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## The Role of Listening Skills in Developing Communicative Competence: A Case Study in the Language Classroom

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**Abstract:** Communication occurs as long as people receive and send messages which require good listening and speaking skills. Listeners listen, understand and respond in a communication process; therefore without understanding the speaker, learners fail to convey messages. Listening comprehension provides learners meaningful input to enhance their linguistic knowledge. This study investigated the role of listening comprehension in development of communicative competence and found that learners developed high communicative competence by language input provided by listening to language materials.

**Keywords:** Listening Comprehension, Language Skills, Communicative Competence, Accurate

### 1. Introduction

Teaching listening skills was ignored until the 1960s but it has recently gained importance. It was thought that learners could develop their listening comprehension skills while learning grammar, vocabulary and pronunciation. Over the last two decades due to increasing significance of communicative competence, the role of listening skills has been highlighted (Joiner, 1997). In particular, from 1980s to 1990s, listening skills became popular in foreign language learning (Brown & Yule, 1983; Feyten, 1991). Yet the role of listening in communication establishment cannot be underestimated, therefore sufficient amount of attention should be given to the development of listening comprehension.

It was known that the major component in foreign language learning was communicative competence. In other words, when learners had good communication skills, they were considered as effective users of the language, yet Dunkel, Henning, and Chaudron (1993) state that listening skills is more important than speaking skills because without understanding speaker's message, the listener cannot respond thus communication between them cannot be established. In a study carried out by Feyten (1991) it was found that 70 % of a working day is spent on verbal communication and 45 % of this amount is spent on listening. Underwood (1989) states that in a listening process listeners pay attention to speakers and tries to understand what they say therefore listening and speaking skills should be integrated to develop oral communicative competence of learners. In real life these two skills are in integration, therefore real success in language teaching and learning occurs when learners use it skillfully and efficiently both inside and outside the classroom.

## 2. Literature Review

Foreign language learners need language input to improve their level of proficiency. Listening can provide learners the input they need. When listeners listen to listening texts, in particular to native speakers, their listening proficiency will enhance and they will stand a better chance of using the language effectively. In order to have a good mastery of listening comprehension, learners listening materials are fundamental in the language learning process.

Learners in a listening process should focus on messages to decode them. This requires concentration, linguistic knowledge, background knowledge, competence and skill to construct meaning. Therefore listening is an active process. Underwood (1989) points out that aural process has three stages:

- In the first stage learners structure what they hear or listen to into meaningful forms. Background information about the topic help learners make correct predictions and have better comprehension.
- Learners in the second stage work on the information they receive through listening. This stage requires learners to have linguistic competence. Along with the previous knowledge learners will try to decode the information accurately.
- In the third stage learners transmit the information into their long term memory so that they could retrieve whenever they need later.

During communication people receive and send messages. This process requires learners to have good listening and speaking skills. But without comprehending the speaker's message, an accurate response cannot be given hence the impact of listening skills on speaking skills is indispensable. Learners listen, understand, and respond so that they can establish communication. Listening skills will enable learners to communicate with other people. Listening plays a key role in communication and foreign language learning (Dunkel, 1986; Krashen, 1982). It should be borne in mind that without understanding the speakers' message learners are not able to respond appropriately for that reason listening at the same time facilitates the other skills (Vandergrift, 1999). Simply put, listening influences the development of other language skills. When learners obtain input, they are involved in language activities. This engagement will allow learners to learn the target language. Rubin (1994), Dunkel (1991), Anderson and Lynch (1988) claim that listening provides the most important component for communication. Oxford (1993) advocates the same idea and states that "listening is perhaps the most fundamental language skill" (p. 205).

McKeating (1981) suggests that learners pass through some processes in constructing the meaning of a message;

- Perception
- Decoding
- Prediction and selection

In the perception process, learners identify the speech sounds. Linguistic and non-linguistic resources contribute to construction of meaning and learners are able to change speech into meaningful words. Decoding occurs when learners try to make sense of messages through chunks. These chunks after becoming meaningful for the learners are kept in short term memory. Later on, they are kept in long term memory. Learners might not understand all words in a message but prediction helps learners to understand accurately without knowing all words. When language elements are predictable learners can easily process them. Oller's (1974) term 'expectancy' indicates that learners capacity to predict has a key role in listening comprehension. Under normal circumstances it is very difficult to listen to a speech and answer some questions related to it but predicting cues will allow learners to interpret the content of speech.

### **Research Questions:**

- 1) Does listening skills develop communicative competence of learners?
- 2) Does listening skills develop other language skills of learners?

### **3. Research Method**

#### **3.1 Design of the Study**

This study investigated the contribution of listening skills to communicative competence development. Descriptive research method was applied because the study aimed to describe a situation in language learning without using cause and effect hence it did not describe what caused a situation. A questionnaire was conducted and the collected data was analyzed without making any predictions.

#### **3.2 Sample Selection**

Ishik University preparatory school students participated the study. The university administration gave the researchers the permission to conduct a questionnaire at the university. Random sampling was used to avoid a biased representation of a group. Each individual is chosen by chance and each member of the population has an equal chance of being included in the sample. The number of students at Ishik University Preparatory school is 250 but a total of 100 students participated in filling in the questionnaires (N=100).

#### **3.3 Data Collection**

A questionnaire was conducted to gather information from individuals. Information that is unique to individuals was gathered in this research without any manipulation, thus the situation is described as it exists. The collected data is quantitative therefore statistical techniques were used to summarize the information. In this study the researchers used a five point Likert scale ranging from strongly disagree to strongly agree. The collected data was analyzed through the Statistical Package for the Social Sciences (SPSS) using simple frequency distributions.

### 3.4 Findings

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.937	7

In this study the alpha coefficient for the seven items is .937, suggesting that the items have high internal consistency.

Table 2: Descriptive Statistics

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Listening_Fundamental	100	3	5	4.25	.061	.609
Promote_Other_Skills	100	3	5	4.20	.064	.636
Improve_Proficiency	100	3	5	4.16	.055	.545
Listening_Motivation	100	3	5	4.20	.062	.620
Listening_Awareness	100	3	5	4.18	.059	.593
Listening_Speaking_Integrated	100	3	5	4.18	.058	.575
Listening_Develop_Communication	100	3	5	4.18	.058	.575
Valid N (listwise)	100					

Table 2 shows the specific results for each variable that was entered into the analysis.

Table 3: Listening is the most fundamental of the four language skills

	Frequency	Percent	Valid Percent	Cumulative Percent
Ambivalent	9	9.0	9.0	9.0
Agree	57	57.0	57.0	66.0
Strongly Agree	34	34.0	34.0	100.0
Total	100	100.0	100.0	

The “Valid Percent” column shows that 34.0 % strongly agree and 57.0 % agree that listening is the most fundamental of the four language skills. A total of 91.0 % of the participants agree that listening takes priority over other language skills.

Table 4: The development of listening skills improve other language skills

<b>Promote_Other_Skills</b>					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Ambivalent	12	12.0	12.0	12.0
	Agree	56	56.0	56.0	68.0
	Strongly Agree	32	32.0	32.0	100.0
	Total	100	100.0	100.0	

The “Valid Percent” column shows that 32.0 % strongly agree and 56.0 % agree that the development of listening skills improve other language skills. A total of 88.0 % of the participants agree that listening comprehension development contributes to the enhancement of other language skills.

Table 5: Listening skills promotes overall language proficiency

<b>Improve_Proficiency</b>					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Ambivalent	8	8.0	8.0	8.0
	Agree	68	68.0	68.0	76.0
	Strongly Agree	24	24.0	24.0	100.0
	Total	100	100.0	100.0	

The “Valid Percent” column shows that 24.0 % strongly agree and 68.0 % agree that listening provides them with language knowledge. A total of 92.0 % of the participants agree that listening helps learners with language proficiency.



Table 6: Listening skills improvement motivates learners for language learning

<b>Listening_Motivation</b>					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Ambivalent	11	11.0	11.0	11.0
	Agree	58	58.0	58.0	69.0
	Strongly Agree	31	31.0	31.0	100.0
	Total	100	100.0	100.0	

The “Valid Percent” column shows that 31.0 % strongly agree and 58.0 % agree that as learners enhance their listening comprehension their motivation towards language learning rises. A total of 89.0 % of the participants agree that listening comprehension development motivates and inspires learners to achieve better in language learning.

Table 7: Listening fosters language awareness of learners

<b>Listening_Awareness</b>					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Ambivalent	10	10.0	10.0	10.0
	Agree	62	62.0	62.0	72.0
	Strongly Agree	28	28.0	28.0	100.0
	Total	100	100.0	100.0	

The “Valid Percent” column shows that 28.0 % strongly agree and 62.0 % agree that listening allows learners to become aware of how language is used in real life circumstances. A total of 90.0 % of the participants agree that listening is a perfect opportunity to learn how language is used effectively in real life.

Table 8: Listening and speaking skills should be integrated while teaching

<b>Listening_Speaking_Integrated</b>					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Ambivalent	9	9.0	9.0	9.0
	Agree	64	64.0	64.0	73.0
	Strongly Agree	27	27.0	27.0	100.0
	Total	100	100.0	100.0	

The “Valid Percent” column shows that 27.0 % strongly agree and 64.0 % agree that listening and speaking skills should be integrated while teaching. A total of 91.0 % of the participants agree that integration of these skills lead to the use of each other.

Table 9: Listening develops communicative competence of learners

	Frequency	Percent	Valid Percent	Cumulative Percent
Ambivalent	9	9.0	9.0	9.0
Agree	64	64.0	64.0	73.0
Strongly Agree	27	27.0	27.0	100.0
Total	100	100.0	100.0	

The “Valid Percent” column shows that 27.0 % strongly agree and 64.0 % agree that listening develops communicative competence of learners. A total of 91.0 % of the participants agree that listening has a pivotal role in the development of competency in communication.

#### 4. Discussion and Conclusion

In the last ten years much of the attention has been devoted to listening comprehension development in foreign language teaching and learning. To make sense of the incoming information, listening comprehension ability of the learners is of prime concern. Language learners interact in spoken communication through interpreting the aural input provided by listening.

Learners during listening process acquire correct pronunciation of words, how to use words and structures accurately in a sentence. Listening helps learners decode linguistic knowledge and utilize it for successful communication. In other words, comprehensible input through listening leads to comprehensible output in the target language. Rost (2001) stresses the role of listening in language acquisition and concludes that “a key difference between more successful and less successful acquirers relates in large part to their ability to use listening as a means of acquisition” (p. 94). Listening is the primary skill for language acquisition and prerequisite for the development of other language skills.

Communicative language teaching puts emphasis on proficiency. Listening can provide learners large amount of language input to remove barriers in communication process. Moreover, listening and speaking are in integration in real life hence they affect each other. Learners fail to respond appropriately if they do not understand the input.

By the same token, this study found that listening comprehension development enhances language skills of learners, improve their motivation towards language learning, and increase their language awareness. 91 % of the participants in this study consider listening as the most fundamental skill. 92 % of the

participants believe that listening comprehension development provides them the language components they need for proficiency development and finally 91 % of the components agree that listening comprehension contributes to the development of communicative competence.

Listening contributes to comprehension and acquisition; however without comprehension language acquisition does not take place. Learners through developing their listening comprehension ability, improve their language acquisition. Comprehensible input learners acquire by listening enable them to get involved in language activities and this engagement lead to proficiency in the language.

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## Causes and Effects in Macroeconomics: 2011 Nobel Prize Lecture in Economic Sciences

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**Abstract:** Noble Laureates Thomas Sargent and Christopher Sims have been granted the 2011 Noble Prize in economic sciences in appreciation of their empirical research on causes and effects in macroeconomics. The controversy on causality in macroeconomics was discussed in both of Sargent's and Sims's 2011 Prize lectures. While Sargent attempts to use the economic theory to interpret some historical events in order to gain insights on some contemporary issues, such as sovereign defaults, federal bailouts, and the coordination of monetary and fiscal policies, Sims is emphasizing the importance of large-scale economic models and calling for more research to be done in that area.

**Keywords:** Economic Modeling, Bayesian Models, Defaults, Bailout, Business Cycle.

### 1. Introduction

One of the most difficult challenges to economics is to understand “what explains what” when looking to economic historical data. Nowhere in economics is this challenge big as it is in Macroeconomics. Controlled experiments are required to distinguish cause and effects in economic policies, nevertheless, controlled experiments are difficult to conduct and likely undesirable. It is sort of impossible to the central bank to try different rates to see what happens. Market interest rates are usually determined by the central bank, also by the market, but it depends on what market participants and the central bank anticipate. Therefore, the importance of expectations about the future cannot be denied.

Prof Thomas Sargent and Prof Christopher Sims have both been awarded the 2011 Noble Memorial Prize in Economic Sciences in appreciation of their efforts on distinguishing cause and effects of economic variables particularly in the field of Macroeconomics. In the 2011 Noble Prize lecture conducted in the Royal Swedish Academy, both of Sargent and Sims described their findings in the field of macroeconomic modeling and provided insights on their approaches of economic analysis.

### 2. Should a Monetary Union Precede a Fiscal Union?

In his empirical research on causes and effects in macroeconomics, Sargent attempts to use the economic theory to interpret some historical events in order to gain insights on some contemporary issues, such as sovereign defaults, federal bailouts, and the coordination of monetary and fiscal policies. He starts his

Prize lecture with a historical case study of the United States between 1780 and 1840. During this period of time, the US faced institutional and policy choices that are similar to the present day's era. This period of time witnessed several events that shaped the economic policies like the War of independence, the Articles of Confederation "the First Constitution", the US Constitution, the Treasury department that set up the fiscal policies, and the Nationalization. This period of time was mainly characterized by an era of federal bailout, and another one without a bailout. Sargent attempts to explain the forces that underlined these events taking into consideration economic and budget constraints alongside the following concepts:

- ✓ Fiscal arithmetic: the arithmetic of the budget constraint. This part of the lecture included the main thesis of Sargent's theory that explains mainly how governments value bonds.
- ✓ Fiscal and monetary choices that the US made at the beginning after the independence.
- ✓ The current situations in the United States and the European Union.
- ✓ And the lessons to learn: how the past could be reflected on the future and differences and similarities between the past experience and the current situation.

Sargent research attempts to provide answers to questions like: should governments default on their debts? Should a central government bailout a subordinate state? Should a monetary union precede a fiscal union? or vice versa.

Sargent developed a simple model for government debt. He also asserts that two of the founding fathers: George Washington and Alexander Hamilton knew this model as the "back of their hand", thus he assumes that they had all the represented economic variables in mind when developing the US economic, fiscal, and monetary policies.

The first equation in the model represents a statistical description of the government's net-of interest surplus (represented by a small  $s$ ) which is government tax revenues minus government expenditures where a negative net is a deficit. The net-of interest surplus is explained by a sigma of a Martingale probability sequence where expectations about the future are accounted for. This surplus is a function of the shocks, which are the fiscal crises that shaped the economy during a given period of time. Sigma is a polynomial lag operator according to which the vector of shocks will explain the net-of interest surplus.

The second equation is the government budget constraint. The left hand side is the value of government debt at a particular point of time. The right hand side is the backing of what government debt is. What that equation says is that the value of the government debt today is the current payout or surplus plus the discounted value of the debt tomorrow.

Two ways to solve these equations exist and each has insights. The debt of today is a reaction for some policy choice in the past. The third line says that the government debt is a reflection of policy measures, choices, and actions conducted in the past. However, market participants do not care about the past but about the future and that what the last equation is all about. That equation says that the current value of today's government debt is the present value of the government surplus. Thus, high government debts today are signals for high government surpluses in the future.

The future is uncertain so it should be forecasted by using mathematical expectations. The equation includes a time-lag variable, so it means that the debt was born and priced in the time period of this time lag ( $t-1$ ), and that what represents the key equation in the model.

Sargent adopts a rational expectation approach to explain changes in the interest rate and creditors' behavior. His model accounts for developing psychological expectations with the best mathematical and statistical forecasts. In his analysis, Sargent relaxes the risk-free interest rate assumption. So, the government will not default on the debt but will default on only one part of the debt, only the fee for example, which could be some fraction between 0 and 1. Thus, expectations depend on default probability, and interest rate is adjusted accordingly. So if the government debt is valued too low, and it supposed to be valued highly, this could be achieved by changing the interest rate through changing the default probability, or by changing the government surplus process. The process by which interest rate is changed to achieve policy targets is determined by economic theory and economic modeling. Determinants of the model are environment, (behavior) constrained optimization, and new equilibrium concept.

After the War of Independence, the political environment was characterized by the Articles of Confederation or the first Constitution. It was also characterized by a weak Continental Congress or a weak government where the US had two sets of institutions with two different outcomes: high debt because of the war and uncoordinated trade and fiscal policies where taxing to raise revenue required a consensus of the thirteen States. Debts and IOU's were discounted in 1780s. Huge debts were characterized as a fiscal crisis by the holders of those debts.

Fiscal crises often produce political revolutions. It did in the US in 1787 and that led to a new Constitution which is a new environment per se. The new Constitution no longer allowed the States to run their own trade policies or to impose tariffs or to tax exports and imports. In those days, the major tax was the tax on imports and exports. This authority was given to the Federal government on the purpose of servicing Federal debt. The Federal debt was huge as the government bailouts the 13 individual States.

In 1790 the government levied tariffs. Hamilton wanted the Federal government to bailout the States because he wanted the creditors of the individual States to become advocates of a strong central government, strong enough to be able to tax, so the creditors of the government support a high-tax State to service the debt which is their own. So the debt was rescheduled and there was no discount. Hamilton wanted the government to have the ability to borrow in the future so it should bailout today's debt, thus sustaining a good reputation with foreign creditors was imperative for him.

The founding fathers had a fiscal union but not a monetary union. The monetary system was under the silver standard, so the monetary union was established after the civil war. The government reputation was good in terms of repaying foreign creditors and in terms of saving individual States and bailout their big debts if any.

This was followed by a controversy on what kind of fiscal union should be established? Should the government finance infrastructure projects? It was decided that it should not. James Maddison, James Monroe, and Hamilton vetoed the Federal finance of infrastructure like railroads and canal projects, so the State started financing. Therefore, individual States started running big debts by issuing bonds thinking that such projects would eventually pay for themselves by collecting revenues. This event was followed by a recession and the States bonds failed. The creditors referred to the government to bailout the States as happened in the past, so creditors developed their expectations on the history of the Federal bailout, but the Congress refused this time. The argument was that the first bailout was for a glorious cause which is to liberate the country and to expel the English, but this time it was not. So this bailout failure had consequences:

- ✓ The British buyers of the US bonds no longer want to invest in the US.
- ✓ A political revolution caused by this fiscal crisis that led to re-write the States Constitution in the 1840s to help budget imbalance.

The question is whether this policy was wise or not. Whether the Federal government should or should not bailout States debts. From the Sargent's perspective, it was wise for the following reasons:

- ✓ If these States debts were bailed out then these amendments in the Constitution will have never been existed.
- ✓ If these States debts were bailed out, then there will be more Federal control on the States policies.

Sargent concludes that the case in the US during the above period of time was characterized by a deep discount on bonds, uncoordinated fiscal policies, an unplanned set of monetary arrangements, and a large Federal debt. This past experience could be reflected on today's status of fiscal and monetary policies of the US. The economic status currently holds similar consequences for the same policies that were adopted before, during, and after the Great Recession of 2008 with some differences. The economic scene in that era was also characterized by a deep and varied discount on member states bonds, and uncoordinated fiscal policies. However, the difference was in the centralized monetary arrangements and the "No Federal debt" character.

So, to answer the main question on deciding whether to default debts or not, Sargent asserts that the government should weigh out the costs and the benefits of debt default. If the government does not default, there will no longer be an easy access to the creditors' money and interest rates will be higher. Nevertheless, the benefit will be the lower tax rate that will positively impact current consumption rates.

On deciding whether a central government should bailout subordinate states or not, the cost is the moral hazard. The collateral damage in the future caused by bailing out some financial institutions falls on people incentive to risk-taking. So the cost is the excessive risk taking, thus the excessive federal control on local institutions. However, the gain will be the easy access to the creditors' money.

So, should a monetary union precede a fiscal union? Or vice versa, the answer is that there should be some coordination on developing these two institutions in coordination and through adapting the variables imposed by the environment, the social, and the political necessities.

### **3. “Preserve the Momentum” of Economic Modeling**

In his Prize lecture, Sims evaluates and compares different economic modeling methods. Particularly, the Keynesians’ and the monetarists’ approaches to economic modeling. He starts his presentation discussing a project that Jan Tinbergen (1938) started in the 1930s. Real scientific progress in economics does not run as smoothly in economics as it does in natural sciences. It could be more complicated, and for Sims, Tinbergen’s project gives an idea of what real scientific progress in economics is.

Tinbergen project is organized as follows:

- ✓ A statistical model with error terms and confidence intervals on parameter estimates.
- ✓ Multiple equations, covering whole the economy at the aggregate level.
- ✓ A testing ground for theories on the business cycle.

Tinbergen’s model was followed by an academic debate between Trygve Haavelmo (1943), who advocated the model, and John Maynard Keynes (1939), who wrote an “extremely negative” review of Tinbergen’s book that included this model.

### **4. Haavelmo’s Approach of Modeling Business Cycles**

While Keynes (1939) argued that because the model includes error, random term, it could explain any set of data. Thus, the model cannot be used to test theories of business cycle. Haavelmo (1943) defended the model. According to him, it was possible for a statistical model to be used as a testing ground for economic theories. Tinbergen used multiple equations, but he estimated one at the time. There was no attempt to treat the set of equations as a joint probability model of all the time series. He did not use his model to explain the joint behavior of all the data that he had. Nor did he attempt to model how the system evolved dynamically through time.

Haavelmo defended the model arguing that economic models should be conceived as probability models that generate a distribution of possible outcomes for all the variables that were involved in the model. But in order to be testable, models should include a distribution of the error terms, so they have to be probability models. So, Haavelmo argued that even Keynesian models could be formulated, estimated, and tested in this way. However, the Keynesian viewpoint implied that business fluctuations had many sources and that policy instruments were relevant to stabilization policy. Fiscal disturbances and monetary policies could be sources for business cycle fluctuations too.

A guideline was needed for policy decisions, so the Cowles Foundation methodology for codifying and expanding Haavelmo’s ideas about inference was developed by a group of theorists. By 1960s, with the aid of computing power, macroeconomic and econometric modeling included hundreds of equations and variables, and that caused a problem of scale. Large scales models with hundreds of unknown coefficients require defining a priori coefficient by signaling that few coefficients are not important. The models were simplified by approximating restrictions that was assumed to be correct. Thus, such models



were not believed as probability models, because a big range of uncertainty was omitted. So when these models made a prediction and provided a probability distribution for this predicted value, it was not perceived as a realistic prediction. The probability distribution did not reflect lots of the real uncertainties about these models.

## **5. Monetarist Models**

Milton Friedman, Ana Schwartz, David Meiselman and others formulated a view of business cycle and stabilization policy. Their view suggests that the large Keynesian models were overcomplicated and had missed some simple statistical relationships that were central to a good policy. They argued that the growth in the stock of money was tightly related to growth in income, and patterns of timing suggested that the relations were causal, and that fluctuations in money came before the fluctuations in income. Statistically estimated equation implied that most of the business cycle could be eliminated by simply making money supply growth constant.

Large scale probability distribution models, or in Haavelmo's models, share some flaws with monetarist models. Haavelmo showed how to do a policy experiment in his simple model. The cause that the model included multiple equations is to do some policy experiment by removing one of the equations later and see how the system will run when this part is removed. But Haavelmo did that by eliminating an identity function and not a policy behavior function. He had no policy behavior function. He attempted to analyze the effect of a change in the government expenditure in a model that does not include a variable for the government expenditure, nor does it include an equation explaining what determine government expenditure.

The Keynesian models followed the same approach. They did not include a behavioral equation that explains the behavior of government policy-makers. And it is the flaw that they share with the Haavelmo's models and the monetarist models. Keynesians did not model monetary policies, then they realized that it is significant to be modeled.

This controversy on economic modeling was followed by a set of academic papers that were debating two different views, Friedman and Meiselman were advocating the monetarist view, and Albert Antoine and Franco Modigliani were pushing the Keynesian view. They were arguing on how to interpret these regressions that showed high correlation between money and income. They were also arguing which variable should be treated as a non-random one, but none of them came up with the policy variable that should be treated as a non-random variable. So, this made the debate between the two views a "confused battle field".

## **6. Bayesian Models**

A review of Bayesian models is also included in Sims analysis. The Bayesian model calls for developing probability on things that we do not know in order to help making decisions. The Bayesian model finds no paradox in the notion that policy-makers see their own actions as non-random. But econometricians and private sector scholars develop probability distribution for policy-makers' actions. This assumption is very crucial to develop probability model of policy-makers behavior. Markov Chain Monte Carlo methods were implemented to do this kind of inference. Two flaws of the Keynesian models were met by this Bayesian approach:

- ✓ The problem of the conceptual idea of modeling policy choices as random, yet being able to condition on them and treat them as given.
- ✓ The Bayesian approach accommodates the idea that you can borrow external variables from out of the model and they may not consist of exact values for certain coefficients, but approximated as reasonable ranges of the coefficients value. Then a test could be conducted to check whether the data of the model can provide information about this parameter values or not. That would provide more realistic probability distributions when predictions are made in the model.

Sims takes into consideration the main claims of Rational Expectations in building his analysis. One basic insight of the rational expectations theory is that these policy variables have to be random in order to be part of the economic models. If it is confirmed that the policy behavior is systematic and that public develop expectations about it, the nature of the policy behavioral component of the model affects the behavior of people in the private sector. Thus, rational expectations theory has some “bad” side effects. First, economists, who are not comfortable with the idea of the randomness of policy actions, took the view that rational expectations modeling can consider these actions as exogenous, non-random changes. Second, all these large models used to help policy-making decision process hold no help and will be ignored. Yet they were used in central banks, but they are less frequently used than before.

Sims stresses the following as his main research contribution. The monetarist view stresses the strong correlation between money growth and income which reflects a causal effect of monetary policy errors on income. So, future money growth should not contribute to explaining current income. In his 1972 paper, Sims run the test on data and he found out that the monetarist regressions passed the test, and that future money growth did not predict current income (Sims, 1972). For Sims, this claim was mistaken. In economic models a causal direction based on predictive power can be misleading. If rational expectations theory was applied in financial market analysis, the perfect financial market hypothesis will be achieved. Assets prices will accommodate for new information, hence will be unpredictable themselves, so no influence of future stock prices exist. If money stock was exogenous in these monetarists equations, future growth will never help explaining money stock in the money demand equations. Empirical studies showed that money demand equations passed the same test. Thus, for Sims, more than one equation should be considered, or what Haavelmo did when he used two equations could be applied.

Using Structural Vector Auto-Regressions (SVAR), Sims concludes that influence of monetary policy on income is detectible in the data. At the same time, changes in money stock and interest rates represent systematic reactions of monetary authority to the state of the economy, not random policy errors. Only small part of the macroeconomic fluctuations, and particularly not most of the post-war recessions represented in the time series, could be attributed to erratic monetary policy. Thus, for Sims, policy variables are systematic and should not be treated as random variables in the economic modeling.

Descriptive linear multiple equation systems were used in the economic literature to capture the empirical regularities in the time series. Linear models were developed upon using prior beliefs about the model that did not have any economic content. Thus, coefficients on longer lags were not important as variables are likely to evolve smoothly over time. That was denoted as Vector Auto-Regressions (VAR). For Sims, the estimated system holds potential causal interpretation only if a descriptive linear multiple

equation systems is constructed upon prior beliefs that reflect an economic content. So the VAR models could be transformed into Structural VAR models so they can be characterized as follows:

- ✓ They will be of the same scale of the Keynesian models and of Tinbergen's original proposal.
- ✓ These models are big enough to be used for policy analysis,
- ✓ They are fully interpreted so the variation in them had an economic interpretation.
- ✓ They are specified as complete probability models and Bayesian models, so they follow Haavelmo's original examples, and they allow us to test theories against one another in a consistent manner.
- ✓ They fit to unstructured VAR.
- ✓ Finally, they resolve the issue of how to interpret the correlation between money and income.

Sims concludes his Prize lecture commenting on how economists and econometricians rapidly shifted their interest away from serious probability-based modeling for policy after rational expectations "revolution". That reflects the inherited sociology of the profession. Despite interesting, there is a huge resistance to give these issues respect and Sims calls for more research to be done in this area in order to "preserve the momentum of this research".

## 7. Conclusion

The above review attempts to highlight the main contribution made by Prof Thomas Sargent and Prof Christopher Sims who have both been awarded the 2011 Nobel Memorial Prize in Economic Sciences in appreciation of their empirical research on causes and effects in Macroeconomics.

Sargent provides policy recommendation. He constructs his analysis of policy measures on comparing US fiscal and monetary policies that were adopted in the aftermath of the Great Depression to the current policy measures adopted in the aftermath of the Great Recession. Meanwhile, Sims constructs his analysis upon the assumption of rational expectations, so his analysis includes a more technical description of the different approaches of modeling business by comparing Keynesian, Monetarist and Bayesian large scale models. Sims highlights the controversy of economic modeling and provides an approach to modeling business cycle in which he makes use of the techniques used in large scale models to overcome the shortcoming of other economic modeling approaches.

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## Storytelling in EFL Classes

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**Abstract:** Storytelling is one of the oldest ways of education and oral tradition that is continuously being used to transfer the previous nation's cultures, tradition and customs. It constructs a bridge between the new and the old. Storytelling in EFL classes usually provides a meaningful context, interesting atmosphere and is used as a tool to highly motivate students. Although it seems to be mostly based on speaking, it is used to promote other skills such as writing, reading, and listening. Storytelling is mainly regarded to be grounded on imitation and repetition; nevertheless many creative activities can be implemented in the classroom since this method directs learners to use their imaginations. This study discusses the importance of storytelling as a teaching method, and it outlines the advantages of storytelling in EFL classes.

**Keywords:** Storytelling, Motivate, Creative, EFL Classes

### 1. Introduction

Students need to interact with their peers to acquire and generate language and practice new structures in order to be able to function in their society. Developing gradually in language learning requires interaction of the people, interesting and meaningful context, peaceful classroom atmosphere and engaging in the use of language structures. Children at their preliminary learning stage develop oral language skill rather than being able to write. They repeat the words or phrases what they hear from their teachers even though they cannot recognize the format of writing; however, remarkably repetition can provoke a notable advancement in vocabulary and structures (Dujmovic, 2006).

Regarding the language development steps, Chomsky (1972) points out that especially young children are not taught language in any formality; however, they acquire it naturally for that reason adults should supply interesting and encouraging atmosphere for the children.

Spaulding (2011, p.14) also seems to agree with Chomsky on acquiring the language naturally, and he indicates this issue in his book called "The Art of Storytelling" as:

Welcome and congratulations. You are a storyteller! Each of us is a storyteller from the moment we are born and cry out our first sounds: "Here I am! Where am I?" Perhaps it is not in formal language, but it is an easily understandable communication, telling the story of life. Storytelling enables us to be both lamp and mirror at the same moment. As a storyteller, we can present stories composed by someone else and thus reflect that person's idea; as listener, we can create the story in our own minds while mirroring back

to the teller our experience of listening to the story. Either way, storytelling is joyful, full of life, and incorporating the joy of both the story and the event.

Considering Spaulding's (2011) attitudes to the storytelling, it is possible to say that people are already innate storyteller, and they shape the incidents according to their imaginations. Furthermore, people use the story as a means to explore and enjoy their feelings and ideas.

Regarding to other teaching methods, storytelling may provide the learners more advantages to evolve in language learning. Not only are students introduced the new form of the language but they are also stimulated to reason the events in the story or make their own endings depending on their imagination and creativity. As a storyteller in the classroom, a teacher should make a sensation amongst the students, put forth questions or deliver answers. In order not to turn the lesson to preach, a teacher should avoid putting certain borders in students' minds; also he/she should remember that entertainment is necessary to keep telling the story (Spaulding, 2011). Wright (1997) indicates the stories depend much more on vocabulary and provide a wide and stable language experience for the students.

Storytelling is categorized into three stages: *pre-story* stage which includes warm-up activities that enable students to get ready for listening through presenting target vocabulary and using some realia like posters to capture the learners' attention to the story. The second step is *in-story* part that helps the students understand the context without worrying due to the pleasure in the atmosphere. The last step is *post-story* which contains follow up activities or telling the story that promotes students' anticipation skill or creativity (Ying-Li, 2010). The most important materials for storytelling are sounds, words, and language figures. Storytellers use voice, face, hands; that is, mimes and gestures (Dujmovic, 2006).

## 2. Why Storytelling

Storytelling is the oldest teaching method. It has been transmitted to new civilization through tales from generation to generation. It has conveyed cultural values to the new owner. It represents a bridge that blends the new and the old. As a language teaching method, storytelling is assumed to promote other skills such as listening and speaking. Since the teacher supplies a comfortable atmosphere during storytelling, there is a great possibility to catch students' interests around the story and have them focus on the new items of the language. As a next step, students can bring about new products because of the activation of the imagination. In addition to no imagination constraints, students hear new forms of the language and try to remember and operate the new items of the language with their peers. It offers an integration of the new information with what the students have learned. Eventually, they can smoothly gain the target language as a result of drilling and an effective motivation tool to maintain language acquisition.

Recently, storytelling is regarded as one of the most significant way to teach English to EFL students. Stories are estimated to supply intelligible input that facilitates language learning (Fitzgibbon & Wilhelm, 1998). Cooper (1993) points out that storytelling is an ideal method used by educators to draw children's attention to the story with enjoyment.

Wright (1997) points out some reasons such as motivation, meaning, fluency, language awareness, communication, etc. that why stories should be regarded as one of the most crucial medium in teaching a

foreign language to children. Unlike native speakers, the most significant ability is to be able to follow and perceive the flow of the foreign language because non-native speakers are not familiar with the vocabulary or the structure of the target language. In order to acquire listening and reading comprehension, a teacher should persuade students that not everything in the story can be understood so he/she has to assist them to build up for predicting and guessing. If students are encouraged, they release their fears and begin to understand and make connections between the events in the story. They can sequence the events, expand their point of views and develop their social intelligence competence. Then they are able to use the target language meaningfully in different context. Thus, they can be more generative with speaking fluency and accuracy. Stories also stimulate the students to increase awareness to get the language items and sentence constructions even if they do not have ability to use them properly. Furthermore, storytelling promotes the students how to listen, how to talk, how to respond, that is how to communicate in a community.

### **3. Advantages of Storytelling in EFL Classes**

Storytelling has many advantages for social and emotional development. The storyteller and the listener construct a strong, relaxed and happy relationship during a story time. Storytelling encourages the learners to continue studying the language because it affects students positively when considering its motivating role in foreign language teaching. It also offers students to work out their imagination by getting involved into the stories or identifying themselves as one of the character in the story.

Teachers use stories as introduction for listening or writing comprehension tasks. After telling the story to students, they are asked to retell the story to their peers that help them to progress their speaking ability, empower their memory while recalling the details and making reasonable connections between the events, and also contribute to notice the use of proper structures (Fitzgibbon & Wilhelm, 1998).

In storytelling classes, students share social experience and recognize different perspectives. Especially young learners do not get bored to listen to a story more than once. This repetition causes them to acquire language items unconsciously. Moreover they desire to participate in the narrative. Teachers find an opportunity to introduce or review the new vocabulary or sentence structures in more varied, memorable and familiar context (Dujmovic, 2006). Therefore, it's possible to say storytelling appeals the students into a meaningful, interactive communication context, creates a cozy atmosphere and prepares them to learn the target language naturally.

In order to build up reading competency, students significantly need to get enough auditory and spoken language ability. Storytelling supplies crucial auditory input during social narrative communication. Some researches show that storytelling develops vocabulary learning and the teachers should visualize, and have attempts to influence the learners to listen to the story (Huang, 2006).

Storytelling may be assumed as a vital element to present the grammatical and syntactic features in interesting and meaningful context. Teachers may draw the learners' focus on the linguistic features and different tenses of the language (Huang, 2006). So the students first recognize the varied types of the structures and they may contextualize what they have gained through storytelling class.

#### 4. Conclusion

It is assumed that storytelling method is one of the vital medium to teach the intended language item in EFL classes that enriches the educators' teaching styles and brings about ample varied classroom activities. Since the learners blend their true life experiences with the stories told in the classroom they can easily involve in the learning process and they can reveal fruitful language production. This will enable them to recall better what they have learned in the classroom. Besides, learners will be able to acquire how to organize the events in their true lives.

Stories provide a rich and meaningful vocabulary context for the learners, so they can internalize the vocabulary in the stories in a shorter time because they usually personalize the characters in the stories and they recall the phrases and structures. As the learners activate their imagination during storytelling, stories offer them different patterns and thus they may be more productive in drilling. In addition, most of the stories carry a moral message that promotes the students to build up strong personalities.

Overall, EFL students need to be supported much more to make a notable progress in their language learning while studying with authentic materials. Therefore, the teacher applies storytelling method in his/her modern language classroom to facilitate and accelerate the learning process although it requires extra loads for preparation before the course (Huang, 2006).

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## Episode Examination of the Turkmen Saga of Varka-Gülşa

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**Abstract:** One of the love-themed sagas in Turkmen saga tradition is the saga of ‘Varka-Gülşa’ which has been popular among the Turkmen. It is seen that the saga has gained a richer content as a result of the influence of Turkmen culture. Love-themed Turkmen sagas have bard-narration, folk-narration and written variants. The saga of ‘Varka-Gülşa’ is a good example of them. In the saga, Varka and Gülşa fall in love with each other. Later in the saga, the chain of events comes out after the death of Varka’s father. Varka and Gülşa are not allowed to marry. Varka gets away from his homeland. And Gülşa is forced to have a marriage with someone else. In the saga, the lovers finally reunite after suffering from a long-lasting pain of separation. However, they remain together for a short time. In this paper, a concise summary of the three different variants of the saga of ‘Varka-Gülşa’ will be provided and subsequently an episode analysis will be done.

**Keywords:** Turkmen, Saga, Variant, Varka-Gülşa.

### 1. Introduction

In the Turkmen saga tradition, there are works which are highly rich in content. The author of some of these works are known to us, however, some of these sagas are anonymous. The saga of "Varka-Gülşa" is an anonymous one. The saga of ‘Varka-Gülşa’ has been popular among the Turkmen. In the Turkmen saga tradition, some sagas are seemed to have three variants: a written variant, bard-narration variant, and a folk-narration variant. This is the same case for the saga of ‘Varka-Gülşa’ as well. The saga of ‘Varka-Gülşa’ has been conveyed from generation to generation and it has come up to the present day both in a written and oral form.

The saga of ‘Varka-Gülşa’ was firstly published as lithography in Tashkent in 1908 (Yazberdiyew, 2004, p. 154-155). In the Soviet era, folk-narrative compilations of the saga were collected around Sarahs in Turkmenistan and then were translated into Russian language. A variant of the saga of ‘Varka-Gülşa’ has been included in a book called ‘Sistan Tales and Sagas’. In the foreword of the book, it is mentioned that those who prepared this example of the saga in 1975 are A.L. Gryunberg and I.M. Steblin who had listened to it from Ismail Yarmemedov while they were doing scholarly studies around Sarahs (Skazki i Legendı Sistana, 1981, p. 9-11).



The Turkmen saga of 'Varka-Gülşa' has three variants. These are written, bard-narration and folk-narration versions. Written variant of the saga is presented in a symposium titled 'the Sacred Ruhnama and the Rise of the Civilization of the Eastern People' by N. Seyidow in 2003. The title of his study presented in this symposium was 'Turkmen variants of the saga of Varka-Gülşa' (Seyidow, 2003, p. 73-75). The proceeding of the symposium was published as a book in that year. Seyidow informs that the written sample of 'Varka-Gülşa' is prepared based on the variants that are kept in Turkmenistan National Institute of Manuscripts named after Turkmenbashi. The documents are filed under the numbers 978, 1025 and 1453 (Seyidow, 2005, p. 131).

The bard-narration variant of the saga is taken from the archives of B. Mammetyazov. In this variant, the poem is written in the form of a prose. Some Turkmen proverbs are mentioned there as well. Features and formats of classical poetry are used skillfully in the bard-narration variant. The trace of the Turkmen bard-narration tradition is seen in this variant of the saga.

The folk-narration variant of the saga has been taken from a document filed under the number of 2940 in Turkmenistan National Institute of Manuscripts named after Turkmenbashi. B. Mammetyazov recorded this variant from Baynazarow Hazretguli who was living in Farab region of Lebap province in 1964. Then Mammetyazov delivered it to the National Institute of Manuscripts (Seyidow, 2005, p. 131-132).

Just as in the case of 'Varka-Gülsha', many of the Turkmen sagas have several variants. One of them is the saga of 'Şasenem-Garip', which has got seven variants prepared by A. Rahmanov (Rahmanov, p. 1992). Providing different variants of a saga ensures it to be more comprehensible.

Sagas are literary works reflecting the culture of their society. They are transferred by the bards from tongue to tongue throughout generations; thus gaining a richer content. Garriyev defines "saga" as "the oral and written literary works of the past, which have a plot, and produced as a prose and poem (Garriyev, 1982, p. 82-83). Geldiyev states that events are mentioned in prose parts of the sagas, whereas feelings and thoughts of heroism are in the poetic parts of the sagas (1997, p. 33). It is seen that Turkmen sagas are usually written in the form prose and poem. Although the written and folk-narration variants of the saga of 'Varka-Gülşa' is written in the form of prose, the bard-narration variant is written in the form of both poem and prose.

Turkmen saga narrators are called 'bakhshi' (bard). The 'Bakhshi' are mentioned as they were reciting poem with a musical instrument called dutar in Arminius Vambery's book titled 'A False Darwish's Central Asian Trip' (Vambery, 2011, p. 76). Köprülü describes bakhshi as "a folk poet performing poems with a two-wired tanbura" (Köprülü, 2012, p. 147). As is seen above, Turkmen sagas are performed by bards with musical instruments.

In this paper, the text that is published in the book prepared by Nuri Seyidow is taken as the basis. At first, summaries of the characteristics of each variant of the saga will be given below. Afterwards episode analysis of the three variants will be done.

While analyzing the text by its episodes, we considered the classifications mentioned by Ali Berat Alptekin (2005) and Fikret Turkmen (1995) in their books. Both of the books have common subtitles for classification. In this paper, we decided to adopt the classification and subtitles used in Ali Berat Alptekin's work. Here are the ten subtitles to be used in the analysis of the saga: Hero's family, birth, giving a name, education, falling in love, encounter with the lover, leaving the homeland for far away, marriage of lover to someone else, returning to hometown, result.

## **2. Literature Review**

### **2.1 The Epic of Varka and Gulsha**

#### **2.1.1 Example of the Epic as Written**

The fathers of the lovers are generous chiefs of the Tribe of Sheyban. Varka's father is Hemam, and Gulsha's father is Helal. Hemam has a son, and Helal has a daughter. They named the girl Gulsha and the boy Varka. There is a tradition in the tribe. According to this tradition, babies born on the same night are arranged to be married. Varka and Gulsha are promised to each other in this way. They are both given to a nanny. Varka and Gulsha fall in love with each other, just as Leyli and Majnun. Varka and Gulsha begin preparations for their marriage. The leader of the Tribe of Sap, Beni Amr, falls in love with Gulsha. He kidnaps Gulsha and escapes with her. Varka learns that Beni Amr has run away with Gulsha, and he goes and rescues her. Beni Amr and Varka raise their armies and go to war. Gulsha is taken hostage by the enemy. Varka's father dies in the war. Varka is also taken captive. Gulsha acts as though she loves Beni Amr. Varka falls into a trap during the war. Gulsha rescues Varka. Varka kills Beni Amr. Helal's wife comes out against Varka and Gulsha's marriage. She asks for the bride price from Varka. Varka asks for help from his uncle Selim Shah, who lives Yemen.

Varka goes to Yemen. Varka meets with the vizier and introduces himself. The vizier explains to Varka what is going on in the city. Varka fights alone against the enemy's army. Varka saves Selim Shah from the enemy's clutches. Antar Shah cannot accept being defeated by Varka. He decides to wage war. The crafty vizier prepares a plan. Before the war, he has a trench dug in the square.

Varka is captured in the war. Malik Antar hands Varka over to the executioner. He commands that Varka be killed. Just when the executioner draws his sword to kill Varka, Varka prays to Allah. He prays to be reunited with his love. His pleas are so desperate that the executioner pauses. He cannot kill Varka. They kill Malik Antar Shah.

A Padishah named Muhsin from the city of Sham falls in love with Gulsha and marries her. Muhsin Padishah brings Gulsha to Sham. Varka stays in Yemen for a long time. He asks for permission from Selim Shah to return home. Selim Shah gives Varka money, provisions, and soldiers. Helal comes to Varka. Varka asks what has happened in the tribe. Helal tells Varka that Gulsha has died. Varka goes crazy. Gulsha's closest friend witnesses Varka's state and becomes convinced that he is still loyal to Gulsha. She approaches Varka. She tells him that Gulsha has not, in fact, died, and that he has been deceived. The girl gives Varka the ring that Gulsha had entrusted to her. Varka leaves for Sham. On the way, he runs into forty bandits. He fights with them and defeats them all. While Varka is fighting with

them, he is wounded in several places. He is weakened. He sits motionless on his horse. His horse takes him to the city of Sham. Muhsin Padishah helps Varka. Varka meets with Gulsha.

Varka asks Gulsha for permission to return home. Gulsha is very sad. Varka leaves Gulsha. As he is returning home, he dies at the place where he has paused for a rest. Gulsha hears that Varka has died. She comes to Varka's grave and commits suicide. Muhsin Padishah has a shrine built over the graves of the lovers. The lovers miraculously come back to life and are reunited with each other.

### **2.1.2 Example of the Epic as Told by a Bard**

In the country of Arabia, the Padishah of the Tribe of Sheyban has twin sons, Helal and Hemam. Helal is a Padishah, and Hemam is the head of a district. Both sons remain childless until the age of forty. Helal has a daughter, and Hemam has a son. The two fathers arrange a marriage between their young children. The girl is named Gulsha, and the boy is named Varka. Varka and Gulsha go to school together. According to the tradition of the tribe, after the age of twelve, children are not allowed to leave the house. After this age, Gulsha's parents stop sending her to school. Varka both goes to school and learns the art of warfare.

Varka's father dies. Varka's mother appears before the Padishah. She reminds him of the arrangement between their children. Helal's wife requests the bride price. Varka's mother asks for some time to get the bride price together. Varka goes to Yemen. The journey takes him forty days and forty nights. Varka reaches Yemen. He meets with his uncle, Selim Shah. He gives him the letter that his mother had written. Selim Shah agrees to help, but he says that there is one problem. He says that enemy soldiers will soon invade the city. He asks for help from Varka in fighting against them. Varka fights alone against the enemy soldiers and defeats them all. Selim Shah gives Varka as much gold as he wants. Varka stays in Yemen for forty days. Varka asks for permission to return home from his uncle, Selim Shah. Selim Shah says that Varka can return home as long as he promises to return to Yemen with his mother after he is married. Varka reaches his home forty days and forty nights later. He sends a letter to the shah of Sham in the name of Helal Shah. In the letter, he asks for Muhsin Shah to come and take Gulsha. Muhsin Shah sends an envoy.

Helal's wife likes the idea of having the Padishah of Sham for a son-in-law. The vizier doesn't want Varka. The cunning vizier and Helal's wife influence Helal's decision. The tricky vizier tricks the people with the pretense that Varka and Gulsha are getting married. He sends Gulsha to Sham. As Gulsha is leaving the city, she gives a ring to one of her friends and entrusts her with giving it to Varka. Varka returns home. He hears that Gulsha has died. Varka's mother passes away. Varka sells everything he owns and takes to living like a dervish at the grave of Gulsha. The girl to whom Gulsha had given her ring approaches Varka and gives him the ring. She explains the truth to him. Varka leaves for Sham.

Muhsin Padishah marries Gulsha. Gulsha asks Muhsin Padishah to build her a pavilion. The Padishah has the pavilion built. In her pavilion, Gulsha hosts travelers and others who are in need. This becomes a tradition. Varka comes to the pavilion, but Gulsha doesn't recognize him. Varka is devastated. As soon as he sees Gulsha, he faints. The servants bring him back to consciousness. Varka and Gulsha talk, then

Varka leaves just as he came. Gulsha becomes depressed. Varka goes to live in a cemetery in the mountains and dies there. Messengers tell Gulsha that Varka is living in a cemetery in the mountains. Gulsha comes to Varka, but Varka has died. Gulsha embraces Varka's lifeless body, and she dies, as well. Miraculously, the two lovers come back to life and are reunited with each other. Muhsin Padishah has a house built for them in the mountains, and Varka and Gulsha live together there.

### **2.1.3 Example of the Epic as Told Amongst the People**

A long time ago, in the city of Yemen, there were two friends. One of their names was Helal, and the other was Hemam. Helal Han was the vizier of Hemam. Until the age of forty, they remain childless. The two of them leave the city and travel out into the desert. They lie down in a graveyard. They promise that if they have children, they will arrange a marriage between them. They prepare the official documents to this end. Helal has a daughter, and Hemam has a son. The boy is named Varka, and the girl is named Gulsha. The two lovers go to school together. This continues until the time when Gulsha's father won't give his daughter to Varka.

Love blossoms between Varka and Gulsha. Varka's father passes away. Helal doesn't want to give his daughter to Varka. Gulsha and Varka remain apart. Gulsha cannot stand the separation and becomes ill. Gulsha sends the official document proclaiming her engagement to Varka, along with a letter, with her servant to give to Varka. Gulsha's father breaks his word. He doesn't give his daughter to Varka. He asks Varka for the bride price. Varka sees his uncle Kasim, who is in the city of Kiyam, in his dream. Kasim asks for help from Varka. Varka writes a letter to Gulsha and sends it to her, along with a ring. Varka arrives at his uncle's side after a journey of forty days and forty nights. Kasim explains that Mahmud Shah has come to invade the city of Sham. Varka wages war against the enemies of Kasim Shah and kills them. Forty days of celebration take place. Varka returns to his home with the money and provisions given to him by Kasim Shah. Varka's mother had asked Helal for three months, but Varka returned six months later. Helal tricks his daughter and tells her that Varka has died. He wants to distance his daughter from Varka.

The vizier of the city of Kenan used to travel between cities. He arrives in Helal's city. The vizier sees Gulsha. He writes a letter telling of Gulsha's beauty and sends it to his Padishah, Sengan. Sengan Padishah comes to ask Gulsha's father for her hand in marriage. Helal does not consent. Sengan Padishah is very disappointed. An old, cunning woman comes to Sengan Padishah. She tells him she will help him in exchange for gold. The old woman gives Gulsha to Sengan Padishah through the use of trickery. Gulsha entrusts her servant Dohvlet with the ring on her finger and instructs her to give it to Varka.

Sengan Padishah goes to the city of Kenan with Gulsha. Gulsha says that she will not be together with Sengan Padishah. She tells him that she is in love with someone else. The Padishah respects Gulsha's wishes and accepts her as a friend. Varka reaches his home. Gulsha's mother and father tell him that Gulsha has died of an illness. Varka is very sad. Gulsha's servant gives the ring to Varka. She explains the truth to him. Varka takes Gulsha's mother and father with him to Gulsha's grave. He digs up the grave and finds a dead sheep inside. It becomes clear that Gulsha's parents have lied to him.

In order to be reunited with Gulsha, Varka travels to the city of Kenan in the guise of a dervish. He fights with forty bandits on the way and kills them all. Varka is severely wounded. His horse carries him to Sengan Padishah's garden. The Padishah has Varka treated. Varka meets with Gulsha. Varka asks for three months to go to Kasim Shah's city. Gulsha opposes Varka's proposition. She doesn't give him permission to go. Later, Gulsha gives Varka three days' permission. Varka begins his journey. On the way, he commits suicide at the place where he is taking a rest. When Gulsha hears that Varka has died, she also kills herself. The Padishah lives next to the lovers' graves. A hizir comes to that place and prays for the lovers to come back to life in order to be reunited with each other. The lovers are reunited, and they live for forty years.

Table 1: Episode analysis of Turkmen "Varka-Gülşa" saga

Written variant	narrative variant of bard	Folk narrative variant
1. Family of hero		
Gülşa's and Varka's fathers were commanders of tribe Sheyban	Sultan of the Sheyban tribe had twin sons. One of them was Helal the other one was Hemam. Gülşa's father was Sultan Helal, Hemam was a vizier.	There were two friends in Yemen city. Helal was Han, Hemam was vizier. Gülşa's father was Han, Varka's father was a vizier.
2. Birth of heroes		
There was nothing extraordinary on both Gülşa's and Varka's birth.	Helal and Hemam did not have a child until the age of forty. There was not any extraordinary situation about the birth of lovers.	Helal and Hemam's did not have a child until the age of forty. There was not any extraordinary situation about the birth of lovers.
3. Giving a name to heroes		
Sultan's daughter and vizier's son were born. The name Gülşa was given to Helal's daughter and Varka was given to Hemam's son. According to tribal tradition if a boy and girl were born in same night there would be an indentation of crib.	Helal's daughter and Hemam's son were born. The name Gülşa was given to daughter and Varka was given to son. Before their children's birth Helal and Hemam did an indentation of crib.	Sultan Helal's daughter and Hemam's son were born. The name Gülşa was given to daughter and Varka was given name to son. After the birth of their children Helal and Hemam did an indentation of crib, when they were in cemetery.
4. Education of heroes		
Varka and Gülşa studied at the same school. Both of them go to school that teaches the art of war	Varka and Gülşa go to school together. According to the traditions of the tribe children are	Lovers go to school together. This situation continued until they learn that they Gülşa will not be given to

	not allowed to go out. So, Gülşa is not allowed to school. Varka goes to school and take the education of the art of war.	Varka.
5. Love of heroes		
Varka and Gülşa go the same school. They love each other since their childhood.	Varka and Gülşa go to the same school. They love each other since their childhood.	Varka and Gülşa go the same school. They love each other since their childhood.
6. Hero's meeting with darling		
Because of Varka and Gülşa do not fall in love in an extraordinary way, there is no meeting scene in the saga.	Because of Varka and Gülşa do not fall in love in an extraordinary way, there is no meeting scene in the saga.	Because of Varka and Gülşa do not fall in love an extraordinary way, there is no meeting scene in the saga.
7. Hero goes abroad		
After the death of Varka's father in war, Gülşa's mother wants money from Varka. Varka goes to Yemen to supply the money.	Varka's father died because of his sickness. Gülşa's mother wants money from Varka. Varka's mother wants three months. Varka's mother sends her son to Yemen to supply the money.	Sultan Helal wants money from Varka to marry his daughter. Based on the meaning of dream that Varka saw, he goes to his uncle who lives in Kiyan city.
8. Marriage with someone else		
While Gülşa is going to marry to Varka, Gülşa is kidnapped by the Sultan of sap tribe. Varka recues Gülşa. After Varka goes to Yemen, Gülşa is forcibly married to Sultan of the Sham.	Varka goes to Yemen to take the money. But the given time was ended up. Varka could not return back in three months. Gülşa's mother gives her daughter to the Sultan of Sham.	After Varka goes to Kiyan city, Gülşa married in the deception way to Sultan of the Kenan city.
9. Hero returning back to hometown		

<p>Varka fought with Andor Shah who was coming to invade the city Yemen and was held captive by him. Then got rid of. Selim eliminated Shah's enemies. Varka stayed in Yemen for a long time. Varka got money and returned to his country.</p>	<p>Varka went to Yemen for only three months but he returned after six months. He recieved the news that his mother and Gülşa died. Varka lived in cemetery between Gülşa's and his mother's graves. After a while he learnt that Gülşa didn't die, but she married with Sham's sultan.</p>	<p>Varka returned to his hometown after a long time. Helal and his wife told Varka that Gülşa died from disease. Varka learnt trues. He dug a grave which Gülşa was buried. He found a dead sheep in the grave. He got news that Gülşa married with Kenan's sultan and he went to Kenan city.</p>
<p>10. Result</p>		
<p>Varka stayed in Yemen for a long time. When he returned his hometown, he got news that Gülşa died. Normally Gülşa didn't die. The trick is performed. Varka learnt that Gülşa was given to Sham's sultan. Gülşa expected that Varka would come. He met Gülşa. Shortly he stayed with Gülşa then left. Varka died on the way. After Varka died, Gülşa killed herself. Miraculously two both lovers resurrected, and reunited to each other.</p>	<p>When he returned his hometown, he got news that Gülşa and his mother died. Varka lived in cemetery between Gülşa's and his mother's graves. After a while he learnt that Gülşa didn't die, just she married with Sham's sultan. He went to Sham and saw Gülşa. But Gülşa didn't remember Varka. Varka lived at the top of a mountain and died there. Gülşa learnt the location of Varka and went there. Gülşa hugged into wrapped body of Varka and died. Lovers miraculously resurrected and reunited to each other.</p>	<p>Varka customed as a dervish ang came to Kena city to saw Gülşa. He met with Gülşa. After a while he left and closed his eyes to his own life. After Gülşa learnt news that Varka died, she killed herself. Lovers miraculosly came again to life, after Hizir's praya and resumed each other.</p>

**Common features between written Varka-Gülşa saga and poet, folk narratives variants:**

1. Varka and Gülşa are heroes and lovers of three different variants.
2. In different variants, Varka and Gülşa are not common people, Gülşa is daughter of a sultan and Varka is son of a vizier.
3. In three variants, Gülşa is beloved.

4. Sheyban tribe of Sultan Helal and Sham Sultan Muhsin appear in two variants.
5. Varka and Gülşa got engaged while in cradle but they couldn't marry. Obstacles encountered.
6. Both Gülşa's and Varka's most important helpers are their maids.
7. In three variants Gülşa married by trick and force. In written and poet variants the deceiver is an old woman, in folk variant the deceiver is Gülşa's mother and vizier.
8. When Varka returned his hometown, he got news that Gülşa died. When he learnt that it was not true, he went to her.
9. Varka and Gülşa met for a short time and then separated.
10. Varka died of Gülşa's love and so did Gülşa.
11. Lovers again resurrected after death.

#### **Differences between written Varka-Gülşa saga and poet, folk narratives variants:**

1. In written version of saga Varka's and Gülşa's fathers are commanders. In poet variant, Gülşa's and Varka's fathers are twin brothers. Gülşa's father is a Sultan, Varka's father is a leader. In folk narrative variant, Gülşa's father is a king, and Varka's father is vizier.
2. In the written version of saga, Varka has a competitor called Beni Amr, who loves Gülşa. However in folk narrative variant of saga this competition does not appear.
3. Written and Folk narrative variants took place in Mecca. But folk variant took place in Yemen.
4. In different variants there are large cadres with different names.
5. In written and poet variant Varka went to Yemen to get money. But in folk variant, after his dream Varka went to Kiyani city.
6. Written and poet variants ended in Sham, but folk narrative variant ended in Kiyani city.

### **3. Conclusion**

In this paper, episodes of three variants of Turkmen epic 'Varka-Gülşa' were analysed. Common characteristics between written variant, bard variant and folk narratives variant are almost similar. It is pointed out that the three different variants are having the qualities of a saga in terms of episodes, however, the names of places and people are different in each variant. The course of the saga suddenly changes with the death of Varka's father. The chain of events comes out sequentially. The reunion of the lovers is not allowed by the girl's mother. Varka abandons his land. Although she refuses to do so, Gülşa is forced to marry someone else. Varka meets an obstacle to unite to Gülşa. After a long and tiring journey he finally gets to his loved one, but when he finds out that she is married, Varka prefers to live alone. Indeed Gülşa has not given her heart to anyone else but Varka. Both of the lovers die without living a happy life together. At the end of the saga the lovers fantastically resurrect and get together. The three variants have similar characteristics in terms of common narration and content; but they are different in terms of people and places. Written and folk-narrative variants are similar in terms of shape. But the bard-narrative variant is formed of both prose and verse. Influenced by the other two variants, the bard-narrative variant of the saga is said to be composed by a skillful bard. The poems in the saga-narrative variant proves that this variant has been penned by a bard. In this variant are the saga forms of both classical versification and folk versification. In the bard-narrative variant the features and forms of classical poetry are used skillfully. The written and folk-narrative variants of the saga are under the



influence of folk culture. In the bard-narrative variant of the saga, the poetic forms of classical literature are used. Therefore, it is understood that bard-narrative tradition is quite influential in Turkmen sagas.

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## Why Nations Fail? Daron Acemoglu: The Role of Inclusive and Extractive Institutions on Shaping Technological Change, Innovation, and Prosperity

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**Abstract:** Professor Daron Acemoglu argues in his book *Why Nations Fail? The Origin of Power, Prosperity, and Poverty* (2012), coauthored with James A. Robinson that the role played by inclusive and extractive institution is the main reason behind the huge gap in the standards of living between poor and rich nations. Such institutions emerge within the contextual political, economic, and social environment and they shape technological progress and innovation. By taking the United States as an example, Acemoglu argues that extractive institutions are enabling both economic and political inequality and contribute to the negative consequences of such types of inequality.

**Keywords:** Inclusive Institutions, Extractive Institutions, Inequality, Institutional Change.

### 1. Introduction

Described by Francis Fukuyama as one “of the world’s leading experts on development”, Professor Daron Acemoglu argues in his book *Why Nations Fail? The Origin of Power, Prosperity, and Poverty* (2012), coauthored with James A. Robinson that the massive gap in the standards of living between rich and poor nations is attributed to the different implications of the role that the inclusive and extractive economic institutions play in shaping the technological changes, innovations, prosperity in a given economy.

In his presentation at the Starr Forum conducted in Massachusetts Institute of Technology (MIT) on October 22<sup>nd</sup>, 2012, Acemoglu emphasizes that the main point of his book is to state how inclusive and extractive institutions differently impact the process of technological change and innovation, henceforth, the economic welfare of the societies in the developed and the developing economies. Acemoglu attempts to explain how inclusive and extractive economic institutions interact with inclusive and extractive political institutions. He also discuss how such institutions persist, under which circumstances they change, the process and mechanisms of this change, and the hopes for change under some circumstances.

The gap in living standards between rich and poor nations was first addressed in Adam Smith’s *The Wealth of Nations* (1776), published in the Great Britain whose economy was described as the most powerful economy therein, in the times when “the gaps between the rich and poor countries were quite small relative to what they are today” (Acemoglu, 2012). The gaps were about 4 to 5 folds among poor

and rich nations; meanwhile, it is around 50 folds nowadays. Many alternative theories were developed to explain these gaps. They were attributed to many factors. Geographical factors, like natural resources, diseases, environment, climate, and access to navigable rivers and seashores, were assumed to make some nations destined to succeed and some doomed to failure. Cultural differences were also addressed. For example, protestant work ethics were emphasized by Max Weber. Other theories in the 20<sup>th</sup> century emphasized the Judean and Christian values in business practices. Some other intellectuals, mostly economists and social scientists, argue that nations' success is attributed to the practices of their enlightened leader. These enlightened leaders, who are equipped with good advisors and consultants providing clever solutions for cases of disturbances, will be conducting the correct policies in the correct timing, consequently their nations succeed. If this theory on the nations' success or failure is constructed upon the policies implemented by leaders and solution advised by advisors, some nations' failure could be explained by policy mistakes.

## **2. Economic and Political Incentives and the Role of Inclusive and Extractive Institutions**

Acemoglu's theory on the nations' success or failure takes into consideration the economic and political incentives. These incentives are shaped by institutions, by the rules of the game in the society within the contextual economic, social, and political spheres.

In the economic sphere, the role of inclusive economic institutions that enhance democratic practices is emphasized. Sustained, long-run growth is based on technological change, innovation, creative destruction. Any society that uses only the energy and creativity of one fraction of the population will not be significantly prosperous on the long run. The catch is that most societies throughout history or even today are not ruled by inclusive institution but by extractive institutions. Extractive institutions create a biased environment where the politically powerful are protected by entry barriers. The advantaged groups dispose all the resources, the education, and confiscate from the public the right to occupy political positions, lucrative occupations and businesses.

Acemoglu differentiates between the contextual circumstances that inclusive and extractive institutions provide. For him, inclusive institutions are those institutions that enforce property rights, have judicial and contracting institutions that uphold contracts and enable individuals to develop mutually beneficial agreements, and most importantly, they provide a level playing field, both in terms of regulations that do not prevent people from entering businesses and occupations that are the best for themselves, and providing the right form of investments, infrastructure, and education that make it possible for the population at large to participate in the economic game. Inclusive institutions are likely to be supported by political inclusive institutions that work to create political equality. Meanwhile, extractive institutions do the opposite. They do not secure property rights for the majority of the population. They do not create legal environment that upholds contracts, they create a tilted playing field that suits the interest of status quo, and are supported by political extractive institutions that enable contra-democratic practices that allow the coercion of the majority by the prominent and benefited elites.

Such institutions exist and are designed for a purpose; to reallocate and redistribute resources for the interest of the political elites at the expense of the majority. The reason that extractive institutions do not support sustained economic growth is that they do not generate the course of innovation required for long-run economic growth. They block innovation and technological change for the majority of the

population, so the public can no longer take advantage of their talents, skills, and potentials. They create a tilted playing field in which much of the population coerced for the benefit of the minority. Coercive systems, like slavery, feudal-labor relations, and servile-labor relations make good examples of extractive institutions.

Usually, extractive economic institutions are supported by a set of extractive political institutions that concentrate the power in the hand of a minority of political elites, and do not allow political equality. They do not allow practices of checks and balances or constraints on the exercise of power.

### **3. Slavery and Colonization of the New World**

Acemoglu refers to what happened in Barbados in the 17<sup>th</sup> century as a good example of the concentration of the economic and political extractive institutions to preserve the interests of the status quo. In Barbados, an Island of a well-constructed rich economy depending on sugar industry, the economic system was organized around slavery which is a coercive institution per se. The extreme form of political inequality allowed for the minority to exploit the efforts and to extract the resources that belong to the majority of the population. Starting by the judgeships that was dominated by the top 1% minority that constituted of the major landowners in the Island, then to military power where the major commandants descending from the same families that owned the big plantations, ending by the political power that was dominated by politicians that belong to the same families. The elite leaders that will hold all the political, judicial, and military power should belong to the same families that hold the same interests, otherwise, they would be calling for a change in the system. They would be holding incentives to change the economic institutions for a more equal distribution of the resources in the society.

Acemoglu refers to another example to elaborate on the meanings of inclusive and extractive institutions, and on why they emerge in some countries rather than others. He used the “New World, the American continent by the 15<sup>th</sup> century, to explain why he made the claim that the alternative theories to explain nations’ prosperity are not the correct approach to follow to in order explain the gap among the rich and poor countries. The institutions in this continent have been shaped by the European Colonization starting at the end of 15<sup>th</sup> century. In South America, Spanish Royal colonial systems targeted Native Americans and Amerinds through coercive military actions in order to exploit their resources and manpower efforts to achieve economic gains. The continent conquerors were encountered with reaction of the Amerinds who were spatially scattered and could not be tamed easily as their communities were not used to agriculture and hierarchal labor systems. However, conqueror in both North and South America dominated the social institutions through their mixed marriages with the lands princesses and landowners dissents. Using such policies, they could confiscate the ownership of properties and plantations. Thus, they could develop eventually a set of coercive institutions that are backed with political authority and military power. Such economic institutions developed in Latin America did not create a hosting environment for industrialization that was developing in the other parts of the world, the thing that did not boost economic growth. Unlike the South, the Northern part of the continent that was colonized by the English with their protestant values, was more fortunate, and according to the alternative theories, a major part of this is because of the more-opened institutions that are developed in the North upon protestant values by people who were fleeing their country because of religious discrimination policies.

The Jamestown colony was led by the Virginia Company, a profit-maximizing corporation founded in London inspired by the wealth of the Spanish Royal system. As a lucrative business that extended to the New World on the hope of economic gains constructed on developing coercive institutions to exploit the resources and efforts of the native people, the conquerors were encountered by the same misfortune so they started looking for an alternative strategy. Rather than exploiting native people, the high-end work elites could bring their own homeland fellows, called the settlers, who are on the lower social strata to work on the bottom-end works. The business elites started developing harsh and coercive regulations on the settlers. So Virginia Company was eventually confronted with the fears of the runaway settlers and workers who may flee due to the coercive actions where the company may end up losing workers that it needs to nourish the business. So the second strategy was also doomed to failure.

The third strategy Virginia Company followed is the Headright System. This new system provides settlers with plots of lands and secures their property rights where they do the correct investment, grow their own lands, and sell their products to the market. In 1690, this Headright System was followed by another innovation, Virginia Company created the General Assembly by which it convinced settlers that the political power is transferred to them and that they are capable of deciding the political direction of Jamestown colony. So the circumstances made the way for this institutional transformation.

In conclusion, the institutions which emerged in each part of the continent were different and emerged because of the conflict between the conquerors or the Virginia Company's elite on the one side, and the population on the other. Therefore, the economic and political interests that shape the circumstances are the reason that such economic institutions emerge and persist in a society. The divergence between the North and the South is attributed to the differences among the economic and political institutions that emerged in each part, not the geography, culture, or enlightened leaders as the alternative theories assume. In one case, this conflict between the conquerors or the Virginia Company's elite led to the establishment of extractive institutions in one part, that were not that successful, and inclusive institutions in the other part that proved to be stronger and more persistent over time. These different models of political institutions benefitted different sets of players. How the political and economic conflict resolve is the factor that decides the development of those institutions. It decides on how one of these two models would persist on the expense on the other one.

In the 19<sup>th</sup> century, the United States became industrialized due to a set of innovations and technological changes. The big innovators were not descendents or members of rich, prominent, industrialized or influential families themselves, but they were people who were motivated by factors that helped them invest into their innovations. The secured property rights and the patent system which encouraged innovators in the United States constituted the first incentive for innovators. It enabled inventors to claim the property of their own invention, to develop it, to invest on the invention and to scale it up.

Another incentive is the inventors' belief that they can produce and scale up their invention with the available labor market through mutually beneficial contracts with other parties. Such incentives to the inventors are guaranteed by the inclusive institutions that enable property rights and patent systems. In that time, the US inclusive institutions were strong enough to overcome their challenges and threats.

The long-run failure of the extractive institutions in some countries was the reason behind the resistance of technological change and innovation in those countries. In the United States, the political power was

not fully monopolized so not all the initiatives for innovation and technological change were blocked. However, that was not the case in other countries in Eastern Europe like Austrian Hungary, and Russia. In Austrian-Hungary which was ruled by the Austro-Hungarian emperor Francis I, who was strongly opposed to the industrialization that was taking place all over the place in France, Great Britain, alongside the flourishing railway industry in New World. Francis I considered both industrialization and railway industry as destabilizing factors. It would allow an industrial wealthy class to emerge, thus such class will sustain political power. It would also allow the emergence of labor power class that would start lobbying for a change.

#### **4. Conclusion: Shaping the Change in the United States**

For Acemoglu, the US is in the middle of an institutional storm. There are many changes having their origins in disparate places that created economic and political inequality in the United States. The first one is technological change and globalization that have been at the root of a very large increase in equality in the United States. The US income distribution and wage distribution from the 1950s, 1960s, and early 1970s, wage was increasing in tandem for almost all the population strata. But, by the late 1970s to today, the gap in wage distribution started to appear. The wage of lower-income stratum was falling out, middle-income was stationary, and higher-income was going up. Moreover, the highest increase in wages was in the high-end top 1% of the minority. The huge inequality gap appeared with top families of the society becoming very wealthy.

The second change is institutional. Many of the institutional arrangements in the United States such as unions and minimum wage, though created some economic inefficiencies, they limited the extent of inequality. Some would argue that inequality could be beneficial in terms that it incentivizes entrepreneurial initiatives, yet, one of the dangers of economic inequality that when it increases, it will translate into political inequality. Thus, the US is becoming more politically unequal. Economic inequality holds another danger. For Acemoglu, it opens the way to what he calls “the bad sort of populism”. The kind exhibited in Venezuela where on the basis of the discontent created by this kind of unfair inequality, there will be a political support of dismantling secured property rights or market institutions that are essential for economic growth and innovation.

Another cause of political inequality in the United States is the educational institutions. Acemoglu argues that the educational system in the United States is enabling the political inequality. Major part of the US economic success in the 19<sup>th</sup> century was due to the fact that it was globally ahead in terms of investing on human capital. Education system should be revolving around institutions that enable innovation and technological advances. Yet, except for few universities like MIT and Stanford, not as many universities hold innovation-friendly environment any more. Even the quality of high school and college education has been declining lately during the last decades of the past century and the current century. Thus, the educational system is turning the universities and colleges into institutions that enable extractive institutions rather the inclusive ones.

Money also matters in terms of political inequality. Money has been playing much more role in politics. The modern political campaigns are more money-intensive than before. There are many evidences that show that money matters much more in politics. Politicians listen much more to the wealthy, they also influence much more to the wealthy. The US patent system which was underpinning technological

change in the 19<sup>th</sup> century became an impediment to economic growth. Patents are becoming entry barriers to many companies as companies nowadays are not bought and sold for their ideas or productive capacity but for their patent treasures.

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## The Role of Moral Values and Systematic Informing in Aim-Based Education

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**Abstract:** Educator`s job is sacrificing because all the great personalities made are their fruits. Therefore, they have to dedicate themselves to build a golden generation. This work is not easy as it is thought to be. Hence, they have to be spiritually and materialistically wealthy. Learners in institution today are mostly aimless and purposeless. They need motivators, guiders or inspirers who give aims to the learners sufficiently. In this article, how aim-based education can be given to learners, the role of educators and moral values will be mentioned.

**Keywords:** Dedicated, Inspirer, Aim-Based Education, Generation

### 1. Introduction

Generally speaking, one of the major problems that university students have is to define their future career. Educators have a great responsibility to develop character via aim-based education. Clearly identified aim based education consists of significant parts one of which is moral value. King (1947) states that “the most dangerous criminal may be the man gift with reason but no morals... we must remember that intelligence is not enough. Intelligence plus character, that is the goal of education” (p.1). From this point of view we grasp the meaning that character education ensures students` motivation and it directly demonstrates that the moral value plays a big role in aim based education.

It is significant to explain the meaning of moral value as the aspect of motivation. Because, aim based education includes motivation with the help of moral value. Moral value is associated with the distinction between right and wrong. Moral value is a concept that governs human behavior, and it can show right or wrong actions or thoughts and also utilize all part of human life practice in order to raise motivation.

The second one is the systematic informing: Dewey (1933) indicates that “the purpose of education has always been to everyone, in essence, the same—to give the young the things they need in order to develop in an orderly, sequential way into members of society” (p.441). It is clear that systematically and orderly given information is a great value for aim based education. Recently, there have been many students that wander around with a pale soul (unmotivated) and aimlessly. Apparently, in order to reach goal orientated students we can initiate from classified activities that include moral values. Because, it is known that classified techniques, exercises and packaged methods can be distributed to students partially according to receiving capacity and liability of the students. In this context, if we don`t use the indicators



that show us the way, we won't be successful. Unless a person learns to set goals, recognize and gauge feedback in their activities, he/she will not enjoy them (Csikzentmihaly et al., 1991). It means all steps of the learning process should be followed in turn.

## **2. The Role of Educators in Aim Based Education**

We are to establish a connection with the role of the educators in aim based education. Hence, we should take a glance at the role of teacher. Educators should play a resolving role in the student's moral problems by using the moral value that is embedded in the part of the lesson. Kohlberg & Hersh (1977) says that "the teacher must help the student to consider genuine moral conflicts, think about the reasoning he uses in solving such conflicts, see inconsistencies in his way of thinking and find ways of resolving them" (p. 57). One of the tasks that teachers have to do is to show the students a way and build ethics and moral values in their personalities. Working as executives they are considered as moral managers. The CEO is thought of as the Chief Ethics Officer of the organization, creating a strong ethics message that get employees' attention and influences their thoughts and behavior.

Moreover, teacher's duty is to take into account the sequence of the material related to moral value like rewarding. Covington's thought (2000) looks from different perspective on the duty of teachers "by rewarding some goals and not others, teachers can change the reasons students learn, which is to say change their motives" (p.4). In addition, the duty of the teacher is to vaccinate the honesty and trust as a moral value because through teaching diligently you can convince students. Honesty also includes not lying, cheating, or stealing as teachers fulfill their professional responsibilities (Lumpkin, 2008). Teachers should have two wings to present the lessons. First, he has to be well qualified on his/her field and second, to know the universal values such as theft, honesty, loyalty, backbiting, parents' right, value of time, value of health, harmful habits and beyond these the most delicate point is to implement the universal values in his/her life. Unless teacher is honest, his students cannot be honest.

## **3. The Place of Systematic Informing in an Educator's Assessment**

Horvitz (1985) suggests that "a systematic assessment of student's beliefs would increase student learning and satisfaction in foreign language methods class" (p.1). It is identified that systematic assessment of student's belief influences on learning process. Learning oriented students get motivated to learn in order to achieve their skills and satisfy their curiosity, learn new things, and aim the complete understanding of the subject matter (Akin, 2008). Considering the last phrase of the sentence, it is possible to extract that the better you want to understand the aim of the subject matter, the deeper knowledge you need. Consequently, in order to get the aim comprehensible, students are required systematic informing that means to have well classified information regarding its own steps. For instance; let's imagine if all topics and syllabuses are given at once to students, definitely failure is unavoidable. Therefore, systematic informing is necessary regarding the demoralization for the students.

## **4. Where to Use Aim-Based Education**

In the light of the explanations till now, we have tried to give information about the role of aim based education through moral values and systematic informing based on the educators. In this part of this article aim-based education usage areas will be discussed.

Moral value is an inevitable concept to remember to use in any learning areas. Mukti & Hwa (2004) adds that “there is a need for computer-aided learning materials in educational activities, which can provide students with practice and foster moral values at the same time” (p.1).

Moreover, moral values can be utilized by means of extracurricular activities on behavior training of EFL students. Extracurricular activities can take away students from a harmful atmosphere they are exposed to. In addition, we can correlate place-based education and moral values together. In order to educate well-bred citizens, educators should heighten commitment and appreciation. Sobel (2004) expresses that “I am done with great things and big things, great institutions and big success, and I am for those tiny, invisible, molecular moral forces that work from individual to individual by creeping through the crannies of the world like so many rootlets, or like capillary oozing of water, yet which, if you give them time, will rend the hardest monuments of man’s pride” (p.6). Most of the authors claim that moral helps to write mock epics and different kinds of poems. Moral gives information about the aim of the writing and may talk about the teaching of the poem or it may interpret some messages to the readers as well.

Last but not least, embedding the ethnic factors in the aim based education also has a role to gain advantage from the situation of individuals. Educators examined that person factors, such as liability, gender and ethnicity, interact with background and contextual factors to influence career choice goals and actions (Perrone et al., 2001).

## **5. The Embodiment of the Moral Values**

It is time we wrote about the embodiment of the moral values according to teachers` methods. Which methods should be applied to lead students? And what kind of sequences does this process require?

In order not to confuse the student`s mind, information should be given from the shallow to the deep. Learning goals support deep-level, strategic-processing of information, which in turn leads to increase school achievement (Covington, 2000).

Aims could be as short term and long term and both of them have their own values. For example; short term aims short term motivation. As an example asking a student to read a book until the page twenty five and saying that he/she may be eligible to get the top point among the students causes short term motivation.

Contrary to preceding sentence, long term aims long term motivation. For instance; let`s think about a student who likes football so much. If you show him/her a numbered uniform as a target, it will bring short term results. But, if you motivate her/him saying that doing successful things in the team his/her name will be written in history and being an important character will cause a long term result. As McAdams & Olson (2010) describes that “goals may be conceived at many different levels. They may range from short-term tasks, such as getting my car fixed today or finishing this paper by the end of the month, to such lifelong aims as attaining financial security” (p.9). Moral values can be interspersed on the course emphasising the advantage and disadvantage of the social and ethical issues. For example: If we analyse a few ethic terms like honesty, trust and back biting as the piece of the moral value, we can make better inference. Regardless of the order, if we study the backbiting, we can find the sociological

impact of the back biting. We may tell our students to suppose that one of their classmates backbites the other, he/she observes the situation and he/she might think that if an individual backbites others then he/she might backbite about him/her as well. As a result, there will not be trust among students.

Furthermore, to provide goal for students, it is better to use well-balanced data that relates to trust. Because, only the society with a high degree of social trust will be able to create the flexible, large-scale business organizations that are needed to fight in the new global economy (Fukuyama, 1996). These examples make a point in students mind about their carrier. To finalize ideas in students' mind about the future is placed giving healthy examples.

## 6. Conclusion

Moral values and systematic informing in aim-based education are vital and depending on the following sayings by Gulen and Unal (2007); "morals are a set of noble principles that originate in high spirituality and govern human conduct" and "while something has been improved it becomes cleaner and brighter, better and more orderly than it formerly was indicated" it can be concluded that aim-based education holds an important place in shaping moral values of individuals. Delivering moral values systematically in aim-based education is the work of great spirited educators and educators of service. If the educators are worried about today's youth, they have to pay much more attention to how to deliver moral values through aim-based education. Because, healthy generation only can be trained and developed with moral values that is be given in aim-based education.

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## **The Relationship between Employee Engagement and Corporate Social Responsibility: A Case Study of Car Dealership in Erbil, Kurdistan**

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**Abstract:** The increasing awareness of the subject of corporate social responsibility has raised the questions about whether if there is a relationship between employee engagement and corporate social responsibility. Corporate Social Responsibility (CSR) is considering an important element of company's performance and its activities so employee's engagement will have its effects. The purpose of this research is to examine the relationship between employee engagement and corporate social responsibility. The study was carried out car dealerships in Erbil, Kurdistan. In total, 53 participants involved in this study. The findings of this study revealed that higher employee engagement level could be attained by higher level of corporate social responsibility, accordingly the research hypothesis supported. The limitation of this study was the small sample size; the researchers recommended obtaining bigger sample size for similar studies in the future.

**Keywords:** Corporate Social Responsibility, Employee Engagement, Erbil, Kurdistan

### **1. Introduction**

Corporate social responsibility is a valued important concept which can be considered as one of the factors of success to any organization or company, CSR is a concept which has many explanations and has many economic, environmental and social dimensions. CSR is considered an important element of company's performance and its activities so employee's engagement will have its effects. The connection between these two variables exists because employee plays an effective role in firm's success.

### **2. Literature Review**

Corporate social responsibility is a valued important concept which can be considered as one of the factors of success to any organization or company. CSR is a concept which has many explanations and economic, environmental and social dimensions. The interests about this concept are increased among businesses and the government, also have opened a lively discussion between numbers of scientists. Increasing the interest in the first place and the effort all the organizations make contributed to improve labor standards and procedures for anti-corruption (Loup & Koller, 2005). The roots of CSR concept as we know it today have a long history. Better understanding of CSR is not only useful for knowing the relationship between businesses and their stakeholders but also contributes to understanding and having better idea about what should be the role of business in development and their contribution to the society

(Sandra, 2004). The idea of the corporate social responsibility is not new or radical; the core principle that the corporation has responsibility to society beside the profit maximization objectives has long historical roots. The social responsibility of business (1900-1960) the idea and practice of CSR was a live and growing. Involving businesses with community issues and business was familiar to many leading companies in the first of 20<sup>th</sup> century (CSR 2005). Employees nowadays are more aware of the expansion of obligations and the responsibility of the firm toward the society, this means that the employers are considering this issue very importantly and it should be taken seriously from managers and firms (Valentine &Fleischman, 2008). The key for success in each organization is the enthusiastic engagement of employees at all levels of the company. Engaging employees in corporates responsibility is one side of being a responsible business since the work place is affecting the employees so involving them with CSR will lead to improve their performance and increasing the reputation of the organization simultaneously (Campbell, 2007).

Organizations can take advantage of ideas, visions, experience, passions, and the commitment of all employees when it comes to business responsibilities. This can lead to a great achievement by engaging in the employees to those kinds of activities or corporate responsibilities towards society, environment, humanity and so many other cases (Campbell, 2007). CSR is a great engagement tool to make the employees know that the company care about the workers, general interests and social commitment as well. While there is no single agreement about for the definition for employee engagement, there is agreement that engagement takes more than just motivation and performance. In common topics has been found that in most definitions employee engagement includes commitment to and belief in the organization with its value beside the willingness and the ability to contribute in the organizational success.

Many studies emphasize that the emotional connection and the hope for the future in that company or organization affect the engagement of the employees to corporate social activities. CSR for engaging the employees has impact on their motivation, identity, and sense of meaning and purpose. It explores three different ways to engage the employees with CSR activities, a transactional approach where programs are conducted to meet the needs of employees who want to participate in those kind of activities, a relational approach, based on a psychological contract that emphasizes social responsibility, and a developmental approach which aims to create a social responsibility in a company and to develop its employees to be responsible corporate citizens (Lockett, et al., 2006).

Recent research studies show the low level of employee engagement, for example, an Aon Consulting survey reverses that less than one-third of employees are engaged, and that two of five employees would not recommend their employer as a place to work. In addition, in a study of Conference Board survey of employees in 2005 found that two-thirds of workers do not feel motivated to push employees to their business goals, 40% feel disconnected from their employers and another 25% are just coming for the sake of the money (salary). Studies show that CSR is an emerging and increasingly important driver of employee engagement. The two most important sources for this evidence are surveys and academic studies (Mirvis, 2012).

### 3. Conceptual Framework

#### 3.1 Research Model

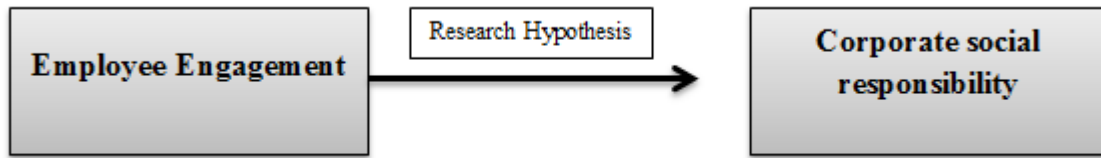


Figure 1- Research Model

#### 3.2 Research Hypothesis

Higher employee engagement level can be achieved by higher level of corporate social responsibility.

#### 3.3 Research Methodology

The purpose of this research is to examine the relationship between employee engagement and corporate social responsibility. The study was carried out among car dealerships in Erbil, Kurdistan. Total of 53 participants involved in this study. Five point likert scales was used in this study ranging from not important at all to very important.

### 4. Data Analysis

Table 1- Demographic Analysis

Items	Scales	Frequency	Percent
Gender	Male	30	55.6
	Female	24	44.4
Age	20-29	18	33.3
	30-39	17	31.5
	40-49	13	24.1
	50-59	6	11.1
Education	Bachelor	45	83.3
	Master	9	16.7
Experience	Less than one	9	16.7
	1-5	26	48.1
	6-10	17	31.5
	11 and over	2	3.7

The above table (1) demonstrates the participants' demographic analysis participated in this research. In regard of the participants' gender; 55.6% of the participants were male while 44.4% of the participants

were female. In regard of the participants' age; 33.3% of the participants were from 20-29 years old, 31.5% of the participants were 30-39 years old, 24.1% of the participants were 30-39 years old, 11.1% of the participants were from 50-59 years old. In regard of the participants' level of education; 83% of the participants had bachelor degree and only 16.7% of the participants had Master degree. In regard of the participants' experience(s) 16.7% of the participants had less than one year of experience, 48.1% of the participants had 1-5 years of the experiences, 31.5% of the participants had 6-10 years of the experiences and only 3.7% of the participants had 11 years and over of the experiences.

Table 2- Reliability Tests

Items	Cronbach's Alpha	Number of Items
Employee engagement	.849	10
CSR	.775	10

The above table (2) shows the reliability test of 10 items for employee engagement and 10 items for corporate social responsibility. The Cronbach's Alpha for ten employee engagement's ten items = .849 which is greater than .6 this means that ten items used for employee engagement factor were reliable for this study and the Cronbach's Alpha for ten corporate social responsibility's ten items = .775 which is greater than .6 this means that ten items used for corporate social responsibility factor were reliable for this study.

Table 3-Correlations Analysis

Factors	Pearson Correlation	Engagement	CSR
Employee Engagement	Pearson Correlation	1	.858**
	Sig. (2-tailed)		.000
	N	54	54
CSR	Pearson Correlation	.858**	1
	Sig. (2-tailed)	.000	
	N	54	54

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The above table (3) shows the correlation analysis between employee engagement and corporate social responsibility. The value of Pearson Correlation = .858\*\* which is greater than 0.01 this means that there is a positive and strong correlation between employee engagement and corporate social responsibility.

Table 4- Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.858 <sup>a</sup>	.736	.731	.39631

a. Predictors: (Constant), engagement



The above table (4) shows the value of R Square =.736 which means that 73% of the variables are explained in this study.

Table 5- ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	22.808	1	22.808	145.220	.000 <sup>b</sup>
Residual	8.167	52	.157		
Total	30.975	53			

- a. Dependent Variable: CSR
- b. Predictors: (Constant), engagement

The above table (5) shows the value of F for both variables (employee engagement and corporate social responsibility) is 145.220>1 which indicates there is a significant association between both variables.

Table 6- Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.278	.250		1.115	.270
engagement	.963	.080	.858	12.051	.000

- a. Dependent Variable: CSR

The above table (6) shows the value of Beta=.858 which is greater than 0.01 this indicates that there is a positive relationship between employee engagement and corporate social responsibility.

## 5. Conclusion

The main aim of this research is to find out the relationship between employee engagement and corporate social responsibility in car dealership in Erbil, Kurdistan. A multiple regression analysis was used to analyze this research. Two different variables have been analyzed; employee engagement as independent variable and corporate social responsibility as dependent variable. The findings of this study revealed that higher employee engagement level could be attained by higher level of corporate social responsibility, accordingly the research hypothesis supported. The limitation of this study was the small sample size; the researchers recommended obtaining bigger sample size for similar studies in the future.

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## **Analyzing the Association between Performance Appraisal and Legal Termination at Private Hospitals in Erbil**

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**Abstract:** The main purpose of this research is to analyze the association between annual performance appraisal at private hospitals and legal termination; the study aimed whether employees are terminated based on their poor performance after being evaluated by performance appraisal management. A quantitative method was used in this research to analyze the gathered data from four different private hospitals to find out whether employees are terminated based on their poor performance after being evaluated by performance appraisal management system. 100 questionnaires have been distributed, however only 68 questionnaires were received. The result of this research demonstrated that there is poor and weak association between the evaluation of performance appraisal and legal termination at private hospitals.

**Keywords:** Erbil, Legal Termination, Performance Appraisal, Private Hospitals

### **1. Introduction**

In today's marketplace, employees' legal termination is almost certainly the most critical decision an organization can make. The main purpose of this research is to analyze the association between annual performance appraisal at private hospitals and legal termination; the study aimed whether employees are terminated based on their poor performance after being evaluated by performance appraisal management. Performance management is defined as a strategic tactic to raise organizational effectiveness by enhancing employees' performance and developing abilities and skills of individual and group contributors (Rasheed, et al., 2011).

### **2. Literature Review**

Toppo and Prust (2012) abstracted work performance as embracing contextual performance and job performance. Furthermore, they showed that job performance associates to the skill, with which individual carries out, while contextual performance is defined as additional duty capabilities that participates mostly to the organizational environment, psychological and social to assist attaining organizational objectives or goals (Khan, et al., 2012). Contextual factors involve features for instance, continuing with additional effort and enthusiasm, volunteering to perform tasks and authorizing and supporting organizational goal or set of goals (Mohsin & Zahid, 2012). Yusoff (2014) defined performance appraisal as a process that defines the way that individual is performing a task and links those facts to the individual back. Also, suggested that performance appraisal provides information for

human resource management activities for instance, terminating, promoting, merit pay and legal termination (Adnan & Al-Adwan, 2012). The information of the performance appraisal could also deliver effort and contribution for employee training and development (Arumugam, et al., 2011). Moreover, performance appraisal offers participation and involvement for the endorsement of selection actions and human resource planning (Khair & Saeed, 2011). Individuals' performance is assessed by their managers and other external sources for instance, stakeholders like customers. There are some approaches for performance appraisal (as shown in figure 1). These approaches are categorized in three main groups. The first group of performance appraisal approaches is (GRS) Graphic Rating Scales; this approach is considered the most common method and tactic to use for performance appraisal. According to this approach employees will be measured or assessed by 5 point scale or 7 point scale. The second group of performance appraisal approach is comparison tactic which includes forced distribution, rank-order and paired comparisons among employees. In this technique employees will be assessed towards each other. In terms of the rank-order technique, individuals will be rated from high-low on a provided performance measurement. Though, meanwhile rank-order technique has ordinal scale features, therefore, performance measurement or evaluation will not be so accurate. Furthermore, in terms of paired comparison technique, each individual within an organization will be compared with other individuals and both individuals will be evaluated to find out which individual is the best. The technique is normally used to evaluate individuals on total capability to perform the task. Finally, forced distribution technique considers an effective technique among all methods, when the amount of individuals being assessed is high. According to this technique, the estimators allocate individuals and measures ranging from poor-good (Hameed & Waheed, 2011).

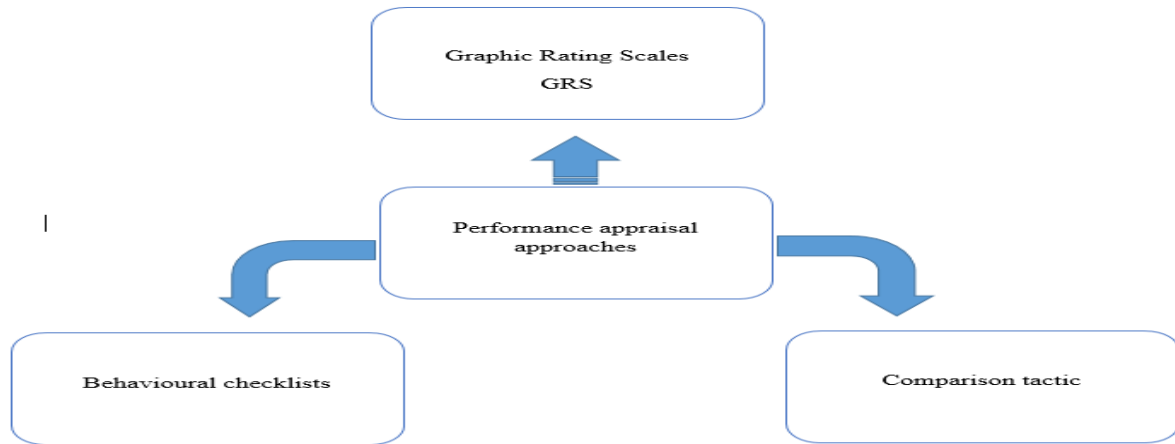


Figure 1-performance appraisal approaches

The third group is behavioral checklists. This group is consisted of the practices (as shown in figure 2) such us (BOS) behavioral-observation scales, (MSRS) mixed standard rating scales and (BARS) behaviorally anchored rating scales. The first group which is BOS is created to enhance BARS. In this case, the evaluators assess an individual on the rate of recurrence of serious incidents or particular individual behaviors.

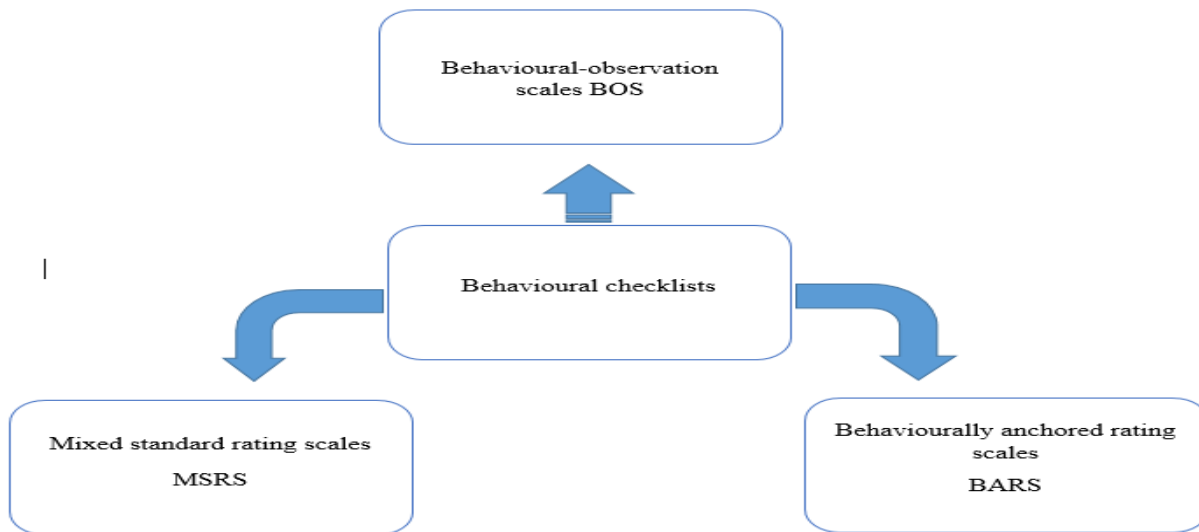


Figure 2-Behavioral checklist

The evaluator perceives the individual for assigned time of period and assesses an individual on a serious event scale. The second group (MSRS), concerns of the nature of performance element and the stages of performance defined. In this case, an individual is rated after evaluators' reaction for performance dimensions. Evaluators react to a specific behavior that illustrates average, low and high for each performance dimension. Finally, the third group which is BARS is a mixture or integration of rating scale methods and behavioral incident. In this case, individuals' performance will be assessed on unanchored scale (Gbolahan,2012).

### 3. Conceptual framework

#### 3.1 Research model:

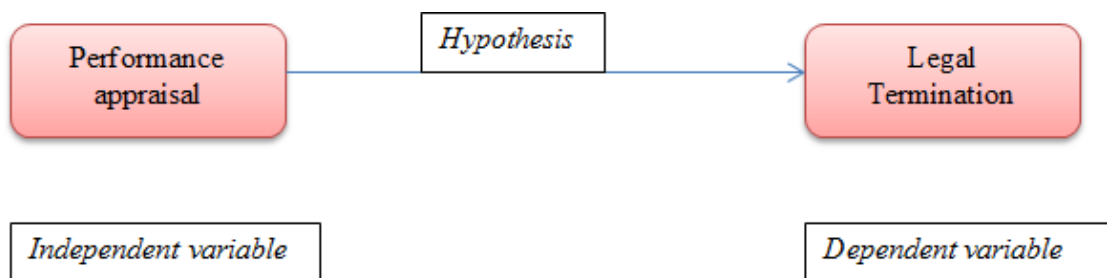


Figure 3- Research Model

#### 3.2 Research Hypothesis:

**Hypothesis:** Higher employee performance level lead to decrease number of employees' legal termination.

#### 4. Methodology

The study was carried out at four different private hospitals in Erbil. The main purpose of this research is to analyze the association between the annual performance appraisal evaluation and legal termination at private hospitals. A quantitative method was used in this research to analyze the gathered data from four different private universities to find out whether employees are terminated based on their poor performance after being evaluated by performance appraisal management system. 100 questionnaires have been distributed, however only 68 questionnaires were received.

#### 5. Data Analysis

Table 1-Demographic Analysis

Items		Frequency	Percent
<b>Gender</b>	Male	38	55.1
	Female	31	44.9
<b>Age</b>	18-22	11	15.9
	23-26	21	30.4
	27-32	17	24.6
	33-38	8	11.6
	39-44	7	10.1
	45-49	3	4.3
	50+	2	2.9

Table (1) shows the demographic analysis for the current study. As for participants' gender; 38 participants were male and 31 participants were female. As for participants' age; 11 participants fall in a group of 18-22 years old, 21 participants fall into a group of 23-26 years old, 17 participants fall into a group of 27-32 years old, 8 participants fall into a group of 33-38 years old, seven participants fall into a group of 39-44 years old, three participants fall into a group of 45-59 years old and only two participants fall into a group of 50 years old and above.

Table 2- Reliability Analysis

Factors	Cronbach's Alpha	N of Items
Performance appraisal	.874	14
Legal termination	.864	12

Table (2) shows the reliability test for performance appraisal as independent factor and legal termination as dependent factor. The Cronbach Alpha for performance appraisal= .874 for 14 items which is more than .6 accordingly performance appraisal's fourteen items used in this study were reliable and The Cronbach Alpha for legal termination= .864 for 12 items which is more than .6 accordingly legal termination's twelve's items were reliable.

Table 3- Correlation Analysis

Factors	Pearson Correlation	Performance Appraisal	Legal Termination
Performance Appraisal	Pearson Correlation	1	.781**
	Sig. (2-tailed)		.000
	N	68	68
Termination	Pearson Correlation	.781**	1
	Sig. (2-tailed)	.000	
	N	68	68

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table (3) shows the correlation analysis between performance appraisal as independent variable and legal termination as dependent variable. The Pearson correlation value = .781\*\* which is greater than 0.01 this indicates that there is a positive and strong correlation between performance appraisal and legal termination in private hospitals in Erbil, Kurdistan.

Table 4- Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.781 <sup>a</sup>	.610	.604	.45479

a. Predictors: (Constant), Performance Appraisal

In table (4) the value of R Square is .610 which means that 61% of the variables are explained.

Table 5- ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.383	1	21.383	103.383	.000 <sup>b</sup>
	Residual	13.651	66	.207		
	Total	35.035	67			

a. Dependent Variable: Legal termination  
 b. Predictors: (Constant), Performance Appraisal

Table (5) shows the value of F for both factors is 103.383>1 which indicates there is a significant association between performance appraisal and legal termination.

Table 6- Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.694	.253		2.738	.008
	Performance Appraisal	.804	.079	.781	10.168	.000

a. Dependent Variable: Legal termination

The value Beta=.781 as seen in table (6) is greater than 0.01 which means that there is a positive and strong relationship between performance appraisal and legal termination in private hospitals in Erbil, Kurdistan.

## 6. Conclusion

Every hospital should document the explanations and assessment for the termination decision. Integrity is improved with documented performance appraisal assessments and cases of poor performance. Hospitals should be able to provide certain procedure of performance evaluator or an effective guidance to help poor performers in enhancing their performance. The result of this research demonstrated that there is poor and weak association between the evaluation of performance appraisal and legal termination at private hospitals.

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## Predicting the Market Potential Using Time Series Analysis

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**Abstract:** The aim of this analysis is to forecast a mini-market sales volume for the period of twelve months starting August 2015 to August 2016. The study is based on the monthly sales in Iraqi Dinar for a private local mini-market for the month of April 2014 to July 2015. As revealed on the graph and of course if the stagnant economic condition continues, the trend of future sales is down-warding. Based on time series analysis, the business may continue to operate and generate small revenues until August 2016. However, due to low sales volume, low profit margin and operating expenses, the revenues may not be adequate enough to produce positive net income and the business may not be able to operate afterward. The principal question rose from this is the forecasting sales in the region will be difficult where the business cycle so dynamic and revolutionary due to systematic risks and unforeseeable future.

**Keywords:** Time Series, Mini Store, Forecasting, Business, Prediction

### 1. Introduction

Before the year of 2014, Kurdistan region, especially the capital Erbil was the most flourishing city in the Middle East economically. Investment reached tenth of billions of dollars. Construction, five star hotels and skyscrapers began loomed around the city. The economic struggle started when the Iraqi government cut KRG budget share in January 2014. Civil servants weren't getting paid on time, projects ostensibly slowed down. The same year in the month of August, ISIS (Islamic State of Iraq and Syria) attacked KRG. Then, the low oil price hit the region and the economy crippled. Even top Iraqi economist stated that it's too difficult to predict what the economy does next. The systematic risk is always at the corner and it's revolutionary. As of now, the economy of KRG is still crawling. Those risks were affecting all segment of business and they are unavoidable and undiversifiable. According to investment union of Kurdistan, more than 700 companies are already bankrupt, more than 90% of companies halted their projects and unemployment rate is above 25%. For example, computer retail business has lost more than 70%, while grocery stores have lost 50% of the sales. Presumably 2016 doesn't look bright enough from business and economic point of view.

### 2. Literature Review

According to Armstrong (1983), many organizations and entities have used planning and forecasting as a

starting point. Forecasting is an esthetic expectation regarding future actions and trends. It's a complicated activity due to the factors like cultural changes, innovation, new products, tougher participants and unstable economic condition and changes in government policies (David, 2011). McCullough and Waldon (1998) stated that sales forecast is a proposed marketing plan in the future for a specific period and unit sales volume is estimated.

Time series modeling technique can be utilized to model a series of sales data in which seasonality may cause drastic swing in sales. The examination of genuine sales data depict that the seasonality in the data can be estimated by a deterministic function and the stochastic component is a sixth-order autoregressive moving average model. Use of the both deterministic and stochastic models to develop the minimum mean squared forecast cultivate dependable results.

Doyle and Saunders (1985) specified that product quality, pricing, advertising, distribution and service practices could affect the sales of internal marketing or business methods. Franses (1991) indicated that once the sales forecast is prepared, all significant operational planning process across the enterprise becomes an important factor. Based on forecasted unit sales, the financial planning, working capital, and other essential operational needs can be tailored to that projection. Successful enterprises seem to execute well-versed decisions with excellent short term and long term projection. On the other hand, unsuccessful enterprises seem involve in activities that are limited in projections (Bass & Pilon, 1980). It is useful to measure the efficiency of sales management. Those who occupy the top hierarchal positions in the field of sales management believe that reliable sales forecast is essential in firm's strategy (Jacobson & Nicosia 1981).

### **3. Research Problem and Objectives**

One of the obvious indicators affecting sales is current environment including current political climate, economic conditions and competition. The economic and political prospective are negatively impacting sales. Future government policy may also affect the sales. Hopefully the government will be able to contain the inflation and purchasing power remains consistence. In recent months Iraqi central bank has been pouring US dollar to the market in fear of dinar deflation. If Iraqi dinar loses its power against dollar, the inflation may hit the region because above 90% of goods are imported and paid in foreign currency. In this analysis we use financial units rather than physical units due to the impact of monetary value. One of the biggest issues with forecasting is the accuracy of future sales (Chowdhury, 1994). If forecast is accurate, less capital needed for inventory and operating cost may tailor the outcome. Management will be able to revise plan to reach anticipated outcomes. Once the management discovered the future sales volume, he/she can reduce purchasing goods and lower the cost of operation.

The principal question rose from this is the forecasting sales in the region will be difficult where the business cycle is so dynamic and revolutionary due to systematic risks and unforeseeable future. On the basis of the problem cited, it got necessary to set some objectives to complete the research process and following objectives set to overcome the problem. So objectives are:

- To analyze the past performance of the small store business.
- To predict or forecast the future sales.

- To know the relationship in between past performance and future performance of the small store business.

#### 4. Research Methodology

The study conducted is a conclusive descriptive statistical study; the research comes to the decision which is rational. For the successful research, we adopted the extensive review to draw the base for concept. The design of our research is statistical as it concerns the items are to be observed and how the information and data gathered are to be analyzed. Data is taken for this study is secondary data and its available with the store manager. For the study purpose, we have taken the monthly sales in Iraqi Dinar for a private local mini-market for the month of April 2014 to July 2015. In this study the secondary data is collected from the following sources: discussion with different person, books on marketing and research methodology, authorized retailer, magazine, internet, pamphlets, etc.

#### 5. Data Analysis

The table below shows the monthly sales figures in Iraqi Dinar for a private local mini-market for the month of April 2014 to July 2015. We specifically are measuring sales to project future sales. The first column represents incremental numbers, also called subscript ( $t$ ), the second column is the actual months in a year, and third column is the number that represents a month, for instance number four represents April or eleven represents November. The forth columns are the monthly sales. In the fifth column we are using moving average to smooth out the data. Even though the sales are not seasonal, yet we have used 4 periods. The sixth column called CMA (Centered Moving Average) or based line, to get rid of irregularity and seasonality and smooth out time series data, we have centered the moving average column by averaging out only two periods. The seventh column is called ( $S_t, I_t$ ) which used classical multiplicative time-series model ( $Y_t = S_t \times I_t \times T_t$ ) to divide each actual monthly sales by CMA. For example for the month of June 2014, the ( $S_t, I_t$ ) is 1.01, which means 1% above the baseline or February 2015 is 0.86 which means 14% below the baseline. The eighth column ( $S_t$ ) we are getting rid of the irregularity in the previous column by using Average IF function so that each month has its number compared to baseline. For example, for April, we have 1.03, which translates to 3% above the baseline. The ninth column is having de-seasonal data by dividing the sales to ( $S_t$ ) column. The tenth column called Trend component ( $T_t$ ), we need to figure the Trend component which we didn't factor in when we calculated classical multiplicative model in seventh column. To calculate the Trend component, we need to get *coefficient* for *Y intercept* and *Slope* by running a *Simple Linear Regression* using de-seasonal column (ninth column) as Y variable and t column ( first column)) variable as X. As it is visible from the summary out put that the *P-value*, especially the *Slope* is *significantly* not different from Zero. To get the Trend component we simply add intercept to Slope times ( $t$ ). The final column which is column eleventh is *Forecast* column. To get forecast for the next year, we simple need increase the incremental numbers in the first column ( $t$ ) to as many months as we want, then we need multiply ( $S_t$ ) column to ( $T_t$ ) column. For example to forecast March 2016, we need to multiply 1.04 by \$61,306,415 to get \$ 63,568,803.

Table 1: Monthly Sales, Moving Average and Forecasting

T	Months	Sales / Yt	MovingAvg /	Center MA Baseline	St It	St	De seasonal	Tt	Forecast
1	Apr-14	114,646,000				1.03	110,869,365	117,717,221	121,727,121
2	May-14	114,646,000				1.00	115,079,674	115,264,578	114,830,207
3	Jun-14	114,195,000	113,149,000	113,027,625	1.01	1.01	113,027,625	112,811,934	113,977,081
4	Jul-14	109,109,000	112,906,250	112,409,750	0.97	0.97	112,409,750	110,359,290	107,118,749
5	Aug-14	113,675,000	111,913,250	111,473,125	1.02	1.02	111,473,125	107,906,646	110,038,074
6	Sep-14	110,674,000	111,033,000	109,709,000	1.01	1.01	109,709,000	105,454,003	106,381,576
7	Oct-14	110,674,000	108,385,000	106,396,125	1.04	1.04	106,396,125	103,001,359	107,142,740
8	Nov-14	98,517,000	104,407,250	102,250,250	0.96	0.96	102,250,250	100,548,715	96,877,590
9	Dec-14	97,764,000	100,093,250	95,807,750	1.02	1.02	95,807,750	98,096,071	100,099,045
10	Jan-15	93,418,000	91,522,250	90,449,500	1.03	1.03	90,449,500	95,643,428	98,782,389
11	Feb-15	76,390,000	89,376,750	88,431,375	0.86	0.86	88,431,375	93,190,784	80,501,338
12	Mar-15	89,935,000	87,486,000	86,734,250	1.04	1.04	86,734,250	90,738,140	94,086,645
13	Apr-15	90,201,000	85,982,500	87,229,625	1.03	1.03	87,229,625	88,285,496	91,292,838

1 4	May- 15	87,404,000	88,476,750	87,734,625	1.0 0	1.00	87,734,6 25	85,832,8 53	85,509 ,394
1 5	Jun-15	86,367,000	86,992,500			1.01	85,484,1 01	83,380,2 09	84,241 ,379
1 6	Jul-15	83,998,000				0.97	86,539,0 96	80,927,5 65	78,551 ,244
1 7	Aug- 15					1.02		78,474,9 21	80,024 ,999
1 8	Sep-15					1.01		76,022,2 78	76,690 ,969
1 9	Oct-15					1.04		73,569,6 34	76,527 ,652
2 0	Nov- 15					0.96		71,116,9 90	68,520 ,444
2 1	Dec-15					1.02		68,664,3 46	70,066 ,369
2 2	Jan-16					1.03		66,211,7 03	68,384 ,732
2 3	Feb-16					0.86		63,759,0 59	55,077 ,222
2 4	Mar- 16					1.04		61,306,4 15	63,568 ,803
2 5	Apr-16					1.03		58,853,7 71	60,858 ,556
2 6	May- 16					1.00		56,401,1 28	56,188 ,582
2 7	Jun-16					1.01		53,948,4 84	54,505 ,676
2 8	Jul-16					0.97			

8								51,495,840	49,983,739
29	Aug-16					1.02		49,043,196	50,011,923
30	Sep-16					1.01			47,000,363
31	Oct-16					1.04		44,137,909	45,912,564

Table 2: Months with Baseline

Months	St
4	1.03
5	1.00
6	1.01
7	0.97
8	1.02
9	1.01
10	1.04
11	0.96
12	1.02
1	1.03
2	0.86
3	1.04
4	1.03
5	1.00
6	1.01
7	0.97
8	1.02
9	1.01
10	1.04
11	0.96
12	1.02

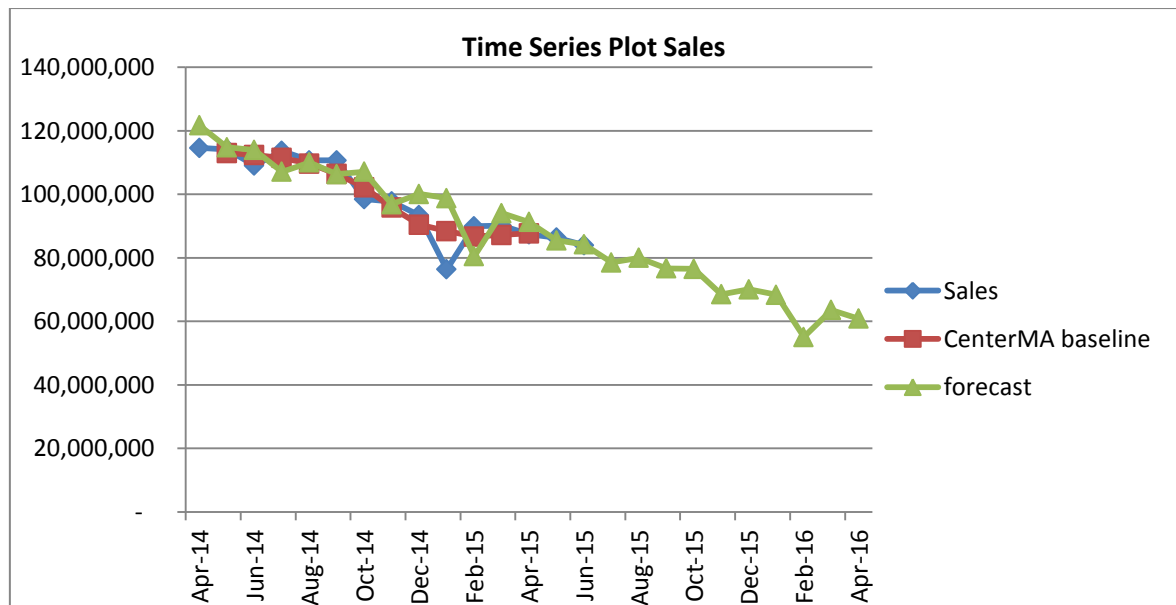
Table 3: Regression Statistics

Regression Statistics	
Multiple R	0.898373826
R Square	0.807075531
Adjusted R Square	0.793295212
Standard Error	5785943.444
Observations	16

Table 4: Analysis of Variance t Statistics and P- Value

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	1.96066E+15	1.96066E+15	58.5672596	2.29E-06
Residual	14	4.6868E+14	3.34771E+13		
Total	15	2.42934E+15			
	Coefficients	Standard Error	t Stat	P-value	
Intercept	120169865.1	3066661.495	39.18589165	1.03357E-15	
T	-2452643.751	320484.492	-7.652924905	2.28608E-06	
				0.0000000	
				0.0000023	

Graph 1: Monthly Sales, Center MA Baseline and Forecast



On the graph, the horizontal axis represents the months, while the vertical axis represents the amount of sales in Iraqi dinar. The graph has three lines, sales, CMA and the forecast. The actual value starts from April 2015 to July 2015. However, the forecast line start from April 2015 ends April 2016. In other words, we are forecasting the monthly sales from August 2015 to April 2016. We can see the sales declining month after month. In this analysis, we have used quantities forecasting methods, specifically Time Series model to forecast next twelve monthly sales, which start from August 2015 to August 2016. The past pattern or the actual data start from April 2014 to August 2015. If the economic conditions continue to decline, as we can see the trend of the data exhibits a slow decline in sales over time.

## **6. Managerial Implication**

The reason for forecasting is to maximize profit and identifying problems (Hill & Kendall, 1953). If a forecasted sale is declining as in our case study, then its management's responsibility to make adequate decision and find the viable solution to upward the sales volume (Leeflang & Witt, 2000). Even though we believe that the risk is systematic to some degree, we suggest that the management can do the following to improve the sales. Customer service should be a priority. Give extra attention to customers and improve customer relation. If a customer needs help, drop everything and go help the customer. Improve employees' expertise on products. Respond to customer's complaint should be quick, calm and positive. Improve the relationship among the employees. Treating employees with respect and caring manner, which may transfer to the customers? Happy employees make happy customer, improve the quality of product, the elegance and neatness of the market. Make the premises more pleasant, competitive pricing, not lower than the competitor, Improve credit policy, product display. Operating hours should be more than the competitors.

## **7. Conclusion**

Based on the analysis the direction should gravitate toward the restricted area of assessment and of course the knowledge and the judgment of forecaster will play an important role. The location of the premises should carefully be assessed to adopt the turnover expectation. Supermarket and grocery stores cover wide range of area from residential area to town center and to off the road gas station. It's possible that inconsistency of those convenience stores make projection a bit challenging when comes to compering one another. Therefore, it gives an opportunity for management to distinguish those factors and techniques that drive business success. Management forecasts sales based on consumer's demand, availability of goods, price and service. In our case, there's another external factor such as migration plays a role in forecasting error. In other words, the city may get inflated with sudden wave of refugees from neighboring cities. Other variables such as income and employment may lead in forecasting error as well. We have taken the most crucial and fundamental segment of small business activities related to food and household goods in Erbil city to analysis and forecast. Unlike other retail stores, we believe foods and groceries are essential and people consume them on a daily basis. As a result, a private market, located in a saturated residential area, selling groceries, meat, dairy products and fresh produce, was taken as a sample to study the past performance and project future sales. The market performance was astonishing during the pre-2014 years. Nowadays sales has dropped by 50% and gross profit margin is also down to around 10% from 20%. As revealed on the graph and of course if the stagnant economic condition continues, the trend of future sales is down-warding. Based on time series analysis, the



business may continue to operate and generate small revenues until August 2016. However, due to low sales volume, low profit margin and operating expenses, the revenues may not be adequate enough to produce positive net income and the business may not be able to operate afterward.

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## Awareness of Corporate Social Responsibility in Two Private Sectors Companies in Erbil

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**Abstract:** Corporate social responsibility (CSR) is considered as a main factor for the success of every company or organizations also when government and the country support the concept of CSR that country will face the economic growth and other good things that are related with business and humanities. This research is to analyze the extent to which private sectors in Kurdistan region are aware of CSR concept, and how much they are socially responsible. If they are involved with social activities, what are the activities they are engaged in terms of society and to their local community? For this purpose, we've used quantitative and qualitative research methods by conducting a survey questionnaire by using 13 items to analyze the awareness of CSR in Korek Telecom private company our sample was 55 employees and managers in the company and an interview with the manager of (Trident) private company. Our conclusion refers that the private company in our study is aware of concept of CSR, according to the development of the concept of CSR from last decade the private companies need to get involved with other different dimensions and activities of CSR.

**Keywords:** Social Responsibility, Sustainability, Private Sector, Erbil, Society

### 1. Introduction

Businesses cannot be successful when the society around them fails; this is a powerful quote that describes the business without Corporate Social Responsibility (CSR). Another one is CSR can be very hard for employees to relate to if we don't make it tangible to their everyday working lives; this is also a realistic saying that shows the fact of how managers should involve their employees' daily work and activities with CSR. CSR is a management concept that companies and business integrate their business operations with society and environment (Certo & Certo, 2012). CSR is generally understood as being a way of which can be achieved through balanced economic environmental and social duty. Companies initiated to engaged in CSR activities in order to respond to external environmental demands and forces (Stancu, et al., 2011). In recent years both organization and societies have significantly increased their focus on CSR. However recent developments in strategic thinking support the need to add activities that expand out from the company into society (D'Amato, et al., 2009). Moreover, companies have to focus on their strategies for their business operation and profit such as differentiation, diversification, concentration, and globalization. However recent developments in strategic thinking support the need to add activities that expand out from the company into society.

CSR is a sustainable solution that makes the benefit to the society and the environment in the same time of growing your business (Robbins & Coulter, 2012). Today our world is facing a lot of challenges starts with environmental degradation through property and human rights; it goes to the energy and the resource supplying issue. The social responsibility concept is focusing on using companies to use their capabilities to improve lives and sustain our planet through contributions to the local communities and the society. In our research statement we want to focus on awareness of CSR and how much are those private firms companies and organizations are socially responsible.

## **2. Research objective**

- 1- To find the extent to which private organizations are aware of the concept of CSR.
- 2- To identify the organization's involvement in CSR activities.
- 3- To discuss how much employees are aware of the concept of CSR.
- 4- To what extend do the private companies of our study understand the CSR in the broad sense with using all its different dimensions.

## **3. Literature Review**

CSR is defined as managerial obligation to take action that protects and improves both the welfare of society as a whole and the interests of the organization (Certo & Certo, 2012). Some authors call the concept as “going beyond profit making” (Robbins & Coulter, 2012). However, CSR also refers to transparent business practices that are based on ethics and compliance with rules and regulations, and respect for community and environment (Catalyst, 2002). The concept of CSR is not merely beneficial for the society; rather it is beneficial for the business in return (FitzGerald, 2003). Moreover, business should not be only about achieving monetary returns, it should also be about responsibility, public good and private greed (Roddick, 2010). In business world you can involve your business with CSR to be responsible and to maximize your profits. However, the concept of CSR has been involved mostly in western countries, specifically in United States of America; the historical development has received attention from policy makers and business practitioners (CEBC, 2005). At the end of 1917's perhaps the earliest most inclusive framework of CSR was proposed by Carroll in 1979 (CEBC, 2005). Carroll constructed a three-dimensional CSR conceptual model, which consisted of corporate responsibilities, social issues of business and corporate actions. Corporate responsibilities incarnate in four types: economic, legal, ethical and philanthropic. But the CSR roots goes back to at least 19<sup>th</sup> century, and far earlier some of the ‘corporations’ were hired with public goals, interest and objectives. However the early roots of the corporate social responsibility can be founded in the business practices of the successful companies in the eighteenth century (CEBC, 2005). The current CSR movements mainly attempts to make a corporate social responsibility as a main and common practice for many companies to create the impact of our world and the quality of life of the present and future generation. In CSR concept, it is vital for government to support the concept and set a fixed rate for companies to provide for CSR activities (FitzGerald, 2003). Nevertheless, researchers concluded through a questionnaire that women leaderships in terms of CSR are more responsible and responsive to CSR than men (Stancu, et al, 2011). A new trend in CSR currently is a new concept called “sustainability” that is defined as the degree to which a company or community can meet its present needs without compromising the ability of other community or companies to meet their needs in the future (Certo & Certo, 2012), and the

concept has taken a new role in business in the society (D'Amato, et al, 2009). In addition, in a research conducted in private companies in Romania stated that most of the employees are aware of the concept of CSR, but fewer are actually involved in its activities (Stancu, et al, 2011).

The effect of CSR on employee attitude is studied by Glavas and Kelley (2014) who concluded that social responsibility has additional effect on employee attitudes and behavior beyond environmental responsibility, in which they refer this reason for the relational component of social responsibility. Likewise, CSR represents a special opportunity to influence the employee's general impression of their company and affects employee's relationship with their company (Bauman & Skitka, 2012). Moreover, the role of Human Resources Department has been identified as it plays a role in contribution to aware the employees and inspires the leadership with the responsibility the organization has towards CSR (Gond, et al, 2011).

#### **4. Sampling**

Our sample method was random sampling, and population was the employees and managers of Korek-Telecom Company. The sample is 55 employees and managers in Korek-Telecom Company.

#### **5. Data Collection**

##### **5.1 Survey Questionnaire**

We conducted our research survey in Korek Telecom Company to answer the research objectives. The survey is distributed among HR department, commercial department, and accounting department employees and managers. For the questionnaire we used five different dimensions, work policies, environmental policies, market place policies, community policies, and company value. In addition, in each dimension we tried to take one or 2 question to evaluate how much private sectors considering all different parts of CSR activities.

##### **5.2 Interview**

We did our interview with the CEO of the Trident Company whose name is Medya N Ibrahim. She is the CEO of Trident group which provides safety, security, life support, medical, communications, and procurement & training service. Trident safety and security offers individual safety and security support services also providing complete solutions for risk physical management trident has across the countries experience, financial power, high organizing ,and a main group of Iraqi managers and international expertise.

## 6. Data Findings and Discussion

### 6.1 Survey Questionnaire Findings

Table 1- Demographic Analysis

PARAMETERS	OPTIONS	FREQUENCY
Gender	Male	32
	Female	23
Experience	Less than a year	7
	2-4	20
	4-10	16
	More than 10	12
Marital status	Married	25
	Single	29
	Divorced	1
Education level	Diploma degree	3
	Bachelor	43
	Master	9
Nationality	Local	47
	Foreign	8
Position	Manager	18
	Employee	31
	Others	6
Total		55

**Table 2-**Data Distribution Analysis

Parameters	Options	Frequency
<b>Q1-</b> Does your company have suitable arrangements for health, safety and welfare that provide sufficient protection for your employees?	not applicable	4
	don't know	6
	in part	19
	no	10
	yes	17
<b>Q2-</b> Can your company save money by reducing its environmental impact (e.g. by recycling, reducing, energy consumption and preventing pollution)?	not applicable	1
	don't know	11
	in part	11
	yes	24
<b>Q3-</b> Does your company supply clear and accurate environmental information on its products, services and activates to customers, suppliers, local community, etc.?	not applicable	2
	don't know	7
	in part	15
	yes	27
<b>Q4-</b> Can you think of ways in which your enterprise could use the sustainability of its products and services to gain an advantage over competitors (e.g. recyclability of product, energy efficiency, etc.)?	not applicable	5
	don't know	10
	in part	18
	yes	22
<b>Q5-</b> Does your company have a policy to ensure honesty and quality in all its contacts, dealings and advertising (e.g. a fair purchasing policy, provisions for consumer protection, etc.)?	not applicable	2
	don't know	6
	in part	13
	yes	31
<b>Q6-</b> Does your company have a process to ensure effective feedback, consultation and/or dialogue with customers, suppliers and the other people you do business with?	not applicable	3
	don't know	10
	in part	18
	yes	23

<b>Q7-</b> Does your enterprise register and resolve complaints from customers, suppliers and business partners?	don't know	5
	in part	15
	No	1
	Yes	35
<b>Q8-</b> Does your company offer training opportunity to people from the local community (e.g. apprenticeships, or work experience for the young or disadvantaged groups)?	don't know	1
	in part	8
	no	5
<b>Q9-</b> Does your company try to purchase locally?	yes	42
	not applicable	1
	don't know	8
	in part	9
<b>Q10-</b> Are your employees encouraged to participate in local community activities (e.g. providing employee time and expertise, or other practical help)?	no	8
	yes	30
	not applicable	3
	don't know	5
<b>Q11-</b> Does your company give regular financial support to local community activities and projects (e.g. charitable donations or sponsorship)?	in part	10
	no	4
	yes	34
	don't know	5
<b>Q12-</b> Are your customers aware of your company's values and rules of conduct?	in part	6
	no	4
	yes	36
	not applicable	1
	don't know	10
<b>Q13-</b> Does the company compute the percentage of the budget to the purpose of corporate social responsibility work annually?	in part	12
	no	10
	yes	22
	not applicable	1
	don't know	10
	in part	5
	no	3
	yes	37
	not applicable	1

## 6.2 Interview Findings

We did our interview with the CEO of the Trident Company whose name is Medya N Ibrahim. She is a CEO of the trident group which provides safety, security, life support, medical, communications, and procurement & training service. Trident safety and security offers individual safety and security support services also providing complete solutions for risk physical management trident has across the countries experience, financial power, high organizing ,and a main group of Iraqi managers and international expertise. The conclusion of our interview was that the company was aware of CSR concept and they are

encouraging their employees to consider the local community importance but on another hand she stated that other companies don't distribute the concept of CSR in sufficient way (Ibrahim, 2015).

## 7. Conclusion

Serving the community is a key work for people to trust you and your work, and the trust is a base for developing your business and increasing your profits all this is the reason for owning the reputation in your business. In the past 10 years, the private companies in Kurdistan Region have been growing and but still the community needs a lot of services in which the government could not afford them yet, or the services are not distributed equally. Therefore, the companies can have a voice and contribution to help the government and community to fill these gaps. Based on the results of the questionnaire, we found that in Korek Company they are aware of the concept of CSR and they are involving with its activities, but we cannot say they are involved with all its different dimensions. CSR activities in Korek company involves different activities such as encouraging your employees for charity activities, donations, and having concerns about employees, and honesty in describing the product, communication and listening to the society around the company, offering training opportunities for local community. On another hand they have to focus on other dimensions in CSR such as providing good health insurance for its employees, caring about environmental issues like recycling and environmental information about its product. Our recommendation for the case of CSR would for private companies is that they need to formally inform their employees about their involvement with CSR activities also it will be good to let know their employees how social workers are important for their company so the employees also be aware of this term and to be encouraged for offering new idea to serve the society.

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## **An Analysis of Training and Employee Performance: A Case Study in a Telecommunication Company in Erbil**

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**Abstract:** The purpose of the research is to analyze the training program offered by a telecommunication company in Erbil city. This study applied quantitative study. 100 questionnaires had been distributed among the employees and managers and 93 of them were received. The questionnaire consisted of three parts, demographic, training questionnaire, and employee selection for training. The data collected was analyzed with SPSS V. 20, using descriptive, frequencies, and reliability test analysis. The reliability test is .757, the findings were analyzed and discussed based on the respondents perception. The results indicated the success of the training program to improve the employee's abilities to solve work obstacles, productivity, efficiency and specifically their performance. The results showed that respondents agree with the relevance of the training program with their tasks and duties.

**Keywords:** Training, Employee Performance, Relevancy, Outcome and Productivity, Erbil, Private Sector

### **1. Introduction**

The main idea of human resource management is to analyze and improve the capable modest returns in this era of the globalization. One major area of the Human Resource Management is training. Training is a very important part of the human resource development activity of human resource management practice. Few people these days would argue against the importance of training as a major influence on the success of an organization. In order to sustain economic growth and effective performance, it is important to optimize the contribution of employees to the aims and goals of the organizations (Sultana, et al., 2012). Current literatures show that training assist furthest establishment. Therefore, employees are able to study various work ideas which restore their abilities, increase their work assertiveness and increase efficiency. Employees to carry out their works effectively and efficiently must have the skills, knowledge, values, attitudes and ability to understand their organization's culture. In order organizations to achieve their goals and objectives training is the best way to increase the knowledge and skill of employee and business activity, which type of training bring economic success and work in the era of competition. Training should help individual performance effect completely on organizational efficiency in the short term and long term obligation. Likewise, in the workplace training is very important, without it, employees don't have a firm grip on their tasks or duties. Employee training refers to programs that offer workers with information, new skills, or specialized development opportunities (Elnaga & Imran, 2013).

Additionally the prime job of training is to improve employees' ability, so that they can handle present and forthcoming obligations and accountabilities. Each style, applicability and excellence needs to be supported consequently in order for the workers to raise the job inspirational belongings (Amin et al., 2013). A training stage is a basic human major that would develop employees output through emphases on increasing total worker capabilities to overawe their daily work difficulties, and that can direct to the difficult structural increase and growth in the prospect (Amin, et al., 2013). Business environment is changing over the time; organizations always seek for ways to stay at the top level of competitive. This becomes attempt to develop individual employees' skills, knowledge, and ability in order to grow individual and organizational performance. As such the choice to develop individual employee is as an effect of the introducing of new technology and growing nature of economic actions which has decreased the influence of conservative way of working business actions in such a greatly competitive environment (Kiweean & Asiimwe, 2014). It has been experiential that from last decade telecommunication sector has been increasing in Kurdistan parallel with the boost of globalization and trade many company appeared in this sector.

## **2. Research Questions**

1. How many employees are going through training program?
2. Does the training program offered by the company affect the employee skills?
3. To what extend did the training program increase the employee performance?
4. How relevant was the training to the employee's work?
5. How does the training program help the employees at the company enhance their work output?

## **3. Signification of the Study**

This study considers the most important part of human resource management which is training, and the active usage of human capital on training and development, also the factors which affect the training process and consist of the part of training, quality of trainer and learners also preferences of learning styles. There are the significant differences currently in relations of the importance of the worker. Workers are very necessary and exclusive resources to all organizations. Training methods should be directly evaluated in order to measure its effectiveness and efficiency that will also create opportunity for workers to get other information to improve the knowledge, and abilities they need.

## **4. Literature Review**

### **4.1. Training**

As one of major activities of human resource management, training has for long been recognized to improve and develop employee performance (Sultana, et al, 2012). Nassazi (2013) defines training as planned and orderly behavior through knowledge events, activities and programs that lead to the achievement of the participants, knowledge, skills and competencies and capacity levels to do their job effectively. Training increase workers' productivity also improves the services of the worker and brings optimistic change in the organization.

Additionally training plans not only develops workers also aid an organization to make best use of its resource for the benefit of humanity to gain a competitive advantage. Therefore, it looks obligatory by the firm to plan for such training programs for its employee to improve their abilities and competencies needed in the workplace (Elnaga & Imran, 2013). Trainings at the exertion are mostly duty or work adjusted. Foundations which organize training must be capable of accomplishing complicated job performance (Amin, et al, 2013). For improving the organization it's required that a highly skillful and knowledgeable employee is very necessary for organization (Shaheen, et al., 2013). On the other hand, Organizational learning refers to the efficient procedure to process, understand and respond to both internal and external information of a mainly explicit nature (Tahir, et al., 2014). Training is a learning method that involves achieving the knowledge, skills, rules, idea, or change attitudes and behaviors to improve employee performance. The process that employee gets information and get to know how they will be able to perform the organization are named training (Ameeq & Hanif, 2013).

Any learning activity which is directed the acquisition of knowledge and skills defined for the purpose of occupation or job. Training is the focus of the work or task; gaining or learning from specific terms of reference (Eric, 2012). Training will equipped the employees with necessary tools to acquire sophisticated abilities for performing capable assistances such as the workers struggle to raise better characters with better benefit.

Training not simply develops employee capabilities but the ability to hone thinking and creativity in order to make the best choice at the right time and in new productive way (Elnaga & Imran, 2013). Training is a variety of action which is planned, systematic and it consequences in improved level of skill, knowledge and capability that are needed to perform work effectively (Sultana, et al., 2012). Training is the work of a growth in knowledge and skills of the employee to perform the function of practice. The key result of training is learning. A trainee learns new behavior, refined skills and useful knowledge through the training that will help him get best performance (Amin, et al., 2013).

## **4.2 Employee Performance**

Performance refers to as the results or effect of individual activities within a certain period of time. Employee performance management is necessary for achieve the goals that have the organization itself. Evaluating employee productivity and efficiency is a key measure to him in the general plan of the organization. The same speed production wise is important and that cannot be complete if the employee's possible and his skill to perform are not considered. Employees' performance is directly connected to organizational efficiency and its achievement. Improved performance of each employee generates huge outcomes which mostly comprise similarity among employees, the quality of production and commitment in the workplace (Ahmed & Shahzad, 2011).

Employees' performance is basic foundation associated with an organization knowledge staff designed the best of the effectiveness of which can be analyzed during the organization's performance (Shaheen, et al., 2013). Employee is a key factor of the organization. The success of every organization depends on the employee performance. Employee performance eventually impacts the organization performance. High performance organization is the function model for organizations.

Ahmed and Shahzad (2011) state that the performance does not comprise the consequences of an employee's behavior, but only in the same behaviors. Performance is about behavior or what employees do, not on what employees produce or the outcomes of their work. Employee performance depends on three factors; determinants of performance such as technical knowledge, motivation and declarative knowledge.

### **4.3 Training and Employee Performance**

The significant effect of training on employees' performance is to improve the quality and quantity of organization's production and an increase in the profitability of the organization, maintain the organization strength, reduce the cost and expenses, reduce the risk, improving the organization management's and establishment of the organization of general and global entities, also, training must be correlated to the mission and performance objective of the organization (Shaheen, et al, 2013).

In addition, the idea of training from the point of view of the employee is principally to obtain skills and knowledge to do the job and to get promotion and career advancement. Training can be defined as knowledge obtained by independent study, or both; the art of acquisition of knowledge, competencies, skills, attitudes, and thoughts retained and used; or modify of performance through experience (Tahir et al, 2014). In fact, there is positive relationship between training and employee performance. Organizations that are devoted to creating profits for its owners, as long as quality service to its customers and beneficiary, provide training for their employees. The more highly motivated a trainee, the more rapidly and scientifically a new skill or knowledge is obtained (Sultana, et al, 2012).

## **5. Methodology**

### **5.1 Sampling method**

For our research, data was collected from employees in a private company in Erbil city; the method used to select respondents was random sampling, the target sample for this study is 100 employees in a telecommunication company. Totally we conducted 100 questionnaires among the company employees and we have received 93 questionnaires.

### **5.2 Ethical Considerations**

We as researchers have considered and followed all the ethical considerations in undertaking our research and considered all the recommendations for conducting questionnaire. Likewise, we did not force any respondent to fill the questionnaire; the questionnaire was totally optional for every single respondent.

### **5.3 Data Collection**

Our research is based on a review of academic research paper, journal articles, survey, books and some government publication. The primary data has been collected through questionnaires. We have conducted the questionnaires in English language. The questionnaire consisted of three parts;

demographic, training questionnaire, and employee selection for training. The demographic questions were close ended questions; choices were given to the respondents. The respondents were asked about their age, gender, education, marital status, job experiences and task or position in the first part (demographic). Second part is the training questionnaire consisted of 12 closed-ended items to evaluate (Training and employee performance) using 5 point Likert scales from (strongly agree to strongly disagree) the 12 items have been developed by (Nassazi, 2013) and the third part is to collect information about the selection of the employees to take the training program and the frequencies of taking the training program.

#### 5.4 Limitation of the Study

Our research and results can possibly generalized in telecommunication sector, more specifically in private telecommunication companies in Kurdistan region but it cannot be generalized in all other telecommunication sector, because we have taken one company of Telecommunication as a case for our research. Likewise, another limitation of the study is, there is not much information and published articles about training and employee performance in telecommunication sector specifically conducted in this region.

### 6. Results and Discussions

For the research, 100 questionnaires have been distributed among the employees in the company and we have received 93 of them. The following tables are taken by analyzing the data in SPSS Version 20 through using descriptive and frequencies analyses and reliability test.

Table 1 – Demographic analysis

Item	Measures	Frequency	Percentage
Age	18-25	26	26.0
	26-35	52	52.0
	36-45	14	14.0
	46-55	6	6.0
	56-59	2	2.0
Gender	Male	44	44.0
	Female	56	56.0
Education	High school graduate	8	8.0
	Bachelor degree	71	71.0
	Master degree	20	20.0
	PHD	1	1.0
Marital status	Single	38	38.0
	Married	62	62.0
Job experience	1-10 (Years)	62	62.0
	11-20 (Years)	33	33.0
	21-30 (Years)	4	4.0
	31-40 (Years)	1	1.0

Task or position	secretary	4	4.0
	employee	51	51.0
	manager	23	23.0
	call center employee	2	2.0
	other	20	20.0

Table 2– Questionnaire Data Analysis

Items	Mean	SD
1. The methods used during the training had increased my skills.	3.96	0.82
2. The method of the training program was very good.	3.73	0.809
3. The training program was relevant to my work.	3.97	0.786
4. The training has helped me to improve my job performance.	3.84	0.876
5. I would be able to have the same output without the training programs.	2.11	0.883
6. The training program has helped me to have an orientation about my work.	3.73	0.968
7. What I learnt during the training program enabled me to solve the minor obstacles I face at work.	3.52	0.904
8. The training program is aligned with the goals of the company.	3.82	0.846
9. The training program helped me to adapt to my job and working environment easily.	3.65	0.855
10. The training program helped me to become more productive and efficient.	3.55	0.879
11. The training enabled me to identify my strengths and weaknesses at work.	3.68	0.874
12. I require further training programs related to my work.	4.26	0.846

Table 2 – the item mean’s shows a good feedback concerning the success of the program and perception of the employees expressing their improvement in performance, skills, outcomes, problem solving skill, productivity and efficiency, and their ability for identification of their weakness and strengths. In addition, the training program in employee’s perception has helped them to have an orientation about

their work and what they have learnt at the program was relevant to their operational duties. Item 1, 2, 4, and 12 indicating a good success the company had for offering the training program to increase employee's performance.

Table 3 – Selection of Employees for the Training Program

Items	Measures	Frequency	Percentage
How were you selected for training?	On joining the company	22	22.0
	Supervisors recommendation	40	40.0
	Compulsory for all employees	15	15.0
	Up on employee request	13	13.0
	don't know.	3	3.0
How often do you undergo training?	Quarterly	15	15.0
	Every six months	22	22.0
	Once a year	44	44.0
	Once in our career	12	12.0

Table 3, indicates that majority of respondents have taken the training course based on the supervisor's recommendation, but 22 of the respondents have taken the training course as a prerequisite term to join the company.

Table 4 – Reliability Test

Cronbach's Alpha	N of Items
.757	12



The Cronbach's Alpha of the questionnaire is .757 with 12 item, which is greater than .6 indicate that the questionnaire is reliable for this study.

## 7. Conclusion

The purpose of the research is to analyze the perception of respondents on training offered by the company and employee performance in the telecommunication sector in Erbil city, Kurdistan region. Thus, we have taken a case of a telecommunication company in Erbil to study and apply our research questions. The study aimed to assess the training program offered by the company and the employee performance and skills. Overall, based on the perception of the employees, the findings indicated the success of the training program to improve the employee's abilities to solve work obstacles, productivity, efficiency and specifically their "performance". The results showed that respondents agree with the relevance of the training program with their tasks and duties.

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### **Technical Notes for Authors**

#### **Broad topics covered by IJSSES are:**

Child Development  
Curriculum Development  
Reading Comprehension  
Philosophies of Education  
Educational Approaches  
Primary School Education  
Secondary and Higher Education  
Adult Education  
Educational Theory  
Educational Development  
Educational Psychology  
Sociology of Education  
Teaching and Learning  
Educational Management  
Leadership and Management  
Teacher Education  
Professional Development of Teachers  
Education History  
Education Science  
Distance Education  
Guidance and Counseling  
Health Education  
Human Rights Education  
Innovation and Changing in Education  
Life Long Learning  
Mathematics Education  
Measurement and Evaluation in Education  
Science Education  
Social Sciences Teaching  
Special Education  
Motivation  
Language Teaching, Linguistics  
Language Acquisition

## SUBMISSION PROCEDURES

Authors should comply with the following guidelines when preparing papers for publication in the journal

- 1) **Manuscript Submission:** Kindly submit your manuscript as e-mail attachment via this email: [ijssesjournal@gmail.com](mailto:ijssesjournal@gmail.com). The manuscript must be submitted in **MS-WORD** file format.
- 2) **Format:** We only accept manuscripts in English language. 3000-8000 words are preferred. The document should be typed in Times New Roman 11 pt font.

- 3) **First Page:**

**Title**

Concise and informative. Titles are often used in information-retrieval systems. Avoid abbreviations and formula where possible.

**Author's names and affiliations**

Please indicate the given name and family name clearly. Present the authors' affiliation addresses (where the actual work was done) below the names. Indicate all affiliations with a lower-case superscript letter immediately after the author's name and in front of the appropriate address. Provide the full postal address of each affiliation, including the country name, and, if available, the e-mail address, and telephone number of each author. Omit all titles (e.g., Dr., Professor) and degrees (e.g., PhD, PsyD, EdD).

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A concise and factual abstract is required (maximum length of 200 words). The abstract should state briefly the purpose of the research, the principal results and major conclusions.

**Keywords**

Immediately after the abstract, provide a maximum of 5 keywords, avoiding general and plural terms and multiple concepts (avoid, for example, 'and', 'of').

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- 4) **References:**

References should follow the APA Style 6<sup>th</sup> Edition

The following are examples of a journal article, a book, and a book chapter

**Journals**

**One Author**

Williams, J. H. (2008). Employee engagement: Improving participation in safety. *Professional Safety*, 53(12), 40-45.

**Two to Seven Authors [List all authors]**

Keller, T. E., Cusick, G. R., & Courtney, M. E. (2007). Approaching the transition to adulthood: Distinctive profiles of adolescents aging out of the child welfare system. *Social Services Review*, 81, 453-484.

**Books**

**One Author**

Alexie, S. (1992). *The business of fancydancing: Stories and poems*. Brooklyn, NY: Hang Loose Press.

**Chapter in a Book**

Booth-LaForce, C., & Kerns, K. A. (2009). Child-parent attachment relationships, peer relationships, and peer-group functioning. In K. H. Rubin, W. M. Bukowski, & B. Laursen (Eds.), *Handbook of peer interactions, relationships, and groups* (pp. 490-507). New York, NY: Guilford Press.

## 5) Reference Citations in Text

### *Indirect Quotation with Parenthetical Citation*

Libraries historically highly value intellectual freedom and patron confidentiality (LaRue, 2007).

### *Indirect Quotation with Author as Part of the Narrative*

LaRue (2007) identified intellectual freedom and patron confidentiality as two key values held historically by libraries.

### *Direct Quotation with Parenthetical Citation*

Darwin used the metaphor of the tree of life "to express the other form of interconnectedness—genealogical rather than ecological" (Gould & Brown, 1991, p. 14).

### *Direct Quotation with Author as Part of the Narrative*

Gould and Brown (1991) explained that Darwin used the metaphor of the tree of life "to express the other form of interconnectedness—genealogical rather than ecological" (p. 14).