



ROLE OF TRANSPORT IN THE DEVELOPMENT OF ECONOMY IN GLOBALISE ERA

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Introduction

In olden days only animals were used to move from one place if the places are far away from the particular place. Further in those days in plain area people used to walk themselves without the support of even animals. In hill areas animals were used for moving from one place another. Horses and donkeys were utilized in the hill areas where as in the plain bullock carts and horse carts were used. After some time some of the means of transport were invented and utilized for moving from one place to another. Due to lack of development in technology and science only traditional technology were utilized in transport. Further as we were suppressed by the British, we could not develop well as like others in the world. So till the independence India was very backward in almost all fields. After independence the then governments took effort and measures to develop the country in all possible ways. Transport industries were given much concentration so that we could develop in all sectors. The development of business and economy is possible only when there is better transport system. In this effort taken by the government we experienced considerable development in all sectors. If we consider the development of transport, it is tremendous which contributed more income to the country by way of road tax and also for the development of business. In all means of transport i.e. Land, water and Air we have developed well.

We have introduced many advanced system in the transport where the development of India is watched over by all the nations in the world for each and every moment. But if we consider the development in other developed countries we are lag in behind and far away from the development in abroad. So many means of transports are utilized for carrying the passengers and also the goods. Number of vehicles in use is abundant. Till we could not reach the destination within the specified time, unnecessary delay is taken place in reaching the place where we want to go or where we want to dispatch the goods. Sometimes we are in a position to face heavy loss due to the delay in the transport system. Further we have to sacrifice the lives of the human beings in many times due to the accidents which are happening frequently. Why these are all happening? What are the causes for the occurrence? How it can be solved? To know all these things a thorough study is to be undertaken. By keeping all the above views in mind the researchers as a preliminary step tried to present an article on the topic **“ROLE OF TRANSPORT IN THE DEVELOPMENT OF ECONOMY IN GLOBALISE ERA”**

A Key Element of Economic Growth

Globalisation of production and trade is among the defining characteristics of our era. The scale of economic activity is just as impressive as the speed of technological development, and lower production costs and higher productivity have contributed to the creation of greater wealth today than ever before. Without a doubt, transport is an indispensable part of this process. It provides vital distribution for production, as well as essential personal mobility, directly interconnecting businesses to worldwide markets. Transport is a key element of economic growth and competitiveness. Thus, the 2009 International Transport Forum, focusing on “Transport for a Global Economy – Challenges and Opportunities in the Downturn”, was held at a crucial moment in history, characterised by great challenges. Transport itself has been heavily affected by the global financial crisis. A contracting global economy, frozen credit and increased operating costs have led to economic difficulties and job losses across the sector. Companies are struggling to survive with limited financial resources in an environment where global trade is shrinking. We, the Members of the International Transport Forum, should learn from the current crisis, and provide guidance to our sector in designing and implementing necessary measures to overcome the current difficulties and emerge stronger. Domestic demand must be sustained to ensure the crisis does not deepen. Investment in infrastructure to stimulate the economy and create jobs has a vital role in responding to the downturn. Many countries, including the developing ones, have put in place stimulus packages to support infrastructure projects. We should also look beyond short-term measures. Long-term goals are vital, precisely because of the recession. For example, it is crucial that the public and private sectors work together to ensure the existence of a modern, sustainable and efficient transport sector to take advantage of the upturn when it comes.

The crisis should also underscore the importance of greater international co-operation. I truly believe all of us are ready to make a combined effort to restore confidence and make our sector less vulnerable. International planning should focus on global transport accessibility and connections. At the top of the agenda should be the simplification and harmonisation of processes at border crossings. We must all share responsibility for preventing the deepening of the recession. This Forum – and indeed the 2009 meeting – has already played a key role. The International Transport Forum is a unique international platform for addressing the major issues related to transport. In its capacity as President of the second International Transport Forum, Turkey is confident that the 2009 Forum has provided strong outcomes with regard to maintaining international transport activities and ensuring that the sector continues to fuel the dynamism of the global economy.

Transport and the Downturn Economic Impacts

The global economic crisis has reduced the flow of passengers and goods worldwide, thereby placing severe constraints on many manufacturers, transport operators and facilities. In turn, this has had consequences for the many millions who work in, and depend on, the transport sector. In the panel's first session, on "Economic Impacts", Ministers, CEOs and high-level experts discussed how plummeting demand, fluctuating fuel prices and liquidity issues are affecting global business. In this session, panellists also considered what national governments and international organisations can and should do to help mitigate the impacts of the crisis on the sector and stimulate economic recovery. A second session then shifted focus to the "Social and Environmental Impacts" of the downturn, considering the measures needed to deal with the social consequences of the economic downturn and how environmental goals can be met even in time of economic constraints. The transport sector has suffered heavily as a result of the global economic crisis. With ailing global financial markets, several panellists noted that credit is lacking for maintenance and for the development of new infrastructure and equipment in all modes of transport. A newly emerged "nationalism" in banking has restricted availability of financing for transport in a number of countries. Lack of liquidity remains a problem for financing transport system improvements. The session concluded that international co-operation would pave the way for recovery, with greater accessibility and improved connections between markets and across transport modes forming the vision for success in the future. Globalisation should not be reversed in response to the crisis, said Rüdiger Grube, CEO of Deutsche Bahn. The crisis should be viewed as an opportunity to invest in research and development. In this respect, he conceded, the automotive industry is significantly ahead of the rail industry. Developments have to take account

Statement of the Problem

Transport facilities in India have developed well. Cargo transport provides lot of services to the business people and also to the business concerns to develop the industries and business well which led to face the competition in the globalize era. The role of private transport has been considerably increased nowadays. At anytime we can carry the goods and services to anywhere else in the country and also to abroad. In the village the position is entirely changed. The farmers and business people in the village area suffer lot to bring the materials to a particular destination. Further the infrastructure facilities in transport system particularly in rural backbone are miserable. In raining season the road infrastructure is a hurdle for all the business people and also to the farmers. Further the tariff fixed by the transport owners to carry the goods to a destination is also another problem. These problems lead to incur more amount of carrying cost which ultimately increases the cost of production. Due to this the selling price per unit will also increases. The result is that the consumers have to pay more amounts to buy any nature of products. Because any increase in the expenses of any business will automatically charged to produce it-self

Significance of the Study

Due to the raise in the prices of petroleum products and also some other reasons frequently the transport operators announces strike creates lot of trouble to the public and business people in carrying out their work. There is no stand policy or frame work to the government to maintain stable prices in the case of petroleum products. Further the employees in the oil refineries also make trouble to supply the petroleum products by demanding various necessities in their work and also in their packages. Whatever may be the issues the business people and the public are facing problems due to the prevailing transport issues. It makes further burden to the business people

and public. The infrastructure facility in the rural and semi urban area is not adequate to the development of the business. Unnecessary delay in delivering the goods is taken place due to the traffic jam in the state and national highways. In many villages there are no proper road facilities to bring the agricultural products to the semi- urban and urban areas. But India being a country has its population most of them (more than 65%) residing in rural parts of the country and they depend on agricultural and allied industries of agriculture. Hence, the issues in transport system are to be made good for the betterment of business and industries. The study is inevitable in nature.

Objectives of the Study

1. To find out the existing transport system in Tamilnadu
2. To analyze the performance of the transport system
3. To evaluate the role of transport system in the development of economy
4. To identify the issues and problems in the transport system.
5. To find the reason and causes for the problems.
6. To find remedial measures and offer recommendations to the authorities concerned to solve the issues in transport system.

Research Methodology

Research Design

Descriptive research was conducted in this study to make the research effective and useful to the needy.

Collection of Data

Both the primary and secondary data was collected in this research work

Sample Selection

As the population for the study is the business people who involved knitting industries and power loom industries in and around Tirupur, 100 respondents were selected at random by using convenient sampling method. The sample respondents consist of the proprietor of power loom industries and knitted garment industries.

Study Period

The study period for the research was 4 months period starting from September 2014 to December, 2014.

Statistical Tools

The collected data was analyzed and interpreted properly to find the result of the research work. Further to know the association between two variables in deciding the particular issues statistical tools like simple percentage, chi-square, rank correlation were applied.

Review of Literature

Francis, J.D. and Desai, A.B.¹ explore on situational variables which are manageable pre-decline resources and specific responses to decline. They classify attributes or performance outcomes into turnaround versus non-turnaround in declining firms based on a sample of 97 firms. Fisher and Desai applied Fisher's MultiDiscriminant Analysis (FLDA) to test the variables and found that contextual factors such as the urgency and severity of decline, firm productivity and the availability of slack resources, and retrenchment can determine the ability of sample firms to turnaround. Overall, factors under the control of managers contribute more to successful turnarounds than situational characteristics. They found that the size of the firm does not have statistically significant influence on the outcome of the turnaround. Most of the determinants identified by Francis and Desai Smith and Graves are similar except that Smith and Graves included the role of senior management turnover in the turnaround process.

Mongkhon Mongkhonrakit investigated the causes of business failure with respect to stages of turnaround and contingencies for turnaround management. The main strategies which are mostly implemented by the turnaround

¹ Francis, J.D. and Desai, A.B., Situational and Organisational Determinants of Turnaround. Management Decision, Vol.43, No.9, 2005, p .p.1203-1224.64



units are (i) downsizing,(ii) innovation and growth,(iii) building trust of employees towards leadership and corporate disclosure.

Vara Prasad ²pointed out the role of HR in turning around Harley Davidson (a motor cycle manufacturing company), Mahindra & Mahindra Ltd.,(a tractor division), Taj Group (hotels division), Singareni Collieries Company Ltd., GE Fe Vara Prasad¹⁵³ pointed out the role of HR in turning around Harley Davidson (a motor cycle manufacturing company), Mahindra & Mahindra Ltd.,(a tractor division), Taj Group (hotels division), Singareni Collieries Company Ltd., GE Fenauc Automation North America and FENAUC Ltd., of Japan. He emphasized the role of HR Department as a strategic business partner, change agent and the champion of employees to turnaround the organisation and develop strategies to speed up the execution of corporate turnaround.

Sireesha Mamidenna³ highlighted the need of human dynamics and the HR strategies in corporate turnarounds. Turnaround is an upheaval, a change process. It is more than a rejig of accounts and business models. Employee involvement is the more than a rejig of accounts and business models. Employee involvement is the key to successful turnaround, as it is evidenced by the examining of Indian and Offshore Turnarounds. Cost savings strategies of American Airlines set right the sinking ship and similarly the strategy of Service Profit Chain of ACNielsen which means recognizing the motivated and satisfied workforce deliver to customers which in turn translate into profits and a positive image for the company. This is linked to better performance, greater profits and customer delight. They could successfully bring about a turnaround in their operations. The successful turnaround story of ECIL (Electronics Corporation of India Ltd.,) steered by the dedicated workforce. Many strategic changes were instituted viz., communication channels were opened and various divisions were given greater autonomy to reshape their processes. The saga of ECIL showed that turnarounds could be successfully instituted in the public sector with the support of the workforce.

Vivek Gupta, Konakanchi Prashanth ⁴presented the wide array of turnaround efforts of IBM ranging from reducing the workforce of the company to make it more efficient, making more customer-focused, decentralisation of decision-making and identifying promising businesses of the company and developing a strategy to nurture their growth. Employees were given more professional autonomy in their work related matters. They were expected to follow some ethical standards in their profession as well as in personal life. Performance driven culture at IBM and insisted on delivering results. The successful turnaround story of IBM reveals organisations respond quickly into action, create an environment that maximizes employees' commitment and to create conditions for seamless change. It is the responsibility of the HR to develop these organisational capabilities which pave a way for successful turnaroundSouvik Dhar and Vasanthi⁵ highlighted the strategies adopted by Motorola for its turnaround. The CEO Edzander, an outsider, made the company more customercentric and implemented restructuring plan which helped the company to post profits but he failed to adapt to the changes in the market. However, he felt that the company needed a 'turn up' rather than a 'turnaround'. Edzander introduced the concepts of 'culture change' i.e., to communicate with employees, managers and urged them to talk about their problems and 'seamless mobility'. Further, he introduced a new bonus plan which is based on customer satisfaction, product reliability and the cost of poor quality.

² . Vara Prasad., Role of HR in Corporate Turnaround, HRM Review, The ICFAI University Press, July, Vol.VI, No.7, 2006, p.p.11-17.

³ Sireesha Mamidenna ., A People Perspective of Corporate Turnarounds, HRM Review, ICFAI University Press, July, Vol.VI, No.7, 2006, p. p.19-21.65

⁴ Vivek Gupta, Konakanchi Prashanth., IBM's Turnaround and Its New Business Model, HRM Review, The ICFAI University Press, July, Vol.VI, No.7, 2006, p.p. 54-73.

⁵ . Souvik Dhar and Vasanthi., Motorola's Turnaround: Ed Zander's 'Culture Strategy', HRM Review, The ICFAI University Press, Vol.VII, No.2, Feb, 2007, pp.69-75.

Anand K Sharma and Mathew J Manimala⁶ diagnosed the causes of decline in Indian Railways and described turnarounds are dramatic thrillers and moreover explained turnaround is the state of dramatic recovery of declining organisation. They highlight many facets of turnaround viz., turnaround actions, strategies of turnaround, types of turnarounds and stages of turnaround etc. They proposed that retrenchment, repositioning and reorganization strategies are indistinct and unchronological and conclude that turnarounds have to take the organization to the stage of reorientation, institutionalization and growth to ensure that the turnaround is sustainable and suggested replicability of the turnaround of Indian Railways may be another area for future research.

Analysis and Interpretation of Data

Table No: 1, Table Showing the Age Group of the Respondents

Serial number	AGE	Respondents		Total	Percentage %
		Male	Female		
1	Below 35 years	16	08	24	24
2	36 to 45	20	11	31	31
3	46 to 55	24	06	30	30
4	56 and above	10	05	15	15
	Total	70	30	100	100

Source: Primary data

Interpretation

From the above table it is inferred that 24% of the respondents belong to the age group of below 35 years and 31% of the respondents belong to the age group 36 to 45 years, 30% of the respondents belong to the age group of 46 to 55 years where as 15% of the respondents belong to the age group of 56 years and above.

Table No. 2, Showing the Sex of the Respondents

Serial No	Sex	Total	Percentage
1	Male	70	70
2	Female	30	30
	Total	100	100

Source: Primary data

Interpretation

From the above table it is clearly understand that among 100 respondents 70 % of the respondents are male, while the remaining 30% of the respondents are female.

Table No.3, Table Showing the Marital Status of the Respondents

Serial No	Marital status	Respondents based on sex		Total no of Respondents	% of the respondents
		Male	Female		
1	Married	44	13	57	57
2	Unmarried	24	16	40	40
3	Divorce	02	01	03	03
	Total	70	30	100	100

Source: Primary data

⁶ Anand K Sharma and Mathew J Manimala., The research paper was presented at the International Workshop on Innovation and Entrepreneurship held at Cankaya University, Ankara, Turkey on November 1-2, 2007.

A survey was undertaken to know the marital status of the respondents. The survey reveals that among 100 respondents 57% of the respondents are married, 40% of the respondents are unmarried, while the remaining 3 % of the respondents are part with their spouse.

Table No.4, Table Showing the Total Experience of the Respondents Based on the Sex

Serial no	Total experiences In years	Respondents		Total	Percentage %
		Male	Female		
1	Below 5 years	21	07	28	28
2	6 -10 years	16	11	27	27
3	11-15 years	14	05	19	19
4	16-20 years	13	04	17	17
5	Above 21 years	06	03	09	09
	Total	70	30	100	100

Source: Primary data

Interpretation: Experience increases the quality and ability of the individuals in performing the particular work or job. Based of the experience the quality of work life of employees will vary from person to person. So a survey was undertaken to know the experiences of the workers. From the above table it is clearly understood among 100 respondents 28% of the respondents have less than 5 years of experience, 27% of the respondents have 6-10 years experience, 19 % of the respondents have 11 to 15 years' experience, 17% of the respondents have 16-20 years experiences while the remaining 9% of the respondents have more than 21 years experiences.

Table No.5, Showing the Opinion of the Respondents Based On the Sex Regarding the Transport Fare Fixed By the Transport Owners

Serial No	Opinion	Respondents		Total	Percentage %
		Male	Female		
1	Excellent	21	07	28	28
2	Good	16	11	27	27
3	Normal	14	05	19	19
4	Poor	13	04	17	17
5	Very poor	06	03	09	09
	Total	70	30	100	100

Source: Primary data

Interpretation: From the table it is understood that among 100 respondents 28 % of the respondents expressed that the tariff rate fixed by the transport owners is excellent, 27 % of the respondents opined that the tariff rate fixed by the transport owners is good, 19 % of the respondents informed that the tariff rate fixed by the transport owners is normal, 17 % of the respondents indicated that the tariff rate fixed by the transport owners is poor while the remaining 9 % of the respondents told that the tariff rate fixed by the transport owners is very poor.

Table No.6, Table Shows the Opinion of the Respondents based on the Sex Regarding the Safety in Transporting the Goods

Serial No	opinion	Respondents based On sex		Total no of Respondents	% of the respondents
		Male	Female		
1	Excellent	12	03	15	15
2	Good	23	11	34	34
3	Normal	10	06	16	16
4	Poor	18	07	25	25
5	Very poor	07	03	10	10
	Total	70	30	100	100

Source: Primary data

Interpretation

The above table clearly reveals that among 100 respondents 15 percent opined as excellent regarding the safety in transporting the goods, 34 percent of the respondents expressed good regarding their feeling about the safe in transporting the goods, 16 percent of the respondents stated normal regarding the safety in transporting the goods, 25 percent of the respondents gave poor response regarding the safety in transporting the goods, while the meager amount of respondents (10%) do not have faith over transport

Table No.7, Shows the Opinion of the Respondents Based on the Sex Regarding the Speed Delivery of Goods to the Desired Destination

Serial No	Opinion	Respondents based on sex		Total no of Respondents	% of the respondents
		Male	Female		
1	Excellent	05	01	06	06
2	Good	17	05	22	22
3	Normal	26	14	40	40
4	Poor	17	06	23	23
5	Very poor	05	04	09	09
	Total	70	30	100	100

Source: Primary data

Interpretation

A survey was undertaken to know the opinion of the respondents regarding the speed of the transport system in delivering the goods. The survey limelight that among 100 respondents 6 % of the respondents opined that the speed of the transport system in delivering the goods is excellent, 22 % of the respondents informed that the speed of the transport system in delivering the goods is good, 40 % of the respondents told that the speed of the transport system in delivering the goods is normal, 23 % of the respondents conveyed that the speed of the transport system in delivering the goods is poor while the remaining 9 % of the respondents expressed that the speed of the transport system in delivering the goods is very poor.

Findings

1. Majority (31 %) of the respondents belong to the age group 36 to 45 years
2. Most of the respondents (70 %) are male
3. Majority (57%) of the respondents are married.
4. Majority (28%) of the respondents have less than 5 years of experience.
5. Majority (28 %) of the respondents expressed that the tariff rate fixed by the transport owners is excellent.
6. Most (34 %) of the respondents expressed good regarding their feeling about the safe in transporting the goods.
7. Majority (40 %) of the respondents told that the speed of the transport system in delivering the goods is normal.
8. Majority of the respondents (56 %) opined that infrastructure facilities are the main causes for the delay in dispatching the goods.
9. Majority (65 %) of the respondents informed that the tariff is increased at high rate every year.
10. Most of the respondents (58 %) felt that the government does not take initiatives to maintain the road with good condition regularly.
11. Majority (71%) of the respondents told that the political interference is the main reason for strike proposed by the transport owners.
12. Majority of the respondents (63%) are not satisfied with the infrastructure facilities available in India.
13. Majority (65 %) of the respondents told that government should monitor the issues in transport system.
14. Majority (59%) of the respondents expressed that the transport system has been developed considerably when compared with the position in the 1990s

Findings from Chi-Square Test

1. There is no association between the satisfaction of the respondents regarding the tariff paid by them and the quantity of bundles transported.
2. There is no significant relationship between the availability of transports and the number of bundles sent from the particular destination.
3. There is no association between the satisfaction regarding the services provided by the transport owners and the frequency of goods sent.
4. There is no association between the respondents based on the educational qualification and their preferences to send the goods through lorry transport.
5. There is no relationship between the satisfaction of the respondents regarding the delivery of goods at the specified time and tariff collected by the owners.

Suggestions

1. Some of the respondents felt that the tariff fixed by the transport owners is high, so effort should be made to fix reasonable tariff for the goods.
2. The respondents are not satisfied with the infrastructure facilities available in the transport. Hence the concerned department should take initiatives to improve the infrastructure facilities to speed up the delivery time.
3. Government should monitor the interference of politicians in the departmental issue to avoid the strike led by the transport owners.
4. The government should take initiatives to monitor the drivers and proper training should be provided to minimize the accidents and safeguard the goods transported.
5. The government should find alternatives in case of hike in petroleum products and provide subsidy to compensate the loss to the Oil corporations which will enable them to maintain steady prices for the products during the fluctuations of oil prices in the global market.

Conclusion

Due to the development in the industry and business the transport services could not avoided. Every one of us depending on transport services in many occasions throughout our life. Nobody can deny this fact. At all level the transport services play vital role in the development of the nation as whole. Hence it is the responsibility of the government and the authorities concerned to find better alternatives after analyzing all the issues related to the existing transport system and also the infrastructure facilities which will help the business people and also the public to carry out their day to day activities without any interruption due to the strike, hike in prices of the petroleum products which will lead to develop our economy in the globalize era and make the transport system available and affordable to even the lay man of the country.

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