale, with 1 indicating least significance (satisfaction), 2 little significance (satisfaction), 3 moderate significance (satisfaction), 4 much significance (satisfaction), and 5 most significance (satisfaction). To interpret the data, class intervals were set. This was accomplished by first calculating class width. Class width was calculated by dividing the range (maximum level minus minimum level) by the number of classes.

$$\text{Class width} \frac{\text{Maximum} - \text{Minimum}}{\text{Number of Classes}} = \frac{5-1}{5} = 0.80$$

According to these criteria, the class intervals for the factors were set as follows:

Average points 1.00 – 1.80 = least significance (satisfaction)

Average points 1.81 – 2.60 = little significance (satisfaction)

Average points 2.61 – 3.40 = moderate significance (satisfaction)

Average points 3.41 – 4.20 = much significance (satisfaction)

Average points 4.21 – 5.00 = most significance (satisfaction)

Furthermore, this study used 17 items to assess satisfaction. However, we do not sum up individual satisfaction (each satisfaction item) for overall satisfaction. Thus, a single item also will be used to assess overall satisfaction. Additionally, multiple linear regression analysis is applied to determine the satisfaction factors of Thai tourists visiting Luang Prabang.

4. Empirical Results and Discussion

4.1 Demographic Characteristics and Behaviours of Respondents

The demographic characteristics and some behaviours of respondents are shown in Table 2. 44% of respondents were males and 56% were females. In terms of age, the largest group of travellers consisted of tourists between 31 and 40 years of age (44.1%), followed by the group of between 41 and 50 years of age (22.8%) and the group of between 20 and 30 years of age (22.1%). The marital status of the respondents was single (50%), followed by married (44%) and other

(widowed or divorced) (6%). The education level of the participants were undergraduate (52.9%), graduate (Master's/PhD) (26.5%), vocational school (5.9%) and high school (5.9%). Most respondents confirmed that they had a high educational background, with 79% of them completing at least a college degree.

27.5% of the respondents came from Bangkok, followed by Chiang Rai (9.6%), Chiang Mai (8.8%) and Khon Kaen (7.4). Most respondents lived in major cities of Thailand such as Bangkok and the cities in north and northeast Thailand which are close to Laos as well as to Luang Prabang province. Most respondents were first time visitors to Luang Prabang (83.8%). In terms of occupation, there were employees (both public and private sector) (27.9%), entrepreneurs or business people (19.9%), students (8.8%), retired (2.9%) and others (housewife, unemployed, etc.) (39.0%). The annual income of respondents was less than US$5,000 (or about US$417 per month) (36.0%), between US$5,001-15,000 (or about US$418-1,250 per month) (43.6%), between US$15,001-35,000 (or about US$1,251-2,917 per month) (17.6%), and more than US$35,000 (3.7%). Thus, the majority (61.3%) of Thai tourists were middle class people who earn between US$5,000-36,000 per year.[1] The length of stay of respondents were one day (0.7%), two days (15.44), three days (38.3%), four days (27.9%) and more than four days (17.6%). Thus, the majority of respondents stayed in Luang Prabang between three and four days (66.3%). Most respondents confirmed that their objective of visiting Luang Prabang was a 'vacation holiday' (74.3%), followed by 'meeting/seminar' (11.0%) and 'business purpose' (3.6%). The majority of respondents had decided to visit Luang Prabang less than three months in advance (55.1%). The respondents

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[1] Bank of Thailand, 1US$ = 29.07 THB at 10:20 UTC, April 15, 2013, available at http://www.bot.or.th/english/Pages/BOTDefault.aspx.

who travelled alone were only 10.3%; most of the respondents travelled with others, including with organized groups (29.4%), with friends (23.5%), as a couple (16.9%) or with family members (12.5%). The respondents confirmed that they found information about Luang Prabang through various sources such as magazines (20.6%), newspapers (5.1%), the website of Lao National Tourism Administration (14.7%), guidebooks (10.3%), tourism fairs (15.4%), word of mouth (14.7%), T.V (16.9%), friends or relatives (22.1%), social media (Facebook, Twitter, etc.) (10.3%) and the internet (58.1%).Thus, the majority of Thai tourists found information about Luang Prabang through the internet (58.1%). However, the percentage of those using the website of the Lao National Tourism Administration was low (14.7%). Also, the respondents spent approximately 1,950 Baht (US$67) and 1,507 Baht (US$52) per day for accommodations and for food & drink, respectively.

Places and Activities	No. visited	%	Level of Satisfaction	Std. Deviation
Xiengthong Temples	129	94.9	4.62	0.627
National Museum	127	93.4	4.57	0.649
Phousy Stupa	120	88.2	4.46	0.732
Tham Ting Cave	90	66.2	4.20	0.889
Khouangsy Waterfall	104	76.5	4.50	0.724
Sae Waterfall	60	44.1	4.12	0.958
Night market	115	84.6	4.25	0.747
Alms giving	110	80.9	4.45	0.736
Elephant riding	59	43.4	3.95	1.057
Traditional dance	57	41.9	3.89	1.096
Other	37	27.2	3.97	1.092

Table 2: *Major Activities and Places which Thai tourists visited and enjoyed;* **source:** *Original Research*

Note: The level of Satisfaction ranking was based on a mean from 1 to 5 (1 = least satisfaction to 5 = most satisfaction)

As shown in Table 2, 94.9% of respondents visited Wat Xieng Thong (or Xieng Thong Temple), which is the symbol of Luang Prabang. It was the most visited place and generated the most satisfaction for Thai tourists (mean = 4.62). This was followed by the National Museum of Luang Prabang (93.4%), Phousy Stupa (88.2%), Night Market (84.6%), Khouangsy Waterfall (76.5%), Tham Ting Cave (66.2%) and Sae Waterfall (44.1%). Furthermore, the activity in which most respondents participated and felt most satisfaction was alms-giving (80.9%).

4.2. Motivation Push and Pull Factors

4.2.1. Motivation Push Factors

As shown in Table 3, 'doing and seeing destination's unique things' was the most important among all the push factors (mean = 4.44), followed by 'going places I have never visited' (4.41), 'unique or different ethnic minority or indigenous people' (4.40), 'experience a simpler lifestyle' (4.35), 'desire to try something new' (4.34), 'opportunity to increase one's knowledge' (4.33), 'experiencing a new and different lifestyle' (4.28) and 'meeting new and different people' (4.24). The push factors that were indicated at the 'much important' level included, 'visiting places I can talk about when I get home' (4.15), 'trying new food' (4.10), 'going to a place my friends have not been' (4.03), 'just relaxing' (4.03), 'having fun and being entertained' (4.02), 'finding thrills and excitement' (3.92), 'meeting people with similar interests' (3.88), 'being together as friends' (3.74), 'escape from the routine/ordinary' (3.67), 'getting away from a busy job'

(3.62), 'getting away from the demands of jobs' (3.61) and 'being together as a family' (3.49). Also, the 'doing nothing at all' (3.17), 'indulging in luxury' (3.07) and 'visiting friends and relatives' (3.03) factors were at the 'moderate significance' level.

4.2.2 Motivation Pull Factors

On the other hand, as shown in Table 4, among the pull factors, the respondents felt that the 'historical, archeological buildings and places' was the most important factor (4.57) to motivate them to visit Luang Prabang. This was, followed by 'friendliness, politeness and hospitality' (4.52), 'interesting rural countryside' (4.47), 'outstanding natural scenery and landscape' (4.43), 'nice weather' (4.38), 'visits to appreciate natural ecological sites' (4.37), 'Lao ethnic diversity' (4.29), 'environment quality, air, water and soil' (4.29), 'exotic atmosphere' (4.29) and 'peaceful and personal safety' (4.27). The following factors were indicated as being at the 'much significance' level: 'the best deal I could get' (4.10), 'destination that provides value for holiday money' (4.08), 'standard of hygiene and cleanliness' (4.03), 'public transportation such as airlines, etc.' (4.00), 'availability of pre-trip and in-country tourist info' (3.97), 'inexpensive restaurants' (3.97), 'local cuisine' (3.93), 'activities for the entire family' (3.60), 'outdoor activities (variety activities)' (3.58), 'primitive outdoor camping' (3.56) and 'nightlife and entertainment' (3.50).

Ranking	Push Factors	Mean	Std. D
1	**Doing and seeing destination's unique things**	**4.44**	**0.748**
2	**Going places I have never visited**	**4.41**	**0.802**
3	**Unique or different aboriginal or indigenous people**	**4.40**	**0.743**
4	**Experiencing a simpler lifestyle**	**4.35**	**0.801**
5	**Desire to try something new**	**4.34**	**0.742**
6	**Opportunity to increase one's knowledge**	**4.33**	**0.789**
7	**Experiencing a new and different lifestyle**	**4.28**	**0.766**
8	**Meeting new and different people**	**4.24**	**0.873**
9	Visiting places I can talk about when I get home	4.15	0.830
10	Trying new foods	4.10	0.815
11	Going to a place my friends have not been	4.03	0.926
12	Just relaxing	4.03	0.860
13	Having fun and being entertained	4.02	0.847
14	Finding thrills and excitement	3.92	0.869
15	Meeting people with similar interests	3.88	1.004
16	Being together as friends	3.74	0.966
17	Escape from the routine/ordinary	3.67	1.148
18	Getting away from a busy job	3.62	1.186
19	Getting away from the demands of jobs	3.61	1.089
20	Being together as a family	3.49	1.310
21	Doing nothing at all	3.17	1.177
22	Indulging in luxury	3.07	1.323
23	Visiting friends and relatives	3.03	1.327

Table 3: *Push Motivation Factors;* **source:** *Original Research*

Ranking	Pull Factors	Mean	Std. D
1	**Historical, archeological buildings and places**	**4.57**	**0.568**
2	**Friendliness, politeness and hospitality**	**4.52**	**0.67**
3	**Interesting rural countryside**	**4.47**	**0.658**
4	**Outstanding natural scenery and landscape**	**4.43**	**0.731**
5	**Nice weather**	**4.38**	**0.736**
6	**Visits to appreciate natural ecological sites**	**4.37**	**0.743**
7	**Lao ethnic diversity**	**4.29**	**0.842**
8	**Environment quality, air, water and soil**	**4.29**	**0.715**
9	**Exotic atmosphere**	**4.29**	**0.794**
10	**Peaceful and personal safety**	**4.27**	**0.75**
11	The best deal I could get	4.10	0.737
12	Destination that provides value for holiday money	4.08	0.785
13	Standard of hygiene and cleanliness	4.03	0.870
14	Public transportation such as airlines, etc	4.00	2.697
15	Availability of pre-trip and in-country tourist info	3.97	0.879
16	Inexpensive Restaurants	3.97	0.912
17	Local cuisine	3.93	0.923
18	Activities for the entire family	3.6	1.037
19	Outdoor activities (Variety activities)	3.58	1.039
20	Primitive outdoor camping	3.56	1.144
21	Nightlife and entertainment	3.50	0.99
22	Ease of driving on my own	3.38	1.153

Table 4: *Pull Motivation Factors;* **source:** *Original Research*

4.3. The Satisfaction of Thai Tourists

Table 5 shows the mean of overall satisfaction, intention to return and recommendation to other tourists who might visit Luang Prabang. After their trip, most Thai visitors felt high satisfaction. The respondents marked 'overall satisfaction' most often (4.48). Also, the respondents indicated that 'intention to return' was likely (4.52).

Moreover, the respondents would recommend Luang Prabang to others (4.46).

No.	Items	Mean	Std. Deviation	Level
1	Overall Satisfaction	4.48	0.596	most satisfaction
2	Intension to Return	4.52	0.667	very likely
3	Recommendation to Others	4.46	0.676	strongly recommend

Table 5: *Overall Satisfaction, Intention to Return and Recommendation to Others;* **source:** *Original Research*

Note: Overall satisfaction ranking was based on mean from 1 to 5 (1= least satisfaction to 5 = most satisfaction), intention to return was based on mean scores from 1 to 5 (1 = unlikely to very likely), and recommendation to other was based on mean scores from 1 to 5 (1 = strongly not recommend to 5 = strongly recommend).

Additionally, Table 6 shows the satisfaction of Thai tourists towards each item related to tourism in Luang Prabang. The most satisfactory attribute was the 'residents' amity and hospitality' (4.37). Moreover, Thai tourists were satisfied with the 'preservation of traditional daily life' (4.34), 'preservation of townscape' (4.32), 'service quality of guided tours' (4.31), 'quality of tour guides in communication' (4.27) and 'service quality of tour agencies' (4.26). The following items were indicated as being at the 'much satisfaction' level: 'service quality of accommodation' (4.12), 'service quality of restaurant' (4.07), 'cleanliness of the city' (4.02), 'variety of souvenir products'

(3.96), 'travel costs' (3.96), 'easy access to tourism sites' (3.94), 'price of souvenirs' (3.79), 'transportation' (3.78), 'information centre' (3.77) and 'entrance fees' (3.76). By contrast, 'public toilets' (3.36) was the only 'moderate satisfaction' item for Thai tourists who visited Luang Prabang.

Table 7 indicates the results of the regression analysis between overall satisfaction and each satisfaction item to explain which items will have statistically significant effects on the overall satisfaction of Thai tourists. 'Service quality of tour agencies' ($p \leq 0.01$) had the greatest positive impact on overall satisfaction, followed by 'cleanliness of the city' ($p \leq 0.05$), which suggests that the overall satisfaction will increase when Thai tourists are satisfied with these two items.

However, 'preservation of townscape,' 'preservation of traditional daily life,' 'service quality of accommodation,' 'service quality of restaurants,' 'service quality of guided tours,' 'quality of tour guide in communication,' 'variety of souvenir products,' 'price of souvenirs', 'residence's amity and hospitality,' 'travel cost,' 'entrance fees,' 'information centre,' 'transportation,' 'easy access to tourism sites' and 'public toilets' did not have statistically significant effects on the overall satisfaction of Thai tourists. It means that these items or factors may be important in attracting Thai tourists to visit Luang Prabang but they did not have effects on the overall satisfaction of Thai tourists directly.

Ranking	Items	Mean	Std. Deviation	Level of Satisfaction
1	**Residents' amity and hospitality**	**4.37**	**0.799**	**Most**
2	**Preservation of traditional daily life**	**4.34**	**0.763**	**Most**
3	**Preservation of townscape**	**4.32**	**0.768**	**Most**
4	**Service quality of guided tours**	**4.32**	**0.725**	**Most**
5	**Quality of tour guides in communication**	**4.28**	**0.736**	**Most**
6	**Service quality of tour agencies**	**4.27**	**0.745**	**Most**
7	Service quality of accommodations	4.12	0.829	Much
8	Service quality of restaurants	4.07	0.753	Much
9	Cleanness of the city	4.02	0.833	Much
10	Variety of souvenir products	3.96	0.919	Much
11	Travel cost	3.96	0.837	Much
12	Easy access to tourism sites	3.94	0.873	Much
13	Price of souvenirs	3.79	0.961	Much
14	Transportation	3.78	0.86	Much
15	Information centre	3.77	0.926	Much
16	Entrance fees	3.76	0.962	Much
17	Public toilets	3.36	1.035	Moderate

Table 6: *Satisfaction of Thai Tourists towards Each Item Related to Tourism in Luang Prabang;* **source:** *Original Research*

5. Discussion

Based on the results of this study, we found that 'doing and seeing destination's unique things' and 'going places I have never visited,' which are so-called "knowledge seeking" factors, were the most important push factors attracting Thais to visit Luang Prabang, followed by 'unique or different ethnic minority or indigenous people' and 'experience a simpler lifestyle,' which are so-called "novel experience" factors. These results are consistent with the study by Witchu and Kullada (2011), who suggested motivators that pushed

Thai tourists away from their homes were (1) discovering a new place, (2) discovering different cultures and lifestyles, (3) enriching oneself intellectually, (4) increasing knowledge and (5) desire to try something new.

No.	Items	Beta	t	Sig.
1	Preservation of townscape	0.231	1.696	0.093
2	Preservation of traditional daily life	-0.196	-1.461	0.147
3	Service quality of accommodations	0.106	0.966	0.336
4	Service quality of restaurants	0.076	0.697	0.487
5	Service quality of guide tour	-0.246	-1.916	0.058
6	**Service quality of tour agencies**	**0.481**	**3.727**	**0.000***
7	Quality of tour guide in communication	-0.106	-0.873	0.385
8	**Cleanliness of the city**	**0.225**	**2.339**	**0.021***
9	Variety of souvenir products	0.043	0.355	0.724
10	Price of souvenirs	0.077	0.686	0.494
11	Residence's amity and hospitality	0.093	0.873	0.385
12	Travel cost	0.044	0.402	0.689
13	Entrance fees	-0.015	-0.119	0.906
14	Information centre	0.058	0.483	0.630
15	Transportation	-0.034	-0.279	0.781
16	Easy access to tourism sites	-0.003	-0.024	0.981
17	Public toilets	-0.065	-0.561	0.576
	(Constant)	2.1355	5.788	0.000*
	R square	0.4227		
	Adjusted R square	0.3310		
	F	4.6095		

Table 7: *Results of the Regression Analysis between Overall Satisfaction and Each Satisfaction Item;* **source:** *Original Research*

Note: (1) Dependent Variable is Overall Satisfaction.

(2) * indicates statically significant difference between groups at p-value ≤ 0.5.

Consequently, it may be concluded that Thai tourists demand experiences related to exploring new things such as a desire to travel abroad because they want to discover new places, experience different cultures and lifestyles, to enrich themselves intellectually, increase their knowledge and because they want to try something new.

On the other hand, a major reason for Luang Prabang attracting so many tourists is that it is home to the most famous historic site in Laos. Owing to Luang Prabang being famous for its historical, archeological buildings and townscape, not surprisingly, 'historical, archeological buildings and places' was the most important factor among all the pull factors, followed by 'interesting rural countryside' and 'outstanding natural scenery and landscape.' However, the 'local cuisine,' 'variety of activities, including outdoor activities,' 'nightlife and entertainment' were not important factors to pull Thai tourists to visit Luang Prabang. These factors are thus still weak points of Luang Prabang.

The results of this study also found that, in the case of Luang Prabang province, foreign tourists came from various countries around the world. Indeed, many tourists that come to Luang Prabang are not just from neighbouring countries with easy access to the town. However, 30-50% of the visiting tourists came from Thailand, whose tourists were middle class who earn between US$5,000 and 36,000 a year. Also, they stayed in Luang Prabang between three and four days and spent relatively highly, approximately 1,950 Baht (US$67) and 1,507 Baht (US$52) per day for accommodations and for food & drink, respectively. Thus, this information updates the study by Semone

(2012), which noted that "tourism in Laos is a relatively new phenomenon that commenced in earnest in the late 1990s. A decade later, the country's tourism portfolio is dominated by region-specific visitors originating from neighbouring China, Thailand and Vietnam who generally tend to come in large numbers, are relatively low spenders and register a short average length of stay."

Additionally, among all pull factors, the 'friendliness, politeness and hospitality of local people' was also one of the most important factors to motivate and satisfy Thai tourists who visit Luang Prabang. Furthermore, after their trip, Thai visitors felt high satisfaction. In particular, the 'residents' amity and hospitality' and 'preservation of traditional daily life' were the items receiving highest levels of satisfaction. This indicates the importance of community participation in tourism development in a world cultural heritage site like Luang Prabang.

In this regard, this study confirmed the findings of previous research, particularly Chansone (2009), who suggested that "Sustainable tourism development should give greater priority to community participation in sustainable tourism development" and that "The local tourism sector should provide more in the area of education and training local residents that should focus on tourism knowledge, English skills for tourism, being a good host community to tourists, and provide more awareness and understanding of sustainable tourism development to the local community."

6. Conclusions and Recommendations

According to the results of our study, the following can be concluded: Firstly, the majority of Thai tourists were females. The largest group

of travellers consisted of tourists between 31 and 40 years of age. Most respondents confirmed that they had a high educational background. Most of the visiting Thai tourists mainly came from the major cities of Thailand. About half of them were entrepreneurs and employees. The majority of Thai tourists were middle class.

They learned of and found information about Luang Prabang through various sources and the majority of the Thai tourists confirmed that they received information about Luang Prabang through the internet. However, the percentage of those using the Lao National Tourism Administration website was low. Thus, in order to promote Luang Prabang and increase tourists from Thailand and other countries, Lao tourism managers and authorities should improve the website as well as information available on the internet.

Instead of travelling alone, Thai tourists preferred to travel with organized groups, friends, as a couple and with family members. Almost all Thai tourists visited, and were satisfied with visiting, Wat Xieng Thong and the National Museum of Luang Prabang. Also, the activity that most of Thai tourists participated in and felt most satisfaction with was almsgiving. Consequently, it is suggested that religious tourism (it is known as Buddhist tourism in Thailand) could be one of the potential tourism segments to draw Thai tourists into Luang Prabang.

Secondly, based on the results of this study, we found that Thai tourists strongly agreed that 'doing and seeing destination's unique things' and 'going places I have never visited,' which are so-called "knowledge seeking" factors, were the most important push factors causing Thais to visit Luang Prabang, followed by 'unique or different ethnic minority or indigenous people' and 'experience a simpler

lifestyle,' which are so-called "novel experience" factors. As a result, relevant stakeholder, for instance the tourism authority and the local communities, should actively protect and preserve the uniqueness of Laos as well as that of local traditional activities and culture such as dresses, rituals and handicrafts as tools for attracting visitors and generating more income from the tourism sector.

On the other hand, a major reason for Luang Prabang attracting so many tourists is 'friendliness, politeness and hospitality of local people,' as well as 'interesting rural countryside' and 'outstanding natural scenery and landscape.' In particular, the 'friendliness, politeness and hospitality of local people' was a very important factor to motivate and satisfy foreign tourists who visited Luang Prabang. Furthermore, after their trip, Thai visitors felt high satisfaction. The 'residents' amity and hospitality' and 'preservation of traditional daily life' were the most highly ranked satisfaction items. This indicates the importance of community participation in tourism development in a world cultural heritage site like Luang Prabang. Consequently, in order to develop and promote sustainable tourism, the government or tourism authority should consider how to involve local communities in planning and managing sustainable tourism development. Also, the government should provide more in the area of education and training for local communities that should focus on the importance of local culture, environment protection, knowledge and skill for tourism business, being a good host community to tourists and providing more awareness and understanding of the importance of sustainable tourism development to the local communities.

However, the 'local cuisine,' 'variety of activities, including outdoor activities,' 'nightlife and entertainment' factors are thus still weak points of Luang Prabang. As a result, tourism managers, relevant

authorities and local communities should make greater efforts to create and promote various activities and local cuisine to motivate more foreign tourists to visit. If done successfully, tourists will stay longer and pay more, which will help the tourism sector in Luang Prabang develop constantly, increase employment and generate income.

Thirdly, Thai tourists were satisfied with the 'preservation of traditional daily life,' 'preservation of townscape,' 'service quality of guided tours,' 'quality of tour guide in communication' and 'service quality of tour agencies.' In contrast, the 'public toilets' were perceived as being the least satisfactory attribute among 17 items for Thai tourists who visited Luang Prabang. In order to improve the quality of services so as to maintain and increase more tourists from Thailand and other countries, the Lao tourism managers and authorities should quickly address this problem by increasing the number and cleanliness of public and private toilets in the tourism sites, bus terminals, restaurants and elsewhere.

Furthermore, in order to increase overall satisfaction for Thai tourists, tour agencies should maintain or improve their service quality. Also, tourism managers, relevant authorities and local communities should focus on the beauty of the townscape and on the destination's uniqueness by preservation of the 'natural, cultural and historical environment' and 'cleanliness and safety.' In particular, 'historical, archeological buildings and places,' which is the most important factor to motivate Thai tourists visit Luang Prabang, should be preserved and better maintained.

7. Limitations of the Study

This research has unavoidably suffered from some limitations during data collection and analyzing. Firstly, due to lack of cooperation from some tour guides, obtaining access to Thai visitors was a big issue. Some of the tourists refused to complete the questionnaires. Also, due to the limitations of time and budget of our research team, the sample size achieved for this research was relatively small. Secondly, this study focused only on the characteristics of Thai visitors and Luang Prabang province. It did not study purchasing behaviour of Thai tourists more generally.

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Factors Affecting Brand Loyalty: An Exploratory Study of Mobile Subscribers in Kolkata

Jayanta Banerjee, Ajay K. Garg and Indranil Bose

Abstract

More and more companies make recourse to loyalty programmes within the framework of a defensive marketing strategy. After the liberalization of the Indian telecommunications industry and the advent of both private and public service providers, this sector saw stiff competition. Prices were reduced, service qualities increased and with all mobile service providers offering undifferentiated services, retaining subscribers and making them loyal has become an ever escalating challenge. Operating in a market which will eventually be saturated with intense competition, frequently changing government policies and increasing operational costs, the strategy of consumer loyalty development seems to be a good option. This paper attempts to illustrate the factors which are responsible for creating brand loyalty among mobile subscribers in Kolkata.

Authors: Jayanta Banerjee is a PhD. Candidate at Teerthanker Mahaveer University, Moradabad and Assistant Professor, School of Management Studies, Narula Institute of Technology, Kolkata, West Bengal.

Dr. Ajay K. Garg is a Faculty Member of the Department of Masters of Administrative Sciences, Petrocelli College, Fairleigh Dickinson University, Vancouver.

Indranil Bose is Senior Assistant Professor, Department of Management Studies, Lal Bahadur Shastri Institute of Management and Technology, Bareilly, Uttar Pradesh.

1. Introduction

Communication methods have evolved from smoke signals, drums and lamps to wired and much later wireless telecommunications. Telecommunications is an intriguing and fast-growing industry. From the educated urban bureaucrat to the uneducated urban slum dweller, mobile users can be found in every stratum of Indian society. Even in villages devoid of proper roads and electricity connections, mobile phones may still be used with much contentment. Offering a wide portfolio of services including simple voice telephone calls, access to the Internet, high speed data communications, weather reports, surfing the World Wide Web, bill payments and video conferencing can all be done with a mobile handset. India and China are at the top of the class when it comes to global telecoms growth rates, with India having the second largest mobile subscriber base (Economic Times, 2012).

According to the Telecommunications Regulatory Authority of India (TRAI), the mobile phone industry is currently growing at a fast rate with a robust number of subscriber additions in every quarter. However, with a high growth rate, competition follows and with twenty one different mobile service providers available customers are spoilt for choice when selecting their preferred mobile service provider. Many organizations understand that retaining customers is very important. Traditionally, companies tried to retain customers by offering incentives in the form of offers, reduced tariffs, free night calls within their own network in the same circle and so forth. But with time, it has been seen that customer retention is not satisfactory when using such a strategy only (Lam *et al*., 2004). Subscribers can switch for a number of reasons. To retain subscribers and lessen the effects of churn, service providers are using strategies like offering enhanced service reliability, being more responsive to address

subscriber dissatisfaction and developing personalized service packages and prices (Banerjee, 2013). Now, service providers believe that tempting a person to choose a particular service provider is just the first step in establishing a long relationship where profits can be made only in the years to come.

2. Mobile Telecommunications Business Environment

The Indian mobile industry was set up in 1992 (Mukherjee, 2008). Back then mobile phones were a symbol of fashion but now have evolved to become a symbol of necessity. In the last few years, there has been exponential growth in the mobile telecommunications industry (TRAI, 2013). The role of the mobile phone service providers has increased to a great extent in the sense that apart from fulfilling the basic needs of the customers, the service providers are also providing additional facilities to remain competitive in the market. The year 2003-04 witnessed a dramatic increase in the number of mobile users in India (Dhananjayan, 2005). It was largely propelled by decreasing tariffs and entry costs and also the increases in the area of network coverage. The reasons can be summarized as below:

a) Free incoming call charges announced by the telecommunications authority from May 2003, leading to substantial reductions in the usage charges for customers. It made mobiles far more affordable than all other regulatory changes had done till then.

b) Reduction in the tariff plans for local, STD and ISD calls, which made calling through a mobile cheaper than through a landline. The tariffs went down to 40 paisa per minute for local calls against Rs. 1.20 per pulse of 3 minutes through a landline (1 rupee = 100 paisa= US$0.0016). The reduction in roaming charges further encouraged customers to buy mobile phones and to travel all over with a mobile.

c) The entry of the CDMA (code division multiple access) mobile phones, which started as a limited mobility phone but turned out to be a complete-service mobile phone.

The telecommunications industry is considered as having some of the highest levels of potential for investment in India. Recognizing that the telecom sector is one of the prime movers of the economy, the government's regulatory and policy initiatives have also been directed towards establishing a world class telecommunications infrastructure in India. From April 1991 to March 2003, the total Foreign Direct Investment (FDI) in telecommunications was Rs. 9,590.7 crore (Srikant, 2006) (approximately US$153 million).

Presently, the demand for dual SIM (Subscriber Identity Module) mobiles in India has increased by an extraordinary level (The Hindu Businessline, 2012). This is because grey market Chinese mobiles and now the new "Indian" brands have made dual SIM mobiles affordable and within the reach of many more segments of the overall population. Established handset manufacturers have also noticed this market shift and have augmented their product portfolios accordingly. This technology has benefitted consumers as two networks can be used with the same mobile. However, this technology has fragmented the money a consumer used to spend on a telecommunications service provider. Now, the same money is split between two service providers. As a result, the Average Revenue per User (ARPU) of the service providers, which was already quite low, is getting lower. According to a report published in Business Line (2009), the voice-based ARPU for GSM operators falls below Rs. 200. The ARPU for CDMA services declined by 7.2 per cent from Rs. 99 in the first quarter to Rs. 92 in the second quarter (CAG, 2011). The popularity of dual SIM mobiles can have multiple consequences affecting the subscribers, hand set manufacturers and the MSPs (Secker, 2002). The mobile industry can briefly be summarized as having the second largest subscriber base in the world with 21 service providers battling for survival in 22 telecommunications circles after offering the lowest

call charges anywhere in the world (The Telegraph, 2011). The industry contributes 2% to Indian GDP and provides direct employment to 2.8 million and indirect employment to 7 million persons (COAI, 2011). With high growth, competition also follows and it becomes extremely important for companies to match their offerings to the expectations of the existing as well as prospective customers.

3. Review of Literature

Multiple factors cause subscribers to exhibit loyalty or disloyalty to their MSP. Research, as well as logic, suggests that improving service quality satisfies subscribers and thus inspires loyalty (Keaveney, & Parthasarathy, 2001; Zeithaml, Berry and Parasuraman, 1996). In the Japanese way of business life, quality means zero defect products or services. It emphasizes doing things right the first time. In the case of tangible goods, the measurement of quality is comparatively an easy chore since uniform quality standards can be met every time. However, the distinctiveness of service makes measurement of quality difficult (Cronin & Taylor, 1992). The three basic characteristics of service that make it a challenge for service providers are intangibility, heterogeneity and inseparability. The intangibility characteristic of a service product makes it complicated for the service provider to measure a subscriber's perception about service quality. The second characteristic of a service is heterogeneity, which makes every service experience different and varies from customer to customer and from provider to provider. The characteristics of inseparability underline the fact that production and consumption of service take place simultaneously. Lemmink, Anneien and Sandra (2003) concluded in their research paper that service quality has two parameters – process and output. Process quality extols the way service is catered to a consumer and output quality is evaluated once service is delivered.

A positive corporate/brand image can increase sales through better customer satisfaction followed by loyalty. Better corporate image also

benefits the organization in attracting both investors and future employees as well (Andreassen & Lanseng, 1998). In their research paper, Nguyen and LeBlanc (1998) investigated the correlation between service quality and brand image and concluded that customers who perceive service quality to be better than competitors' develop a constructive image of the organization. Price stands out as another important factor for switching (Roos, Edvardsson & Gustafsson, 2004). However, pricing decisions can have important consequences for the service provider. Pricing low makes it attractive to subscribers but if the organization fails to build volume, profitability declines. Lower profit margins make the company vulnerable to market changes, especially in terms of upgrades to the infrastructure and fees related to spectrum. The price has a specific relationship with other components of the marketing mix. Actually, the price is the only component that generates revenue, while other components generate costs. From the literature review, it was found that researchers had contemplated service quality, corporate image/positioning for subscribers and their overall satisfaction and price as some of the factors responsible for switching behaviour in subscribers. Reichheld and Sasser (1990) stated that "… customer defections have a surprisingly powerful impact on the bottom line. As a customer's relationship with the company lengthens, profits rise." Finally, the last consideration made by the researchers relates to social contexts such as peer group influence. The human social system is inherently structured and based on acceptance by group members. These intricate relationship networks fix us in roles and particular positions. The customer relationship management also consists of defining these networks of influences. The original marketing approaches of customer clubs (supporters) with a high identification level, the animation of structured communities (consumer or users' associations, loyalty programmes) testify to this tendency (Uncles, 1994).

4. Methodology

This research was carried out at two levels. Brainstorming and subsequent data collection using a pre-structured questionnaire hosted in Google docs for convenient access to respondents was conducted first. The respondents were full time students and faculty members of two private engineering college located in West Bengal. A convenience sampling technique was used to draw the sample. The sample is composed of male and female respondents in the age group of 25 to 55 years, featuring people who had used a mobile telephone for at least one year until the time of the questionnaire. Initially, brainstorming was conducted to identify the primary factors responsible for creating brand loyalty in a subscriber. Subsequently, these factors were used to create a questionnaire using Likert scales and respondents were asked to rank those factors according to importance, as illustrated in Table 1. Brainstorming was carried out during August 2012 and the questionnaire was used in September the same year. A total of 140 students and 36 faculty members participated as respondents from both colleges. To minimize the problem of bias, care was taken to select an equal number of subscribers from both the colleges. The primary data were coded in an excel file and for statistical interpretation SPSS 17 was used. T-tests were used to determine whether the two sets of data were significantly different from each other. Then, one-way analysis of variance (Anova) was employed to analyse the differences between group means and their associated procedures (such as "variation" among and between groups).

Factors influencing loyalty with current service provider							
	Price	Loyalty programmes	Technical service quality	Peer group influence	Customer care service quality	Brand image (positioning)	Other factors
Rank	1	2	3	4	5	6	7
Factors influencing intention to switch from current service provider							
	Technical service quality	Price	Loyalty programmes	Peer group influence	Customer care service quality	Other factors	Brand image (positioning)
Rank	1	2	3	4	5	6	7

Table 1: *Rank Order of the Factors Affecting Brand Loyalty;* **source:** *Primary data collected using questionnaire, n = 176.*

5. Findings and Discussion

From the brainstorming procedure, five factors were identified which, according to respondents, influence their decision to remain loyal to a mobile subscriber. The factors are:

- Price: respondents are unanimous that tariff rates are responsible for changing the costs paid by subscribers and affecting the cost-benefit equation. Competitors offer items which have a demonstrable monetary value, including items such as a handset subsidy (in the case of costly handsets like Iphone and Samsung Galaxy), fees waived and monthly subscription fees all tempt brand switching.

- Technical service quality: as mobile quality can vary due to technical reasons and human interaction, these two points are distinguished. Technical service quality includes quality aspects

related to the physical service elements, such as the extent of coverage, signal strength, call drop or network congestion.

- Customer care service quality: as service encounter in mobile telecommunications at one time or the other involve human beings, the role of customer care executives is found to be important in this study, especially the level of problem-solving and the presence of a customer-friendly attitude.

- Loyalty programmes: offers and schemes to encourage subscriber loyal (like the Aircell rate-cutter: recharge with Rs. 65, and have the benefit that tariffs are reduced for six month, Aircell to Aircell calls are 1 paisa for three seconds and 2 paisa for three seconds for other networks) are an attraction when the competitors' loyalty schemes tempt subscribers to switch to another MSP. MTS has recently introduced a loyalty card as a similar strategy.

- Peer group influence: this factor was mainly contributed by students and refers to the influence of family, friends and close associates in continuing with a particular MSP because of economic and value added service benefits.

- Brand image (positioning): certain perceptions regarding quality expectation were seen by respondents regarding corporate/brand image, that the firm will deliver expected benefits in the long run.

- Other factors: various other factors were also noted and are included under this point. Certain subscribers may switch or choose a second service provider because of impulse (like a free SIM offer or sales promo of a handset or reduced tariff), advertising or maybe relocation to a place where the present MSP is not operating.

The next stage of the research phase is summarized in Table 2. It is shown that the preferred ranking of the above mentioned factors by

the respondents is tabulated. It is observed that price or tariff is the most important factor to influence the loyalty behaviour of the respondents. Other factors ranked in second and third place are loyalty programmes and technical service quality. In the case of factors which will induce churn or switching to other MSPs, it is observed that technical service quality has been ranked first by respondents. As a mobile telephone is a wireless device using high technological standards and equipment infrastructure, respondents will not forgive low service quality or service failure.

This section enumerates the respondent's opinion about the importance of the factors related to purchasing decisions. The relative importance of the sub-variables has been derived by comparing the opinion scores assigned to each of the sub-variables. Since a seven-point scale has been used, the interval for breaking the range of measuring each variable is calculated as:

$(7 - 1)/7 = 0.86$

- An opinion score between 1 to 1.86 has been considered to be of the most importance;

- An opinion score between 1.87 to 2.72 has been considered to be of medium importance;

- An opinion score between 2.73 to 3.59 has been considered to be of importance;

- An opinion score between 3.60 to 4.46 has been considered to be of neutral;

- An opinion score between 4.47 to 5.33 has been considered to be of below-average importance;

- An opinion score between 5.34 to 6.20 has been considered to be of low importance;

- An opinion score above 6.20 has been considered to be of least importance.

Factors	N	Mean	Std. Deviation	Importance
Price	30	1.3000	0.46609	Most Important
Loyalty Prg	30	1.9333	0.78492	Medium Importance
TechQty	30	2.8667	0.50742	Important
Peer Gr	30	4.1000	0.54772	Neutral
Cust Care	30	4.9000	0.54772	Moderate Importance
Br Image	30	6.2667	0.52083	Least Important
Other	30	6.7000	0.46609	Least Important
Valid N (listwise)	30			

Table 2: *Factors Affecting Loyalty;* **source:** *original research*

It is inferred from Table 2 that the factors price or tariff rate and loyalty programmes have emerged as the most important variables considered by consumers. The factors of technical service quality and price are observed to be important variables influencing the intention to switch from the current MSP.

	N	Mean	Std. Deviation	Importance
TechQty	30	1.4333	0.56832	Most Important
Price	30	1.9333	0.69149	Medium Importance
LoyaltyPrg	30	2.8000	0.88668	Important
Peer Gr	30	4.0333	0.66868	Neutral
Cust Care	30	4.8667	0.43417	Moderate Importance
Other	30	6.2667	0.58329	Least Important
Br Image	30	6.6667	0.47946	Least Important
Valid N (listwise)	30			

Table 3: *Factors Affecting Switching;* **source:** *Original Research*

It is observed from Table 2 that price or tariff has been assigned as the most important factor. The high importance given to loyalty programmes indicates that respondents like to stay with their present MSP provided they are offered value-based schemes and offers. From Table 3, it is inferred that technical service quality (quality of network strength, call drop and congestion) is the most important factor respondents consider as a reason for switching. In the Indian telecommunications industry, after the government's relaxation of policies and the sector's subsequent liberalization, large numbers of telecommunications companies started operation within a short span of time (COAI, 2013). In the initial period, some startup companies gave less importance to infrastructure backbone and more to price, resulting in unsatisfactory service experiences. From these two tables, it can be concluded that subscribers like attractive price/tariff rates but without compromising on technical service quality.

	Mean (M)	SD (M)	Mean (F)	SD (F)	T	df	Sig. (2-tailed)	
Price	1.2857	0.46881	1.3125	0.47871	-0.154	28	0.878	Accept
Loyalty Prg	1.9286	0.73005	1.9375	0.85391	-0.031	28	0.976	Accept
TechQty	2.9286	0.61573	2.8125	0.40311	0.618	28	0.541	Accept
Peer Gr	4.0000	0.55470	4.1875	0.54391	-0.933	28	0.359	Accept
Cust Care	4.9286	0.47463	4.8750	0.61914	0.263	28	0.795	Accept
Br Image	6.1429	0.53452	6.3750	0.50000	-1.229	28	0.229	Accept
Other	6.7857	0.42582	6.6250	0.50000	0.940	28	0.355	Accept

Table 4: *Results of T test for Loyalty Factors;* **source:** *Original Research*

H_{01}: There is no significant relationship between gender and loyalty factors.

It is observed from Table 4 that there is no significant difference in opinion between males and females in terms of loyalty factors.

Factors	Value	df	Sig. (2-tailed)	
Price	24.772	29	0.000	Reject
Loyalty Prg	8.441	29	0.001	Reject
TechQty	0.298	29	0.745	Accept
Peer Gr	1.767	29	0.190	Accept
Cust Care	0.135	29	0.874	Accept
Br Image	0.115	29	0.891	Accept
Other	0.135	29	0.190	Accept

Table 5: *Results of ANOVA for Loyalty Factors;* **source:** *Original Research*

Mean Age	TechQty	Price	LoyaltyPrg	Peer Gr	Cust Care	Other	Br Image
1.00	1.5000	1.6875	2.8750	4.0000	4.9375	6.1250	6.8750
2.00	1.3333	2.0000	3.1111	3.7778	5.0000	6.3333	6.4444
3.00	1.4000	2.6000	2.0000	4.6000	4.4000	6.6000	6.4000
Total	1.4333	1.9333	2.8000	4.0333	4.8667	6.2667	6.6667

Table 6: *F- Values;* **source:** *Original Research*

H_{02}: *There is no significant relationship between age and loyalty factors.*

It is observed from Table 5 that there is no significant relationship between age and loyalty factors for the majority of the factors. However, it is observed there is a significant relationship between age and price. The groups of respondents in the age brackets 21-30 and 31-40 years have shown high preferences for remaining loyal to an MSP because of attractive low prices or tariffs. Loyalty programmes and offers given by service providers from time to time to their subscribers have also been observed to influence the subscribers in the younger age bracket.

	Mean (M)	SD (M)	Mean (F)	SD (F)	t	df	Sig. (2-tailed)	
TechQty	1.2857	0.46881	1.6291	0.15729	-1.350	28	.188	Accept
Price	1.8571	0.53452	2.0000	0.81650	-0.558	28	0.581	Accept
LoyaltyPrg	3.0714	0.73005	2.5625	0.96393	1.611	28	0.118	Accept
Peer Gr	3.9286	0.61573	4.1250	0.71880	-0.798	28	0.432	Accept
Cust Care	4.9286	0.47463	4.8125	0.40311	0.725	28	0.475	Accept
Other	6.2143	0.57893	6.3125	0.60208	-0.454	28	0.654	Accept
Br Image	6.7143	0.46881	6.6250	0.50000	0.502	28	0.619	Accept

Table: 7: *Results of T test for Switching Factors;* **source:** *Original Research*

H_{03}: *There is no significant relationship between gender and switching factors.*

It is observed from Table 6 that there is no significant relationship between gender and switching factors.

Factors	Value	df	Sig. (2-tailed)	
Price* age	0.245	29	0.785	Accept
Loyalty Prg* age	4.098	29	0.028	Reject
TechQty* age	3.014	29	0.066	Accept
Peer Gr* age	2.775	29	0.080	Accept
Cust Care* age	4.337	29	0.023	Reject
Br Image* age	1.383	29	0.268	Accept
Other* age	3.901	29	0.032	Reject

Table: 8: *Results of ANOVA for Switching Factors;* **source:** *Original Research*

Mean Age	Loyalty Prg	TechQty	Peer Gr	Cust Care	Br Image	Other
1.00	2.3125	2.8750	3.9375	5.0625	6.2500	6.6875
2.00	1.7778	2.7778	4.2222	4.7778	6.3333	6.6667
3.00	1.0000	3.0000	4.4000	4.6000	6.2000	6.8000
Total	1.9333	2.8667	4.1000	4.9000	6.2667	6.7000

Table 9: *F- Value Results;* **source:** *Original Research*

H_{04}: There is no significant relationship between age and switching factors.

It is observed from Table 7 that in some of the factors there can be found a relationship between age and switching factors, whereas in the case of the other variables, there is no significant relationship between age and switching factors.

6. Major Findings

It is observed that there is a significant difference of opinion among respondents of different age groups in terms of loyalty programmes offered by the MSPs. Thus, to enhance brand loyalty, different loyalty based schemes should be developed for different age groups.

Further, it is also inferred that different age groups of respondents have differences in opinion regarding promotional factors like free SIM offers or 3G handset offers. However, they took this factor to be a less important one, thus there is no such need for developing this kind of subscriber retention strategy.

In relation to quality of customer care and age, the hypothesis is rejected. Hence, there is a significant difference in opinion amongst different age groups of respondents. The higher the age of the respondents, generally, they place more importance on customer care service compared to the younger respondents. In general, this factor is of very little importance.

In terms of gender, switching and loyalty behaviour differences are not significant. Consequently, there is no need to make different strategies to cater to the different genders.

7. **Conclusion**

From the findings, it can be observed that price ranks as the most important parameter when loyalty is concerned. Alterations in tariff/price perceptions may inspire the loyalty-switching transition. Price can be used to displace seemingly satisfied and loyal customers from their providers. A price-based strategy implies that after subscribers switching to competitors temporarily, mobile firms must continue to offer value to these customers or risk losing them to another competitor permanently. However, service quality is the most important reason for switching. Subscribers may regard service quality as a 'hygienic' factor, thereby expecting superior service levels and not accepting poor service. From the research, it could be inferred that the most important factor for enhancing loyalty is the price or tariff charged by the MSP but, in case of minimizing churn and reducing the effect of switching, technical service quality is the most important factor.

Loyalty programmes are determinants of switching and loyalty; respondents rank loyalty programmes both as an attraction to switch and as a switching deterrent. MSPs should, therefore, consider initiating loyalty programmes because of their twin benefits, which are luring competitor's customers and retaining their own subscribers. Certain different factors such as impulse buying and advertising illustrate some new reasons for brand switching.

8. **Limitations and Contributions to Future Research**

This study is exploratory in nature and aims at developing a base on which future research can be conducted. Future research should be

conducted on a larger sample base drawn in a random stratified manner. As loyalty is company specific and can vary according to the demographic character of a subscriber, more strata of samples can be chosen.

Secondly, these findings emerge by subjecting participants to hypothetical situations (for example, if a competitor offers twin SIM, with two consecutive mobile numbers topped with an attractive tariff scheme between the two numbers) and gauging their switching/loyalty responses. Future research might involve longitudinal research that addresses actual intentions and, in the process, highlights more subscribers' psychological thought processes while choosing a different MSP. Lastly, this research did not explore the issue of 'zone of tolerance' or the extent to which a subscriber tolerates the service provider.

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How Problems Can Be Converted to a Learning Opportunity for a Team

Ravee Phoewhawm and Worawit Janchai

Abstract

Encountering problems and finding ways to solve them should be accepted by teams as a way of life in an organization. Even with the mission and planning set in stone, it would be a fallacy to believe that just having a programme established and letting the mechanisms flow would result in bringing out the desired results because, in reality, the challenges can occur unexpectedly and at any time. This study attempts to demonstrate that problems are information that can be configured as a learning tool for a team when facing abrupt changes in the working system. With a framework for converting problems into a learning opportunity in the form of a case study, the results provide an approach in managing the problems encountered as a team.

Authors: Dr. Ravee Phoewhawm is a lecturer at the Department of International Business Management, Rajamangala University of Technology Lanna. Email: rtcm999@yahoo.com.

Dr. Worawit Janchai is a lecturer at the College of Arts, Media, and Technology, Chiang Mai University. Email: worawit.jc@gmail.com.

1. Introduction

In the 21st century, encountering problems and finding ways to solve them should be accepted as a way of life for most teams in an organization (Marquardt & Yeo, 2012). Even with the mission and

planning set in stone, it would be a fallacy to believe that just having a programme established and letting the mechanisms flow would lead to achieving the desired results because, in reality, the challenges can occur unexpectedly and at any time (Burley *et. al.*, 2012). Problems are mainly derived from human errors, miscalculations, hubris and sometimes ignorance (Harford, 2011), thus making it difficult to initiate learning to find solutions. The issue of failure can arise if team members tend to spend only a trivial amount of effort in finding their own faults so as to protect their reputation instead of creating a plan of action to make progress (Hurst, 2002). Such problems would create a misalignment of time, energy and resources that would devastate the morale for those team members who are highly focused and dedicated to the organization's mission (Travers, 2012). Consequently, it is imperative that the team demonstrates a collective resilience of behaviour that reassesses the situation for improving performance and to see where opportunities can be obtained (Brundiers, Wiek & Redman, 2010) despite experiencing the difficulties being presented along the course. This starts with employees seeing how adversities can teach members to develop techniques in overcoming troubles (Fronteria & Leidl, 2012). Also, the working place should be perceived as a learning system that can search for problems that have occurred, examine ways for preventing crises from getting out of hand and proposing actions that go towards meeting objectives (Marquardt, 2011). Furthermore, any form of action arising from an idea or other changes should be deemed as an experiment, even if it is a failure, for the purpose of knowing where the facts truly lie so that the organization can rectify the matter in the near future (Roberto, 2009).

1.1. Problems Can Be Good Teachers of Success

Problems become what they are when there is a constant disruption towards the workers' ability to execute a task due to a failure in accessing information or supplies, as well as interferences within the working system (Tucker & Edmondson, 2002). However, if an organization is committed to learning then all problems experienced

should be seen as information that can provide details as to how to get closer to success. Whether the problems are called setbacks or failures, they are actually phenomena that can teach the organization about what has been learned and where it needs to improve for the future (Maxwell, 2000). For example, when Coca-Cola launched "New Coke" in 1985, the company thought that it would be able to proclaim its dominance in the beverage industry. However, those loyal to the original Coke recipe voiced their displeasure with the new product based on psychological reasons: many consumers identified themselves closely with Coca-Cola Company and many U.S. consumers strongly favour continuity and tradition over novelty. As a result, Coca-Cola became more disciplined in conserving the taste of its flagship brand, protecting its imagery and defending its heritage (Haig, 2005). In an example involving a life and death situation, the crisis in the flight of Apollo 13 demonstrated that a divisional group with expertise and knowledge need to take the initiative so as to do what is best to solve a problem instead of worrying about the negative consequences that would occur if they could not reach their objectives. By focusing on how the problem can be solved, the professional credentials of certain group members steadfastly evolved into a cooperative unit that shared knowledge and information with each other to provide the best methods to assist the astronauts in surviving in space and returning home safely (Roberto, Bohmer & Edmondson, 2006). In a case where challenges can become overwhelming, the Wright Brothers' attitude towards shortcomings and errors in their flight project brought them closer and closer to the truth of aviation. In their ongoing endeavour to fly, Wilbur and Orville not only expected problems to occur, they embraced them as the tools for refining their way of thinking and approach in rectifying the situations they faced. They managed problems by breaking them down into their respective components and then identified the obstacles associated with each part. From there, they determined the resources needed to solve the matter and estimated the degree of difficulty inherent in each subset. The ones with the greatest challenge

were dealt first and gradually, by 1901, they managed to solve the problem of flight (Eppler, 2004).

In this study, the authors attempt to demonstrate that problems are information that can be configured as a learning tool for a team when facing abrupt changes in the working system. The aim is to provide a plan for a team in converting problems into a learning opportunity. The work begins with a literature review of how problems are managed within a team and how members can approach them for a solution. From the literature review, a framework is provided as the working theory to support the concept of this paper.

In the next section, the study offers a description of the methods used to collect data on a case study basis and provides the analysis. From there, the authors give a discussion about the subject matter and draw some conclusions.

2. Literature Review

2.1. The Problems Lead to the Answers

To know if the theories and assumptions which forge strategy and design the system are actually working, it is best to let problems be the judge in seeing the gap between performance and execution (Chan, Lim & Keasberry, 2003). Problems are the source of facts that can make a team become aware of its shortcomings and realise what type of actions are needed to perform better (Akgün, Lynn & Yılmaz, 2006) so that the strategy can be refined. Also, experiencing problems involves opening the doors for exploration to detect errors and make corrections, thus leading to an experiential learning where individual team members have the capacity to learn specific things in greater detail (Yeo, 2007). With similarities to a question being asked, problems allow members within the team to generate a multitude of answers that identify the need for improvement in a working system or to further probe into the methods being applied to attain objectives

(Hoe, 2011). Furthermore, the essence of dealing with problems is to foster a positive attitude and make the necessary changes to maintain learning while preventing a conundrum where a team solves a multitude of problems for the sake of not wanting to see members argue with each other (Tucker, Edmondson & Spear, 2002).

2.2. Failure as a Friend

Just like the feeling of celebrating a successful outcome, failure can be treated as a friend who has some interesting points to be discussed at a lunch meeting. However, failure can only be allowed to reveal the facts as long as there is a receptive and tolerant form of behaviour in a team that welcomes the chance to learn something new and perceives setbacks as part of the mission (McGrath, 2011). Failure involves dealing with the reality that measures how close or far off the team is to attaining the organization's objectives. Failure involves merely stating to the team that it is time to change the style of handling the procedures or being a lot wiser in executing the task (Gino & Pisano, 2011). Although constant exposure to problems often leads to failure, thus causing the team to experience low morale and a high level of anxiety, it is a good way for team members to get closer to the truth of the matter by reflecting on what had actually happened (Levin, 2011). Failure serves as a means for a team to get a better understanding of the business environment and to revise the strategic plan with stronger decision-making and rightful actions to be taken (Coelho & McClure, 2005).

2.3. A Total Learning Environment

A team can obtain an in-depth learning experience when the organizational working environment allows its members to gain access to critical information and networking with key experts by arranging the necessary structures and processes. For example, in a study by Dugan and Gabriel (2013) on the Defense Advanced Research Projects Agency (DARPA) undergoing a specialized

assignment, the organization's project leader not only recruited a diverse group of experts in the field of basic materials science, design and simulation tools and semiconductor production but also ensured that the composition of the working place enables these professionals to have individuals communicate, interact and find solutions as a collective group. Simultaneously, DARPA provided efficient support to its project leader by clearing raised obstacles that might have hindered the team's working and learning performance, thereby creating a dynamic breakthrough in accomplishing the project within the specified timeframe (Dugan & Gabriel, 2013). When a team member is able to gain information from other groups who have their own diagnoses and analyses, it empowers the group members as a whole to make decisions, experiment and report the situation for further action planning. This creates a mental infrastructure that allows individuals the freedom to seek out and provide accurate information without shouldering the burden of having to produce information on a timely basis (Cross & Katzenbach, 2012). Kotter (2012) argues that the designed system for learning has to coincide with the knowledge, relationships, credibility and influence that individuals bring into their team to help them achieve the organizational goal. In addition, Kotter states that the system should strengthen the team's accomplishments so that it becomes a strategic force that is equipped to handle challenging situations in the future (Kotter, 2012).

2.4. Testing … Testing … 1-2-3

When information is not adequate enough to generate confidence in team members that they can make the right decision, when situations are not easy to predict and experts are unable to come up with a decisive conclusion and when numerous, difficult-to-disentangle alternatives exist, doing an experiment is often the best option (Garvin, 2000). The point of testing in a continuous manner is to see if the conjectures are actually bringing in the desired results and to determine whether or not the team should stay on the same course or

make some significant changes to the original plan (Rumelt, 2012). In one of the most catastrophic events recorded in the history of U.S. military operation, the lessons taken from the shooting down of the helicopter (Blackhawk) in Somalia demonstrated how the antagonists devised a battle plan to defeat the U.S. armed forces by inflicting deadly assaults on a timely basis. The fighters in Somalia were working on the belief that the U.S. combatants would never leave their fellow soldiers behind when they are injured. This conjecture was put to the test when some of the U.S. combatants were caught in the cross-fire and left in a critical condition. While the uninjured U.S. soldiers were tending to their wounded colleagues, Somalian fighters would make a calculated attack to exacerbate the matter by killing the soldiers who were caught off guard. This ongoing assault finally made the U.S. troops pull out of Somalia due to the heavy loss of troops (Bowden, 1999). Nevertheless, the frequency of testing can only occur when the team members are focused on seeking out improvements without having to worry about the consequences of falling short of reaching the objectives (McGregor, 2006).

3. The Conceptual Framework

The study makes the proposition that if problems are defined by the opportunity they provide for the team to learn, then those problems will help the team make progress towards its aims. Converting problems into learning opportunities begins when the team perceives problems as guiding lights that help them see what they need to do to improve. When there is this positive perception, the team can view the experience of failure as an associate that draws out the critical details for better future performance. With the first two approaches focusing on a strong attitude, the next two are about directing the behaviour to ensure that the problems are actually being transformed to being opportunities for learning. The team's behaviour is to create a complete learning environment to obtain results and continuously test the assumptions to get closer to the facts so that results are not distorted. A framework is provided below as the working theory:
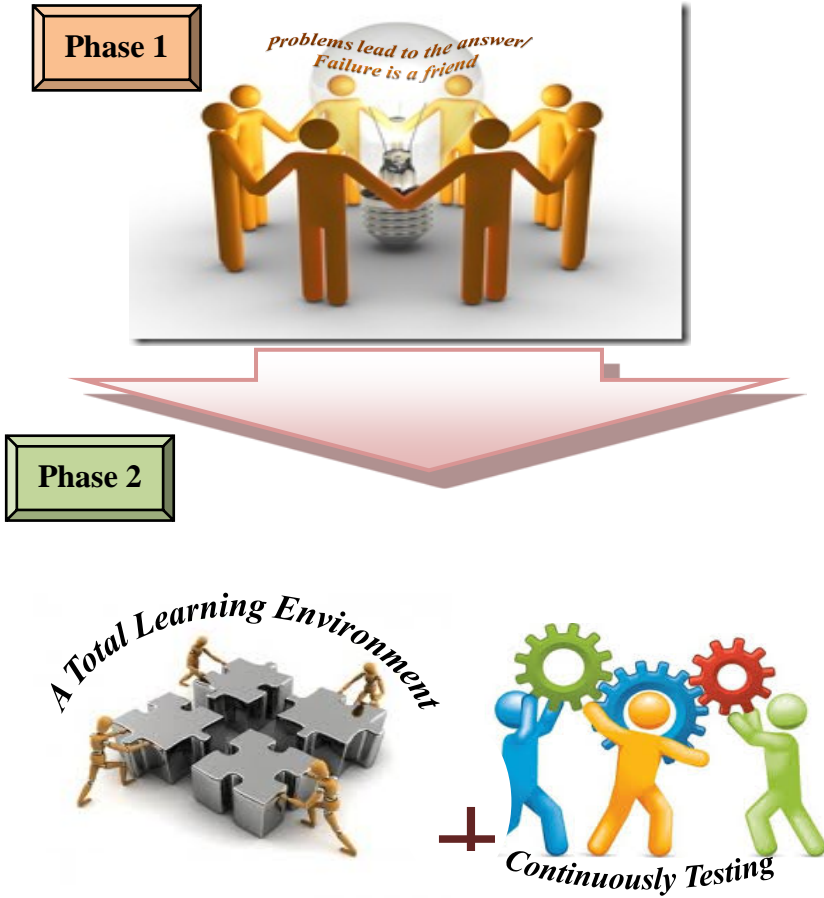
Figure 1: *Framework for a Team to Convert Problems into Learning Opportunities*

The figure above illustrates the move toward converting problems into a learning opportunity through two phases. In the first phase, the team has to set a receptive attitude with the problems or challenges that have been encountered. The frame of mind required of each team member involves seeing problems as shining lights leading to

solutions and that failures, as a result of those problems, can be companions helping lead the way towards improvement. In the second phase, the team refreshes its state of mind and takes action to ensure that the set goals can be reached. The behaviour of the team creates a total learning environment where each task is connected together for analysis and planning, while constantly experimenting with the working process to obtain information for better results.

4. Research Methodology

This research draws on a qualitative case study approach. For the sake of confidentiality, the institution used in this study shall be known as the College of Technology Management or "CTM." The work was conducted from October, 2009 to May, 2012. The authors of this study conducted interviews, made observations and reviewed documents with the administrative team, students (1st group and 2nd group) and company mentors to conduct a narrative analysis on the events that have occurred in implementing the cooperative framework programme. The interviews were done separately with the administrative team, the students involved with the cooperative education programme and the company mentors. The administrative team was questioned about how they learned from their mistakes and what they did to improve their procedures. The first group of students, who had completed the course, was asked about the benefits and needs for improvement of the cooperative programme. The second group, who were in the middle of the cooperative programme, was also asked about the advantages of the course and whether there is a need for development. The company mentors were also given the same questions to offer their opinions on the cooperative programme. With the information obtained from each of the three groups, the researchers went about observing the actual events that had occurred during the process of the programme. From there, the researchers reviewed the documents that were recorded from the administrative team's initiatives to improve the programme, the current students' recorded progress and the company mentors' notes. The document

reviews were integrated with the information obtained from other parts of the research process.

5. Background of the Study

In a workshop to discuss the outline of the cooperative programme, the researchers observed the administrative team of CTM receiving expert advice from an experienced institution on designing the cooperative programme. The researchers also witnessed their painstaking efforts to secure a partnership with some manufacturing companies in accepting the first group of 23 undergraduate students to apply their knowledge and skills at the workplace. According to an interview with the team, it was claimed that the original format was calculated to allow the selected students to complete their compulsory course work while simultaneously creating a smooth transition from the classroom into the workplace with support from the advisors. In addition to the discussion, the team believed that the students enrolled in this course had to complete a "Personal and Professional Project" and take part in the "Learning in Action" activities. In theory, this was to assist in developing professional behaviour and strong attitudes which were deemed essential in an industrial workplace.

At first, the administrative team thought that it was going to be a sound program by design. However, it suddenly became a less than satisfying outcome as 6 out of the 23 cooperative students suddenly decided to quit in the middle of the semester. Upon conducting an interview with the 6 students who had left, one of the strongest reasons for doing so was that they "couldn't adjust to taking the role of a student-worker." Despite being encouraged by their advisors to complete the programme, their experiences of feeling discomfort and awkwardness in the workplace overwhelmed their ability to deal with this psychological phenomenon. Another solid reason on why these students left the programme was their lack of ability to finish their work. When the researchers conducted an interview with the mentors, the mentors viewed these students as "being under qualified to do

some tasks that were assigned." Also, the mentors truly believed that "their mentees did not have the adequate skills and knowledge to carry out a specific job." As the researchers put the pieces of information together, it was revealed that there was friction that eroded the working relationships between these six students and their mentor; students and their mentors reported that there were some differences of opinions and advice being received and given. In feedback given during one interview, the mentors stated their "students were highly afraid of asking too much questions." Consequently, this outcome brought about the belief on the part of the mentors that their "students are too embarrassed and bashful to take on any real responsibilities." This led to the mentors losing their patience with their students as "they were under pressure to deliver other work assignments that were demanded by the company's top management." Although it was a severe blow to CTM's academic reputation, the administrators of the cooperative programme took this first time lesson as a challenge to make the concept of the course much better. After analysis of the first case, they felt that "the approach in revising some of the activities would assist in accelerating the competency of the next group of co-op students to adapt themselves better to the working environment, make them know their responsibility with greater awareness and be able to understand the work system with confidence." The attempt was to minimize any type of shock or uncertainty they would have to manage while focusing on completing the programme. Upon observation of the revised programme, the second group of students did much better than the first. Out of 23 students, only one resigned from the programme due to a personal preference for doing an independent study. Nevertheless, the CTM administrators were able to maintain the health of the cooperative programme, which was vital for the next generation of students who were highly interested in taking part.

6. Analysis of the Framework

6.1. Converting Problems into Learning Opportunities by Making Them Lead to Answers and Treating Failure as a Friend

6.1.1. Leading to the Answer

The commencement of the cooperative programme featured a failure on the part of the administrative team to explain the full details to the key team personnel of the partnering company, which made the latter unable to fulfill the necessary duties. It was a case where one side was fully aware of the benefits of the programme while the other side did not see much importance at all. The college administrative team felt that the problem was in the way communication had been implemented and sought to correct the matter by arranging a seminar to provide mentor training and explain about CTM's curriculum and the cooperative education process. In return, the cooperative coordinators from each company's human resources management division constantly contacted the college about the available cooperative work situation and relayed the information about the intentions of the cooperative programme back to their top managers. The coordinators had to clarify the cooperative programme's objectives and details with other relevant team members who were to assume the role of the company's mentor for that particular student. From this point, the cooperative programme administrative team liaised with the second group of students to inform them that they would be taking part in a two day ice-breaking activity which was conducted by an external expert in the field of human resources management. The administrative team did not change the whole structure of their operation to find a solution. Instead, the team worked with the current issue by utilizing the facts that defined what the problem was and capitalized on this to refine the working system with their company partners. A team learns better by seeing what it is dealing with and then making the necessary inquiries for improving

performance (Lucas & Kline, 2008). To ensure that the overview of the CMT curriculum and the conceptual framework of the cooperative education programme was being fully comprehended by the partnering companies, the mentors who had previous experience with the first group of students were invited to share their successes and lessons learned with the newcomers to the mentoring role and to impart the knowledge of building an effective relationship with their apprentice. The novice mentors were able to learn from best practice and to be more aware of what to avoid so that they will have a more positive working relationship with their students. The administrative team also wanted to ensure that there would be a suitable match between the companies and the students from the start of the cooperative programme. However, even having an answer to a problem should not make individual members complacent and satisfied with the outcome. The answers should become the queries to be asked clearly and frequently for learning further and in searching for better ideas (Yeo, 2006). A minor adjustment to the matching process was done by reducing the time required from three months to two weeks. Companies were invited to interview the students in one full day, thereby enabling the companies to present their profiles to the students and allowing them to rank the students that they wanted to recruit. At the same time, the students were able to get the information that would help them decide whether the company was suitable for them or whether they should keep on searching for a better one. With the aim of helping the companies and students to feel a lot more at ease and comfort in getting acquainted with each other, the administrative team allowed the companies and the students to focus on gathering intelligence about each other's objectives, strengths/opportunities and expectations about performance in the workplace. The more that the students and the companies learned about each other, the more it made the matching process more effective.

6.1.2. Failure as a Friend

The cooperative programme administrative team held a meeting to discuss the shortcomings of the course objectives. The setbacks were reframed as lesson points for review where everyone was given a chance to offer their views of what could be done right. In the meeting, it was learned from the feedback of some companies that there were two different objectives that were not aligned with each other; there was one objective for the cooperative programme and another objective for the company partners, especially with the mentors. Although the company mentors were willing to take part in the programme, they felt that the resources being employed were not sufficiently efficient in assisting them in managing day-to-day operations. In addition, the previous case where the original mentors and students had a dysfunctional working relationship was analyzed by the administrative team for ways to prevent such an incident from occurring again in the future. Consequently, the administrative team realized that there had to be a procedure where the recruited students were part of an operational framework in the workplace instead of just carrying out the functions to complete the cooperative programme's initiative. In order for this to be a win-win relationship for both sides, the key was in linking the results to support the objectives of others so that mutual collaboration would enable others to reach their objectives (Sumanski, Kolenc & Markic, 2011). By using the previous failure as an experience for reflection and re-assessment, the administrative team discussed ways to make the cooperative programme more complementary with the company partners' agenda. To support this approach, the cooperative programme administrative team allowed the human resources managers and company representatives to take the interviews seriously so that they would know which students were the candidates who were genuinely determined to take part in the programme and complete it. The selection process allowed the interviewers to see who would also fit their company's working culture. Furthermore, the selection process stimulated the students to decide on their career targets before applying for other positions. With

the right ones selected by the companies, a "systems thinking" activity was orchestrated by the cooperative administrators. The aim was to train the students in obtaining an overall view of a system in the workplace and prevent a myopic mindset that would have them view the working system in a separate frame of mind. The administrative team provided facilitation to assist the students in grasping a better understanding of the interrelationships as well as the cause and effect between groups in the system. The facilitation gave the students an overview of their jobs and made them become highly aware of the appropriate actions to take in order to achieve positive results.

The cooperative programme administrators had learned that the first group experienced some difficulties in taking part in the assessment process. Upon having discovered that the company's work requirements made it difficult to arrange meetings due to emergency situations and increasing business matters, the administrative team kindly asked the company mentors to cooperate in ensuring that the students were able to attend the assessment sessions. To obtain more time in discussing the facts and finding solutions, the cooperative programme administrators and students collaborated to agree on reducing the amount of student assessments to five. The assessments gave students a precise job plan and evaluated on how much progress that they made in their competencies. The assessment enabled them to see whether they were gaining or needed to improve upon the working behaviours of responsibility, patience, leadership and communication, as well as discussing ways to develop their working performance in the areas of creativity, problem solving, planning and managing, and applying knowledge. Failure has brought about a way to make learners keen on preventing any form of disaster from occurring (Cannon & Edmondson, 2005). Failure was a form of intelligence that made the team decide on and introduce a better scheme to attain the objectives (Marring, 2004).

6.2. Converting Problems into Learning Opportunities by Creating a Total Learning Environment and by Continuously Testing

6.2.1. A Total Learning Environment

The administrative team wanted to ensure that the second attempt to operate the cooperative programme would run on a smooth basis. The team wanted to see what means could be taken to ensure that there would be an effective working relationship between the company mentors and their cooperative students. The administrative team liaised with the company partners to let them offer their insights that would assist in developing the cooperative programme. Based on the company partners' view, it was determined that they were seeking to recruit students who possessed the desirable workplace characteristics such as having the ability to solve problems, learning to have patience when the work becomes too abstract, paying attention to details and assuming responsibility to become educated concerning the importance of each assignment assigned. However, the true intention was to probe and see which students had the working characteristics that were consistent with their organization's needs so that they may hire them as regular employees in the future. To help the interviewers obtain accurate information, the administrative team provided access for them to a variety of sources; interviewers were given a chance to gain a background check on that student's character and personality from their trusted advisors and friends so that they could make the ultimate decision on whether or not to pursue the candidate for the working position. With this important piece of information, the administrative team arranged a specialized workshop for the students to expand their knowledge and learning skills and search for effective methods to develop their personalities. With a strong interest in becoming a top candidate for the working position, the students and administrators joined forces to assist the former in focusing on obtaining high marks and building a portfolio of their capabilities to make a good first impression with the company interviewers when the

recruiting process commenced. During the recruiting event, the students and the company's interviewing representatives were gathering intelligence in the interviewing process to see whether they were compatible with each other's needs and interests. The students took the opportunity of this event to analyze the information about the company and to see whether its organisational characteristics were suitable for them to decide to do their work study there. Programmes are tools that can be re-organized and adapted to meet the real aims of the participants. It should not make the involved members become strictly confined to the structural boundaries where the possibility for networking becomes choked-off (Boyer O'Leary, Mortensen & Woolley, 2011).

The administrative team wanted to avoid repeating the mistakes in allowing some of the first group to enter the cooperative programme but then abruptly leaving in the middle of the planned curriculum. In hopes of preventing such a future incident, some colleagues of the team had discussed the idea of bringing in the second group to meet with members of the first group who had completed their study course. The idea was that the working experience of the first group might offer some valuable insights of performing as a cooperative student and providing motivation. The team was keen on the idea but was not quite sure of how to make it work for the second group. Some team members were reasoning with others that students would feel more confident and mentally prepared to go into the workplace if they knew that others had already succeeded before them. Members in the team discussed the content that should be included so that it would make the second group become highly focused to take action. The other issue of discussion was based on getting the mentors, old and new, to be aligned with the cooperative programme's objectives. Team members used the feedback of what went right and what went wrong from the previous mentors to set out a plan for creating a seminar that is directed towards developing a mentoring relationship with students. The team members felt that the key to this relationship is in the tasks that can be reasonably performed by the students so that

it does not create any awkward situations. Each member of the team was given a chance to create a scenario of how this unique practicum would be conducted. Overall, team members were supportive of one another and felt that if the ideas were to support the workshop for the second group and mentors, then it would be worth a try because there was nothing to lose and so much to gain. The first group was orientated by the administrative team to provide peer-to-peer assistance by informing the second group about the ways that they can succeed as well as fail in the cooperative programme based on their experiences. When the workshop ran its course, the second group became more obligated to protect CTM's reputation. It also made these students instill a higher sense of consciousness in their behaviour with the aim of preserving their institution's status and image because they represented their college's name. The administrative team invited the company mentors for a seminar to let them gain a clear understanding of the college's curriculum and the cooperative process so that the new mentors would not give up so easily like the mentors with the first group of students. By asking for their collaboration in constantly creating a positive working relationship with the students, the mentors assigned tasks that were consistent with the students' knowledge, skills and abilities. This had a direct effect on the second group's working performance and the quality of their professional project.

6.2.2. Continuously Testing

The cooperative programme administrative team went with the notion that if the students displayed the characteristics of having patience and demonstrating responsibility that are consistent with the company's requirements, then the whole plan would be more successful in the long run. The administrators worked alongside the second group and utilized the period of preparation for the students to be introduced to a variety of work positions in the company, seeing how the work of an industrial organizational environment is in real life and acquiring the industrial know-how from specialized course lessons. The

administrators provided the leadership to build the students' motivation by using research on work behaviour cases so that they can make decisions to handle the situation. Also, those within the second group who assumed leadership roles in university activities or worked at a part time job were asked by the administrators to reflect on those experiences to see what theories they believed would help them become productive in the workplace. Furthermore, the administrators played an advocate role to challenge the thinking of the students' mock experimentation based on a case with their theories so that hubris did not make them too highly confident of their own abilities. Other students were asked to review their colleagues' theoretical experimentation and to assess whether they would support or make some changes to the application. The administrative team acknowledged on behalf of the students that it was quite challenging to assume the role of a learner and worker during the co-operative period. Some of the assertions aimed at helping the students did not fully reach the high satisfaction mark due to factors that were beyond the students' control, such as emergency meetings within the company or changes to the work schedule. However, the students were highly appreciative of the team for assisting them in being prepared for the real world of work.

7. Discussion

To manage or solve problems, the first thing to consider is how the team itself approaches the situation. The condition of being uncomfortable or uneasy should not overwhelm the opportunity to find ways of doing things better while the resources are still in the team's hands. In this study, the case demonstrated that the cooperative programme administrative team did not take the setbacks too seriously but was more eager to see where they could set the course going in the right direction. This attitude of not seeing the situation as a threat but treating it as intelligence for improved performance as well as developing the structures and systems for learning truly propelled the team to move forward with commitment. With the lessons learned

from the shortcoming of the first group, the cooperative programme administrative team revised the approach with the second group of cooperative students by developing more appropriate support for the students to accomplish the program with ease. The administrative team worked with the students and company mentors to maximize the outcome of the cooperative programme. The team arranged a workshop between the original mentors and the new mentors so that the latter could benefit from what was successful based on best practice and know when to be more cautious about being engaged in a working relationship with the students. Upon arranging a matching process between students and the companies, both sides were able to obtain intelligence about each other's aims, strengths/opportunities and working expectations, thus enabling the two to learn about each other better and making the matching process more effective.

8. Conclusion

Whether it's a programme, project or a promotion, a team can either succeed or fail with regards to how it takes an approach to problems being encountered. If this were primal instinct, then team members would either take flight or fight it out (or let fear enslave them). Perhaps it is the way that the word 'problem' is defined and how we tend to perceive it. The magnitude of the problem can be much larger than it is when we give in to its conditional impact. However, if a team sees the problem as a learning opportunity then it brings about a gradual change in attitude and behaviour that influences the desire to explore and discover what can be attained rather than just finding a quick solution. Going through the process of seeing what the problem entails is a learning journey for developing not just the personality and character of a team but also letting each team member travel closer to wisdom.

The limitation of this paper is in its conceptual approach. The study was implemented while the programme and the administrative team were still at a very young stage. Information could only be provided

with what was occurring at the moment, thus causing the impression that the team managed to overcome all obstacles to make the cooperative programme run successfully. However, with some patience and commitment towards learning how a team becomes resilient while it is undergoing some rough periods, the theoretical assertion can bring us closer to the facts and truth while preventing the research from becoming lenient towards an idea being proposed. Consequently, the authors would advise a longitudinal study with a triangulation approach as a case study method for the purpose of getting an in-depth analysis of how a team can convert problems into learning opportunities.

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CONFERENCE REPORT

Korean Trade and Investment in the Greater Mekong Sub-Region

John Walsh

The theme of this conference was Korean Trade and Investment in the Greater Mekong Sub-Region (Cambodia, Laos, Myanmar, Thailand, Vietnam and Yunnan and Guanxi provinces of China) (GMSR). Since the 1980s, Korean companies have taken an important role not just as trading partners but also in investing in GMSR states, largely for the creation of manufacturing facilities (Byun and Walsh, 1998); Korean firms were mostly welcomed in the region in the hope that their investment would lead to technology transfer and the development of local suppliers. These hopes were not at first fully satisfied as many manufacturing facilities created operated according to low labour cost competitiveness provided in part by policies of the host government. Although Korean influence in the region has increased, it tends to have been crowded out by the long-term, large-scale investments of Japanese companies and by the arrival of Chinese investment and presence (Walsh, 2007, 2009).

Since then, there have been two developments that have reinvigorated the Korean presence in the GMSR. The first has been the recognition of the Korean government's efforts both to develop new industries (e.g. the online computer games industry) as a means of moving into the upper income level of nations and also to use cultural production (i.e. the Hallyu movement) to change perceptions of the country and to improve its ability to deploy soft power to obtain new objectives.

The second development was the increased ability and willingness of Korean companies to invest in large-scale infrastructure projects in the GMSR. For example, in the recently announced water management development plans from the Thai government, aimed at preventing floods such as those in 2011 from causing such loss of life and damage again, the K Water consortium was a notable presence and has been named one of the three preferred bidders in each of the categories.

There is a need, therefore, to take stock of the nature and extent of Korean involvement in the GMSR, to map its investments of various kinds and to understand the impact of promoting cultural production in the region, combined with understanding the responses of people to the Hallyu movement. This will be attempted at this proposed conference, which will gather together academics from across the GMSR to report on different aspects of Korean engagement in their own countries. Other academics will provide different approaches to understanding the impact of Korean engagement and how its different modes and developments interact.

The International Workshop on Korean Trade and Investment in the Mekong Region, supported by the Academy of Korean Studies, has been successfully held at Shinawatra University on November 1st and 2nd. The session was opened by the Provost, Assistant Prof. Dr. Chanchai Bunchapattanasakda and then the three keynote speakers gave their presentations.

The three keynote speakers explored the relationship between Korean and the Mekong Region from a number of different perspectives. The first was Group Captain Surapol Navamavadhana, who is an advisor to Thailand's Minister of Information Communications and Technology (ICT). The Group Captain spoke about his experiences with helping to improve Thailand's policies and processes concerning internet security. This is considered by some elements of the government and the established to be an important issue in the

Kingdom because of possible threats to public order and morals. The problem lies, for the ICT, in the lack of resources available and the complexity of the issues involved. Unable to create policies and processes to the extent required, therefore, the Thai government looks to its Korean counterpart to provide a model which can be adapted to local needs and to help bring about the necessary adaptation.

The second keynote speaker was Mrs. Suwatana Kmolwatananisa, the Assistant Governor of the Industrial Estates Authority of Thailand (IEAT), which is the principal public sector agency charged with constructing and regulating industrial estates of different types in which domestic and international investors can place their factories and other facilities. Industrial estates play a leading role across the Mekong Region in attracting investment and, thereby, providing jobs and revenues from various sources. However, this is a competitive

business and so the IEAT takes steps to ensure that estates in Thailand offer superior infrastructure and connectivity to those areas available in competitor countries. The IEAT is also taking a lead in promoting green or eco-friendly estates which can help investors take steps towards a zero carbon footprint.

The third keynote speaker was Mr. Thanaphon Charawanitwong, the Plan and Policy Analyst for the Department of Traffic at the Ministry of Transport. His topic was the role of transportation infrastructure development in Thailand, how it will link with the Asian Highway Network being coordinated by the Asian Development Bank and some of the likely implications resulting from this for Thailand's future economic development. The construction of roads and railways across the Mekong Region now enables goods to move from Singapore in the south to Kunming and Shanghai and beyond in the north. This form of connectivity makes possible a wide range of profitable new activities

for producers that can make use of the network. Some of the papers in the academic section subsequently explored some of the issues related to the creative destruction unleashed by capitalism as a result of these changes.

The academic papers session was introduced by the editor and workshop organizer, who provided an overview of Korean economic development and its impact on the Mekong Region. Reference was made to the progress of Korean companies and organizations described elsewhere with a view to exploring what kind of an example Korean development might represent for those who might wish to follow it.

The next paper was given by Associate Professor Dr. Suravuth Pratisththananda, who is a leading water engineer and consultant of longstanding. Water management has become a particularly important

element in Thailand's economic development as a result of the Great Floods of 2011, which caused the loss of more than 800 lives and was considered to be the third worst economic disaster of the year. Flooding has been a perennial problem in Thailand but is brought into sharper focus by deforestation and climate change and, from the economic perspective, because of the flooding and closure of many of the industrial estates to the north of Bangkok. To prevent any further loss of confidence, among investors as well as citizens, the government has created and introduced an extensive set of water management projects including floodways, dam construction and real-time condition monitoring and the contracts for those modules were opened for bidding by the private sector. As a result of this, the Korean consortium K Water has become a leading player in the bidding process and was awarded a number of contracts. This has raised the question of how important infrastructure projects of this sort might be in joining economies together and whether it would provide opportunities for other Korean companies to enter the markets concerned.

The next paper was presented jointly by Phramaha Min Phutthithanasombat and Dr. Petcharat Lovichakorntikul. This paper examined the growth of Korean tourism in Siem Reap in Cambodia and, hence, the prospects of opening a Korean restaurant there. One of the principal problems involved in such a venture is in the differences in standards in local facilities (for example, quality control and sanitation) and those standards that might be expected by what is now a sophisticated and experienced set of international travelers.

The next speaker was Ms. Nancy Huyen Nguyen, who is a researcher into Southeast Asian-Latin American links at the University of the Thai Chamber of Commerce. She spoke of the two decades of Korean trade and investment in Vietnam and the prospects for the future. Korean-Vietnamese links have been problematic as a result of the behaviour of some Korean troops in Vietnam during the Second Indochinese War and the fact that Korean corporations had benefited from contracts awarded during that conflict in the same way that Japanese corporations had benefited from the Korean Civil War. Subsequently, Korean companies which opened in Vietnam were subject to some criticism as a result of the treatment of the workers in those factories. Ms. Nguyen explained how these problems have, at least to some extent, been overcome.

Associate Professor Dr. Teresita Del Cruz-Rosario, formerly of the Lee Kuan Yew School of Public Policy, National University of Singapore, who spoke next, presented a paper on her research into land grabs in the Mekong Region. One of the most notable phenomena in the region in recent years has been the way in which foreign capital has been used to buy land and concessions for personal use and, in some cases, to convert those areas into what have been described as 'para-statal areas' which are effectively beyond the reach of the state. In these areas, it has become common for a form of cowboy or wild west capitalism to be unleashed which is red in tooth and claw. Although Korean interests have not always been in the forefront of these activities, there certainly has been a presence and Dr. Del Cruz-Rosario helped to outline some of the contours of the developments that have taken place.

The last speaker of the first day of the workshop was Assistant Professor Dr. Lavanchawee Sujarittanonta, from I-Shou University in Kaohsiung, Taiwan. She took as her topic he impact of the Korean Hallyu on young people in societies across the Greater Mekong Sub-Region. Adopting a broad definition of the Hallyu that included popular music, television, film, dance and other forms of cultural production, Dr. Lavanchawee described the differential impacts of the phenomenon across the different societies and how this reflected

differences in connectivity and infrastructure, as well as cultural and location-specific factors.

The second day began with a paper from Dr. Nittana Southiseng, who is an SME Development Specialist at the Mekong Institute in Khon Kaen. Her paper concerned the reality and prospects for Korean trade and investment in her home country of Laos, which she defined as the Land of Ample OpportunitieS. The Lao government has walked a difficult path in recent years and tried to navigate between encouraging external investment to boost the economy with the need to maintain social and political control Nevertheless, there are many reasons why investors would be interested in establishing facilities in the country.

The next speaker was Mr. Ye Tun Min, who is a doctoral candidate at the Mandalay campus of Shinawatra University. He spoke about the efforts of some Korean organizations to improve the quality and consistency of companies in Myanmar to grow, harvest and distribute high quality products in the health food categories so that they can be marketed in Korea and, indeed, around the world. It is possible, as some observers suggested, that this can – at this stage of development of the Myanmar economy – only be effected through a form of vertical integration.

The workshop's final speaker was Dr. Sittichai Anantarangsi, who presented a paper on his research into employees of Korean companies in Thailand. Drawing from a diverse set of qualitative interviewing transcripts, Dr. Sittichai commented on the distinctions between Korean people working for Korean companies and overseas

employees. In general, even though many if not all Korean companies have embraced more modern management styles, the benefits of that modernity do not always apply to the employees considered in this study.

There was a good turnout for the opening session, with more than 50 guests and as many as 20 attendants for the second day as well. We are planning a second event on these lines and hope to use the model for workshops and conferences on other themes – the combination of a focused theme and giving extended time to speakers (45 minutes each) was I think successful in promoting interest and discussion.

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BOOK REVIEWS
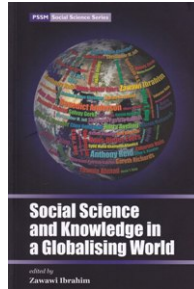
Social Science and Knowledge in a Globalising World

Edited by Zawawi Ibrahim

Selangor, Malaysia: Persatuan Sain Sosial Malaysia and Strategic Information and Research Development Center, 2012. ISBN: 978-9675-832550

499 + XXXII pages

Reviewed by John Walsh, Editor, *SIU Journal of Management*, School of Management, Shinawatra University, Thailand.

In conceptualizing the framework for the introduction to this book of diverse papers linked by the concept of globalization, variously defined, editor Zawawi Ibrahim draws upon Arjun Appadurai's 2005 book Modernity at Large, in which he describes the importance of five different flows in understanding the contemporary world: ethnoscapes; technoscapes; financescapes; mediascapes and ideoscapes. Within these different flows, the local and the global stand in a dialectical relationship to each other, through which they constantly interact with and change each other. Insofar as all parts of the world have come under the influence of advanced capitalism – and here in the Mekong Region it is spreading to those areas previously not fully affected in the process described by Polanyi as the Great Transformation – then all are now part of the global society and

economy and are able to contribute to some extent to changing the global scopes. Of course, since the ability of most places to bring about these changes is very limited, as the relationships are usually strongly asymmetric in nature, then the discourse usually concerns the hegemony of globalization. So it is with many of the papers in this book, which focuses on the issues involved with preserving and maintaining traditions and epistemologies under these conditions of globalisation.

Given that a large proportion of the papers concern either Malaysia or the Malay world, then it is not surprising that the relationship between globalisation and post-colonial development is considered in different ways. The approaches vary – the editor is a Professor of Anthropology and that discipline is well-represented, as are the studies of literature and other cultural productions. In a provocative but ultimately unconvincing chapter, Clive S. Kessler attempts to position management studies as a malformed and shrunken version of the great and expansive ideas of Weber. The reality of course is that most if not all social and cultural relations have been dissolved by the spread of capitalism and replaced by the cash nexus. Using a reductionist form of language to describe this process (and to speculate on how to profit from it) may not be ideal but it does not invalidate the understanding. Professor Anthony Reid, meanwhile, in a brief but interesting contribution, speaks of the need to develop some examples of high quality institutions (in the realm of higher education, in this case) within the region as the most appropriate means of withstanding the global hegemon. Goh Beng Lan, writing on the subject of Southeast Asia perspectives on disciplines in the global age concludes that "Certainly the epistemological and political-theoretical imperatives of rethinking human societies require a great deal more versatility in our analyses than sticking rigidly to our disciplinary and political theoretical boxes (p.98)." Many other contributions approach the underlying dialectical relationship from more or less practical perspectives. Of course, the asymmetries of the relationships involved remain as powerful as ever

This is a very interesting and well-produced compilation of papers and it has been organized coherently and with a helpful underlying scheme. Many prominent scholars of and from Southeast Asia have contributed papers and since such a divergent range of approaches has been employed, readers are very likely to come across something that is new and probably startling.

Thailand's Hidden Workforce: Burmese Migrant Factory Workers

Ruth Pearson and Kyoko Kusakabe

Silkworm Books: Chiang Mai, 2013. ISBN: 978-6162-150708

206 + X pages

Reviewed by John Walsh, Editor, *SIU Journal of Management*, School of Management, Shinawatra University, Thailand

There has been an increasing amount of attention given to migrant workers in academic literature – although as the recent reports on workplace conditions and relations in the Gulf states appearing in the *Guardian* and elsewhere indicate, this is an issue which is rarely brought to the attention of the public and, when it is, the discourse is so often degraded by those who wish to stir up anti-immigrant rhetoric. This is a phenomenon that is very evident in Thailand, which is the subject of this excellent and penetrating analysis of the lives of Burmese women migrants in Thailand's factories. As authors Ruth

Pearson and Kyoko Kusakabe point out, recent Prime Ministers General Sonthi Boonyaratkalin and Abhisit Vejjajiva have been among prominent figures who have made dangerous populist appeals to nationalism by talking of migrant workers as a threat to national security and of a tidal wave of babies born in Thailand who would overwhelm public services.

Outbreaks of nationalism have the potential rapidly to become uncontrollable and violent, a various recent incidents have shown. It draws upon the source of unease felt among sections of Thai society resulting from the intensification of market capitalism in the country and the effects of the creative destruction which is dissolving so many of the social relations created in the past. This may be more important for anti-foreigner sentiment than animus felt by members of the working class who might face competition for their jobs, since most of those jobs are in the 3D category (i.e. dirty, dangerous and demeaning) which Thai workers are said no longer to wish to do for the wages available. Nevertheless, the presence of migrant workers in under-regulated workplaces does exert some negative pressure on wages.

Stirring up anti-migrant sentiment is a well-trodden path, even in Thailand where so much political and public discourse has been limited by needless and needlessly draconian laws. It is greatly to the credit of the authors that they move both beyond this political reductionism and the also familiar (though nevertheless still shocking) story of the abuses and exploitation suffered by the migrants to a deeper exploration of the lives lived by the women concerned – women who, as is acutely pointed out, undertake these voyages during their prime child-bearing years. A space exists, partly filled by this book, in which not just the day-to-day lives of the women concerned can be explored but also the interaction between their hopes and aspirations and their new lives, in which they find themselves separated from a family they have been raised to believe they should support and in which they have to adjust rapidly to a wholly alienating

style of living. As a result, many contract relationships with men they do not know very well and of whom their families might not approve and then face the need to give birth to a child in a country where people are hostile to such an event.

This does not happen to everyone, of course, and it does not happen without reason or because of thoughtlessness. Lack of resources and the policy of the Myanmar government – the survey on which much of the research reported on in this book took place before the recent partial switch to democracy in that country – mean that it has been difficult, time-consuming and expensive to obtain reliable birth control. There are women for whom, for the most part, an hour here or a few baht there can make the difference between being able to remit money back home and having to ask for support from those same family members. It is in these areas of the personal lives of women migrants that the book makes its greatest contribution. Relying as it does on an extensive programme of quantitative research, the book provides both empirical data with a level of confidence that is greatly needed and, also, the ability to distinguish between different conditions in the three research sites selected. There is a great deal of difference between living and working conditions in the periphery of Bangkok and Mae Sot and these differences arise from a variety of geographical, historical, political and interpersonal factors that have significant impacts on the lives of workers. While wages may be higher in one are *per se*, that might be outweighed by the number of hours of overtime available or the presence of other migrants who might offer social solidarity and the opportunity to share childcare responsibilities. Since the women factor workers have to work more or less continuously for all but one or two days a month (as long as orders are in), they can do little more to take care of any small children who might be accompanying them. The research provides valuable details of how the respondents navigate these daily issues and would represent an excellent starting point for any organization that might wish to improve their lives.

Pearson and Kusakabe avoid much political discussion and do not point out, for example, how pronouncements on the status of migrant workers are correlated with the presence of elected or unelected governments. They also eschew any overarching conceptual framework to explain the phenomena related with migration and its effects. Instead, they use what in management studies would be called an eclectic paradigm. That is, the research describes clearly what actually happened, embracing as it does so the diversity within the experiences of the different members of the sample and the variation in their responses to external environment changes. A model based on such an approach incorporates this variety by explaining that some events tend to bring about certain responses and other events are associated with different responses but that it would be overly simplistic to draw the conclusion that all the women involved will always respond in the same way to a certain event. Life is more complex than that and, by investigating some of the factors that cause people to behave in different ways, this book has made a significant contribution to helping readers understand what is the reality of life facing these much maligned and often abused workers.
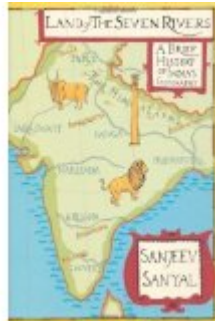
Land of the Seven Rivers: A Brief History of India's Geography

Sanjeev Sanyal

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At first, people lived in the world of 'first nature,' in which the impact of humanity on the world was very minimal and the unequal distribution of desirable resources dictated the location of human settlements, whether temporary or permanent. As human ingenuity and diligence became more evident, first nature gave way to second nature, in which the unequal distribution of resources has been at least to some extent mitigated by resource extraction, transportation infrastructure, conquest and trade. Some places would still remain objectively better places to live than others but the differences had been evened out through human activity. People adapted to the conditions of nature and, at the same time, adapted nature so that it was more suited for human society. However, nature itself is not a stable and unchanging phenomenon: climatic and ecological systems are complex and variable in nature and, from the perspective of people in history, essentially unknowable and unpredictable. Propitiation of spirits or gods might be employed to try to encourage favourable conditions but experience has shown that this is not a guaranteed path

to success. A prominent example of how nature can change is the River Saraswati, which appears a number of times in India's voluminous records of the past – records which most commonly have philosophical or spiritual purposes and so can be rather frustratingly silent on some of the practical issues about which we might like to know more. In any case, the Saraswati was recorded as being the principal river in the land we now call India but, at some point, it seems to have disappeared. Did it become submerged? Did it dry up? Was it always a myth? Seeking answers to questions such as this has been a principal motivation for author Sanjeev Sanyal, who spent several years travelling around his country with a view to mapping its geography and trying to understand what impact this has had on the history of that land. This in itself raises one of the central issue underlying this book, which is the extent to which India – Bharat – can be considered a single and unified country. This issue is closely related to another with which Sanyal is repeatedly concerned, which concerns the sense or tradition of history within Indian people as a whole. One of the justifications for the British imperial project in the sub-continent was not just the usual nonsense about non-Europeans being unable to govern themselves effectively but that Indian people as a whole (I use the term here to refer to the whole extent of the colonized sub-continent) have no sense of the continuity of history and, hence, no real sense of statehood. This is an issue to which Sanyal returns repeatedly and, indeed, justifiably so. He provides a variety of phenomena and reasons for thinking that Indians, as much as anyone else, have a sense of their past and of the ties that link them to what occurred in the past. Based on his purview of using geography for this purpose, he highlights physical evidence that might be adduced to illustrate this and his narrative makes a persuasive case. It is a case that would, of course, be even more persuasive if his terms of reference had extended to the intellectual heritage of that land.

In any case, once the story of how the Saraswati disappeared from view and from record, the scene is set for the explanation of why, at least in some cases, certain castes and ethnic minority groups have

become locked into lives of inescapable misery as the conditions which once supported their livelihoods have changed, while society has not been able to progress. This idea, which I perhaps advance more than the author would allow, is rather speculative since there is a lack of data that would substantiate individual cases. Nevertheless, it is an interesting idea.

Sanjeev Sanyal writes engagingly about the sweep of Indian history, which is a subject that is so vast that it cannot possibly hope to incorporate every relevant subject in a work aimed at the general public and extending to no more than perhaps 100,000 words. As is common with works aimed at the interested general public, its principal value might turn out to be the inspiration it can bring to readers to find out more about the subjects covered in the text and its role as a starting point in encouraging those readers to discover more.

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
The idea of establishing a private university to support private sector development in Thailand and the region was initiated in 1996 by Dr. Thaksin Shinawatra and Professor Dr. Purachai Piumsombun. This was followed by the design development of an environmentally friendly campus by Dr. Soontorn Boonyatikarn in 1997. A year later, the innovative plans were presented to Her Royal Highness Princess Mahachakri Sirindhorn, and then to the Ministry of Universities which granted the license for operation towards the end of 1999. The first Shinawatra University Council Meeting was held on May 19th, 2000, marking the initial milestone of the long road to becoming an accomplished private university. In September 2002, the first batch of students was admitted, and the venture of creating and nurturing a prospective university had begun.

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