



AN ECONOMIC ANALYSIS IN PROGRESS OF BANGALORE METROPOLITAN TRANSPORT CORPORATION (BMTc)

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Abstract:

The activity concerned with the movement of men and materials from one place to another is termed as transportation. Transportation like many other public utilities service gives place and time utility to goods and services. Transport brings all the elements of economic system by linking together the production distribution centres and the consumers. It is considered as the “nerve centre” of the economic system and thus plays an important role in the development of economy and civilization. Transportation is considered as one of the most important factors in a densely populated country such as India while the modes of transport include buses, trains, trucks, people, aircrafts, and helicopters etc. the economic significance of BMTc by taking into consideration of a few important factors. The factors considered for the study has classified as ten heads such as changing trends in organization, operations, passenger amenities, traffic activities, performance, quality of service, financial performance (traffic revenue), financial performance (other revenues), financial performance (gross revenue), and total cost of operations.

Keywords: *Transportation, Economic, BMTc.*

Introduction:

KSRTC one of the best transport corporations of Karnataka has appeared as one of the most prominent organizations in the same state and in other states as well. As per the “KSRTC Annual Report” it started its operations in 19 divisions at the end of 31-03-1997, where 18 divisions operate mofussil services and 01 division operate Bangalore city services. All the modern industrialized economies are largely influenced by the labour absenteeism. The level of productivity and profit is also determined by the level of absenteeism in many labour-dependent industrial organizations. The labour-dependent industrial units are always facing the problem of

absenteeism such as transport sector and other industrial sectors. In this connection the present study gains more prominence and grabs the attention of the policy makers, researchers and academicians. Labour is a living thing and absenteeism is a common factor in many organizations but the degree of absenteeism has to be reduced in order to sustain industrial organizations in the long run to achieve sustainable development.

Transportation and Economic Development:

Various schools of thought have explained how transportation affects the economic development of a country and its citizens. First, the economic growth will be abridged if the entire different sector not attained equal progress as the “Balance Growth” approach looked into. Second the school of “Leading Sector” opined that the future demand and investment determines the transport potentiality. The approach of “Induced Sector” highlighted that due to the transportation requirements of supply and demand and its incongruity as a result of process of growth.

Irrespective of the school of thought, transportation sector is looked forward as one of the key sectors responsible for economic development. Irrespective of which of the above schools of thought is adopted for the development of transportation sector in any country, there are two things certain about the transportation sector; first, that for the economic development of a country one of the schools of thought Among the three mentioned above, needs to employ and second, all of the three schools of thought bring about economic development in a country (The World Economic Situation and Prospects, 2018). To a certain extent, there is a consensual agreement among development economists about the importance of transportation sector which they much regard as the circulatory system of an economy.

Transportation and Its Importance:

Community transportation includes all transportation classifications that transference associates of overall communal at a usual charge. It contains Airline, Railways and Roadways – Bus services, Taxi services etc. The services of public transportation is used by the all the countries in the world economic system when its people wants to travel across cities and states at a desirable rates of charges. It definitely supports to the growth of the states and cities when its population density increases and when it uses proficiently and resourcefully. The citizens of India and in other developing countries are anticipating providing a harmless and reasonable transport system from the government. From the point of view of management and planning of the systems of transport there can be identified many serious issues both in the developing and developed countries.

Apart from some common attributes of public transport all over the world, there are some which are distinctive and noteworthy to developing countries. As greater number of populations hang on public transport the issues prone to be much pedantic in developing countries with burdensome road conditions on inter -city and rural routes, accompanied by drastic traffic congestion which contributes to the challenges faced by service providers. In recent decades, with rapidly progressing urbanization public transport especially bus services in many Indian

cities are deprived of their fuel potentiality, especially in urban areas, where the transport system and infrastructure are frequently ineffective in maintaining a growing pace with the rapid growth.

The Economic significance of BMTC:

The economic significance of BMTC by taking into consideration of a few important factors. The factors considered for the study has classified as ten heads such as changing trends in organization, operations, passenger amenities, traffic activities, performance, quality of service, financial performance (traffic revenue), financial performance (other revenues), financial performance (gross revenue), and total cost of operations. Under trends in *Organization* of BMTC the factors such as depots, staff employed, ratio of Offices to employees and staff ratio per schedule have been taken into consideration. As well as under *Operations* the five components such as Schedules, Fleet, New vehicles added, Vehicles scrapped and Routes. The two components have been considered under *passenger amenities* which include bus stations and bus shelters/pick up. Under *traffic activities* of the BMTC mainly five important components are considered namely Total Scheduled Kilometers (Lakhs), Daily Schedule Kilometers (in lakhs), Total Service Kilometers (Lakhs), Total Cancelled Kilometers (lakhs) and Passengers carried per day (in lakhs). In order to assess the *performance* of BMTC the components such as percentage fleet utilization, average vehicle fleet utilization (in Kilometers) and Diesel Kilometers per liter have been taken into consideration. Changing trends in *quality of service* of BMTC includes particularly two important factors such as Breakdowns per 10,000 kilometers and Accidents per lakh kilometers. The *traffic revenues* consist of mainly five components namely revenues earned through sale of tickets, monthly pass, daily pass, students pass, Earning Per Kilo Meters (EPKM) on Traffic Revenue (in paise) and other traffic revenues. Under *other revenues* the factors such as government reimbursement, advertisements, and rent from commercial outlets, sale of scrap materials, and sale of scrap vehicles are assessed. The *gross revenue* includes all types of revenues obtained by the BMTC from different sources and also includes Earning Per Kilo Meters (EPKM) on Gross Revenue (in paise) have examined. Eventually the *total cost of operations* of BMTC has been examined with assessing its trends along with Cost per Kilometer (CPKM) (in paise).

Review of Literature:

B Masthanamma (2015) in the study identified the root cause of employee absenteeism. Through descriptive research and by adopting a simple random sampling with the sample size of 120 employees; the study conferred that some effective measures should be initiated by the organization to improve the condition of their employees

Willem Johannes Stefanus Gouws (2015) in his study connotes that Goldberg and Waldman's theory proffer that absence from work is essentially a behavioral response to the dissatisfaction with the certain aspects of the one's job (Goldberg and Waldman, 2000). These authors denied to consider job dissatisfaction as a cause of absenteeism and emphasized much on other influencing factors such as constraints.

Habeebur Rahman T (2016) in his study, throws light on depicting how the absenteeism pose to be a great challenge for the retail sector and its impact on firm's advancement and expansion. By employing Convenience sampling method with 300 respondents, the study analyzed the non-appearance level in textile retail in Chennai and confers that the unpredictable policies and un-implemented assurances frequently cause distress among employees.

S Salomy, D Ankitha and V Divya (2017) investigated the work goals like income, competence, presence package, training program, inspiration techniques and upgrades as the most joint attributes of employee nonappearance on proprietor cost, which donates to the enhancement of efficiency band happiness of workforce and their families.

Objectives of the Study:

1. To assess the working of transport sector in Karnataka.
2. To study the trends in progress of Bangalore Metropolitan Transport Corporation (BMTC).

Methodology of the Study:

The present study is based on both primary and secondary data. The Secondary data has been collected from the relevant industrial economics and labour relations books, journals, magazines, labour commission report, labour department survey, and other important published as well as unpublished documents, thesis etc

Depots of Bangalore Metropolitan Transport Corporation (BMTC) in Bangalore City:

Table-1.1: Number of Depots of BMTC in Bangalore City:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Depots	30	33	35	37	39	39	40	40	43	44

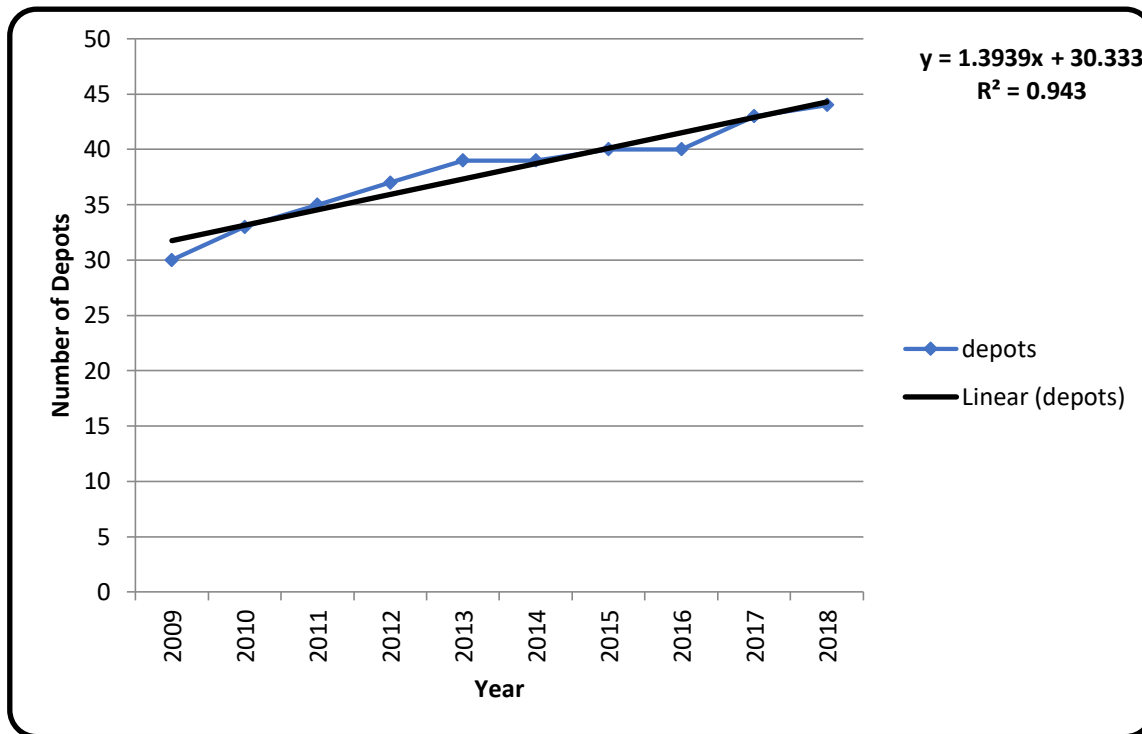
Source: Annual Reports of BMTC, Various Years.

Table-1.2: Model Summary and Parameter Estimates for Depots of BMTC in Bangalore City:

Equation	Model Summary					Parameter Estimates	
	R Square	F	df1	df2	Sig.	Constant	b1
Linear	.943	132.250	1	8	.000	-2768.697	1.394
The independent variable is Year.							
Dependent Variable: Depots of BMTC in Bangalore City.							

Source: Author's Estimation.

Graph-1.1: Growth rates of Depots of BMTC in Bangalore City:



The estimated parameter and summary of the model for number of depots of BMTC in Bangalore city is depicted in the table-1.1 and graph-1.1. The graph-1.1 shows that, the number of Depots in Bangalore City of BMTC is growing constantly at the rate of 1.394 per annum. It means every year one Depot of BMTC in Bangalore city has been increasing. *It is a positive growth in terms of number of Depots in Bangalore City.*

Number of Schedules in Bangalore Metropolitan Transport Corporation (BMTC) in Bangalore City:

Table-2.1: Number of Schedules in BMTC in Bangalore City:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Schedules	5344	5758	5869	5949	6189	6691	6261	6261	6219	6143

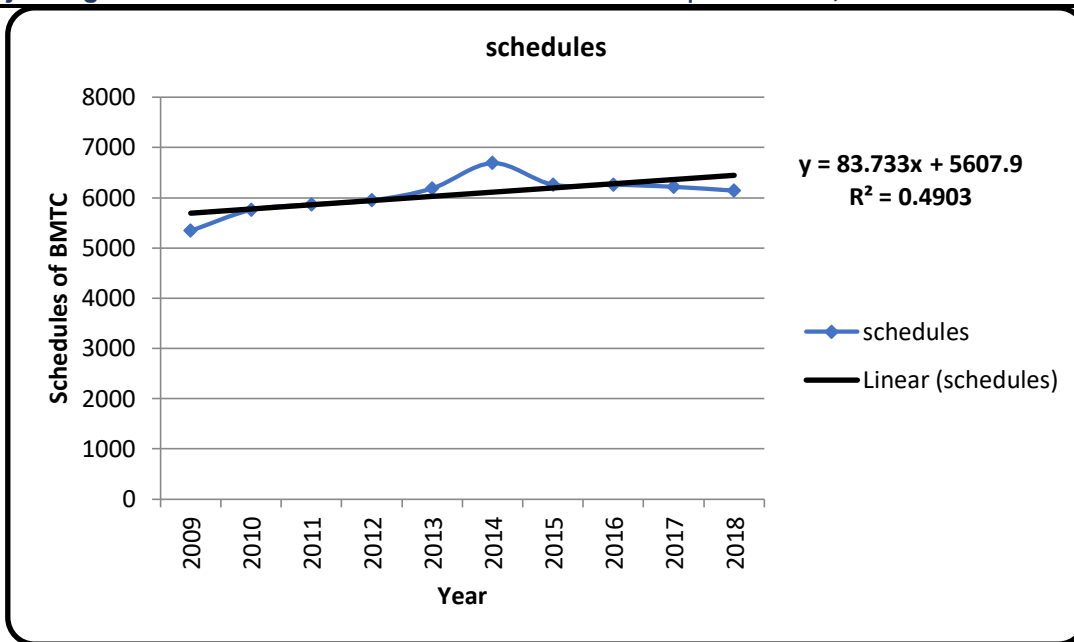
Source: Annual Reports of BMTC, Various Years.

Table-2.2: Model Summary and Parameter Estimates of Number of Schedules in BMTC in Bangalore City:

Equation	Model Summary					Parameter Estimates	
	R Square	F	df1	df2	Sig.	Constant	b1
Linear	.490	7.696	1	8	.024	-162528.667	83.733
The independent variable is Year.							
Dependent Variable: Schedules of BMTC in Bangalore City.							

Source: Author's Estimation.

Graph-2.1: Growth rates of Number of Schedules in BMTC in Bangalore City:



The estimated parameter and summary of the model for number of Schedules in BMTC in Bangalore City is represented in the table-2.1 and graph-2.1. The graph-2.1 shows that, the number of Schedules in BMTC in Bangalore City is growing constantly at the rate of 83.733 per annum. It means every year 83.73 Schedules are increasing in BMTC in Bangalore city. It is a positive growth in terms of Schedules in BMTC in Bangalore City. *The BMTC has been ominously boosting its Schedules during the study period.*

Major Findings:

- The study has found that there is a positive growth in the number of depots by BMTC in Bangalore City.
- The staff members working in the BMTC in Bangalore City has been mounting at a good rate during the recent years.
- The officer's ratio to maintain employees has been depleting in BMTC in Bangalore City.
- The staff ratio per schedule in BMTC in Bangalore City has been improving as per the study.

Suggestions of the Study:

- In order to maintain the officer's ratio has been gradually reducing in BMTC during the observed time period. So, the study would like to suggest improving in the numbers of officers.
- There is no proper use of new vehicles in helping the commuters. The study suggests using new vehicles so as to help the commuters in the city.
- In the case of the total service kilometers, it is progressively reducing due to various factors. It is suggesting finding out new ways to improve the total service kilometers by BMTC.
- It is important to note that the number of commuters carried per day has been reducing and suggests making improvements in this regard.

Conclusion:

The study has been found out that there is a positive growth in number of Depots, Schedules. Economic progress of any country, institution, firm or organization was largely determined by many factors such as capital, technology, availability of labour, machines, and equipment and so on. In such a way the economic prosperity of an organization is also influenced by labour absenteeism. If the level of absenteeism reduces the level of economic growth increases and vice versa in that organization. All the modern industrialized economies are largely influenced by the labour absenteeism. The level of productivity and profit is also determined by the level of absenteeism in many labour-dependent industrial organizations.

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