

## **A Comparative Study of Reserve Adequacy in Nigeria and The Gambia Using a Multinomial Logit Regression Model**

- *Sam Guobadia*

This paper employs a multinomial logit regression model to investigate the issue of reserve adequacy and susceptibility to financial crises in Nigeria and The Gambia in an increasingly globalizing world with liberalized capital accounts. In such an environment, the level of short-term debt becomes important. Indeed, given the possibility of financial contagion, the size of "hot money" flows and the herd behaviour of investors when crisis looms, reserve adequacy may be better proxied by the ratio of total international reserves to short-term debt. A logit regression model was considered appropriate because of the dichotomous nature of financial crisis and the need to underscore the relationship between reserve adequacy and the occurrence of financial and currency crises, particularly in developing countries. In this paper, logit regression models were estimated for each country using time-series data for the period 1977-2004. The regression results were quite satisfactory and the predictive power of the model acceptable with a pseudo-R<sup>2</sup> of 79 per cent in The Gambia and 63 per cent in Nigeria. The primary determinants of reserve adequacy and hence susceptibility to financial crises in Nigeria and The Gambia were found to include the exchange rate, the degree of openness of the economy, the quantum of FDI inflows, the growth rate of GDP, total debt service and the level of merchandise imports.

## **Impact of Employer Branding Strategies on Employer Attractiveness : A Study of Management Student's Perception Towards the Insurance Sector**

- *Som Aditya Juyal / Sameeksha Uniyal*

Employer Branding is "the image of the organization as a 'great place to work' in the minds of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders)." It has become more critical in today's times, as more professionals are looking at a stable career and establishing a long-term relationship with the company. Firms appear to be expending considerable resources on employer branding campaigns, indicating that they are finding value in the practice.

The study is an attempt to understand the employer branding strategies adopted by various insurance companies and further how these strategies impact the attractiveness of the employer. Also the effect of perception and demographics has been analyzed with respect to employer attractiveness. A little light has also been thrown on the impact of current recession on job security and perceived attractiveness. This study has been undertaken from the perspective of potential employees. The sample audience has been limited to students keeping in view, that being 6-7 months away from entering job market; students are prime candidates for employer advertising and recruitment campaigns.

### Brief Articles, Notes and Comments

#### Scaling the Financial Sustainability of SHG-Bank Linkage Programme of MicroFinancing in an Underdeveloped Region

- A P Pati

Financial sustainability of microfinancing endeavour through SHG-Bank Linkage Programme (SBLP) is crucial as nearly 40 million beneficiaries are linked to the formal banking network of India. Scaling the sustainability through a composite index is one of the several attempts. Considering various parameters of SHGs, their linked banks and of the SBLP as a whole, a composite index is constructed in the context of Meghalaya, which is an underdeveloped state in the north-eastern region of the country. The rising index over a three year study period provides enough indication towards the sustainability of this programme. Poor loan recovery rate of the banks, negligible share of SHG finance in total loan portfolio of the banks, negative impact of subsidy on the SHGs and high operating expenditures are identified as some of the drags for the financial sustainability of the whole programme.

### Book Reviews

- **24 Brand Mantras**

- Jagdeep Kapoor

(Second Edition, New Delhi, Response Books, A Division of Sage Publications, 2009, ix+103 pp, Rs. 195.00)

Reviewed by Dr Dhananjay Bapat, Assistant Professor, National Institute of Bank Management, Pune.

- **Corporate Social Responsibility in India**

- Sanjay K Agarwal

(New Delhi, Response Books, Business Books from SAGE, 2008, 352 pp, Rs. 375.00)

Reviewed by Prof Anjan Roy, Assistant Professor, National Institute of Bank Management, Pune.

- **Managing Indian Banks : The Challenges Ahead**

- Vasant C Joshi / Vinay V Joshi

(New Delhi, Response Books, A Division of Sage Publications, xx+337 pp, Rs. 395.00)

Reviewed by Dr K Satyanarayana, Professor, National Institute of Bank Management, Pune.

- **Entrepreneurial Management**

- Shivganesh Bhargava (ed)

(New Delhi, Response, Business Books from SAGE, 2008, 344 pp, Rs. 625.00)

Reviewed by Dr A U Gadewar, Professor, National Institute of Bank Management, Pune.

### Telegraphic Reviews