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1. Credit Scoring Models: A Review

by Swayam Prava Mishra

Vol.2, Issue : 2, January 2010, Page : 1-25

Abstract

In the context of the current financial crisis which has engulfed almost all the economies of the globe, the importance of credit risk management hardly needs an emphasis. Credit scoring models are a helping device towards forecasting the default probability of doubtful exposures, be it in the form of loans or companies. But in order to be effective, these models should be used by firms with a sincere credit risk culture. This paper reviews the most universally used Z score models of 5 countries of the world and compares their ratios for both the failed and nonfailed groups. The limitations of credit scoring models are also mentioned at the end.

2. Integration of International Stock Markets: With Special Reference to India

by Krishna Reddy Chittedi

Vol.2, Issue : 2, January 2010, Page :27 -40

Abstract

After the liberalization of the Indian capital market its integration with international stock market has grown. The Present study is examining the stock market integration between India and developed countries such as USA, UK, Japan, France and Australia. The objective is to examine the stock indices of the above-mentioned developed countries with relation to India for a period of 10 years (1 October 1997-1 October, 2007) to find out the integration between them. For this purpose, Unit Roots, Granger Causality, co integration and Error correction Mechanism are used. To examine the short-run and long run relationships between India and the developing countries. The study found that co integration existing between India and developed countries. (USA, UK, Japan, France and Australia).

3. Performance Improvement Modeling (Case Study : Micro and Small Enterprise)

by Rakhma Oktavina, Hotniar Siringoringo and Rer.Pol. Sudaryanto

Vol.2, Issue : 2, January 2010, Page : 41-57

Abstract

The objective of this study is to model performance improvement of Micro and Small Enterprise (MSE) which produce snack. Analysis units are MSE located in Lampung Province of Indonesia. On this research, performance improvement model was built by 3 sub models, i.e. (1) customer needs and technical responses identification, (2) customer needs importance, correlation among technical characteristics, and correlation between customer need's importance with technical characteristics, (3) defining priority and recommend on performance improvement. Ordered Weighted Averaging (OWA) Operators is used to identify technical responses, relationship between each element of their technical response and each customer need. Quality Function Deployment (QFD) was used to improve MSE's performance priority and recommendation. To determine the technical correlation, relationship between

customer needs and technical responses, and the absolute importance value, we used expert interview method and OWA Operators technique. Result shows that the most important to be improved is on creating new product.

4. Effect of Consumer Psychographics on Retail Format Choice Behaviour in Food and Grocery Retailing: An Empirical Analysis

by Ch. Jayasankara Prasad

Vol.2, Issue : 2, January 2010, Page : 59-82

Abstract

The present paper endeavours to make a detailed study on the effect of consumers' attributes especially psychographic factors like values, lifestyles and shopping orientations on retail format choice behaviour in the fast growing food and grocery retailing in India. Descriptive research design is adopted applying mall intercept survey method using structured questionnaire for data collection from 580 food and grocery retail customers from neighbourhood kirana stores, convenience stores, supermarkets and hypermarkets in twin cities of Secunderabad and Hyderabad in Andhra Pradesh in India. The findings suggest that significant differences are found between different groups on their values, attitude, interest and shopping motives. The findings from shoppers' psychographic dimensions have also resulted in segmentation of food and grocery retail consumers into hedonic, utilitarian, autonomous, conventional and socialisation type. The findings may help the retailers to segment and target the food and grocery retail consumers and, as a consequence, to undertake more effective retail marketing strategies for developing store formats for gaining and sustaining the competitive advantage. The research is also relevant to retail marketers in terms of format development and reorientation of marketing strategies in the fastest growing Indian retail market.

5. Closeness between Heuristic and Optimum Selections of Portfolio: An Empirical Analysis

by Dilip Roy, Goutam Mitra, and Soma Panja Chowdhury

Vol.2, Issue : 2, January 2010, Page : 83-103

Abstract

Selection of the optimum portfolio is a complex task for the general investors as choice of optimum weight is very difficult to make. In this paper, we have proposed heuristic procedures for arriving at securities weights based on the investors' propensity to take risk. For this purpose, two extreme situations have been chosen – risk taker and risk averse investor. After constructing heuristic portfolios, we have tried to examine the extent of closeness between the ideal portfolio constructed on the basis of optimization method and portfolio constructed on the basis of heuristic methods. For demonstration purpose, we have taken Nifty data of 2006 and 2007 and selected a portfolio of 10 securities. After detailed analysis, we have identified a point of change beyond which the optimum portfolio is closer to optimistic portfolio than to pessimistic portfolio before which the optimum portfolio is closer to pessimistic portfolio than optimistic portfolio.