

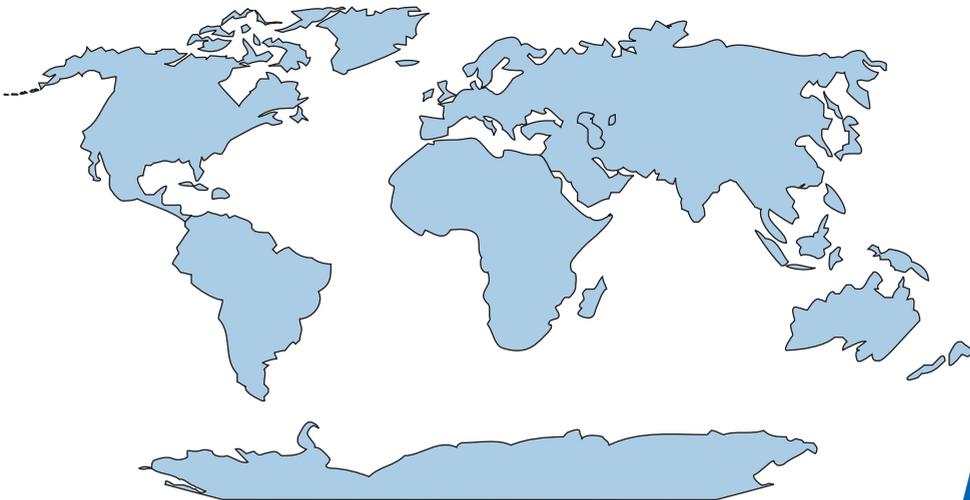
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# **INTERNATIONAL JOURNAL OF RESEARCH IN MANAGEMENT & SOCIAL SCIENCE**

(Conference Special)



**Volume 6, Issue 1 (XI)**  
January - March 2018

NATIONAL CONFERENCE ON EMERGING ISSUES  
IN  
COMMERCE, MANAGEMENT AND TECHNOLOGY



**Organised by**

PG Department of Commerce  
Soundarya Institute of Management & Science,  
Bangalore

24<sup>th</sup> March 2018



In Association with  
Indian Academicians and Researchers Association (IARA)  
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Soundarya Institute of Management & Science,  
Bangalore



## **About the Institute**

Soundarya Educational Trust was established by philanthropist Shri. Soundarya P Manjappa in the year 1993 with prime objective to impart holistic and quality education shielding traditional values intact. The trust is offering quality education from Pre-LKG to PG. Soundarya Institute of Management and Science is one of the premier and prestigious institution of the Soundarya Educational Trust was established in 2007 is spread over 9 acres with good ambience for effective teaching and learning. The institution is offering UG courses in Computer Application, Science, Commerce, Business Administration and PG course in Commerce. The institution also conducts a number of value-added certificate programs to make students better employable and competent to meet out the challenges of the competitive and increasingly globalizing world. The institution is accredited by NAAC for the high standards of excellence and UGC has recognized the institution under 2(f) and 12(B) Act to receive grants for student and teachers activities. The institution emphasizes the development of physical growth along with intellectual growth in its endeavour to provide quality education. Sports wing of the institution is in association with Sports Authority of India (Southern Region). The institution is marching ahead under the leadership of our beloved Principal & Director Dr. Suresh C Hegadi.

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## **About the Conference**

National Conference on emerging issues in commerce, management and technology aims to bring together the faculty members, researchers, students and a community of corporates from the above discipline to exchange and share their experience, new ideas & research results related to the aspects of emerging trends in commerce, management & technology. The end result of the conference will enable the participants to have better understandings of the latest trends in field of commerce, management in the competitive global world.

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**MESSAGES**



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Soundarya Institute Of Management And Science is one of the premier institution of Soundarya Educational Trust Started way back in 2007 with the intention imparting quality education, producing responsible citizens and good human beings. The college has the state-of-heart infrastructure and highly qualified, experienced and dedicated faculties.

I am extremely happy to note that the department of commerce and management is organising one day National Conference on “Emerging Trends in Commerce, Management and Technology” on 24<sup>th</sup> March 2018 to discuss and deliberated the issues concerning the recent trends, challenges and opportunities in the competitive global world.

I congratulate principal, conference convenor, staff members of SIMS for their efforts in organising conference and delegates from various Institutions in making this conference a meaningful one.

I am sure the deliberation of the conference will go on long way in enriching the knowledge of the participants.

I wish the conference a huge success.

**Sri Soundarya P. Manjappa**  
Chairman  
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## Managing Director's Message

I am glad to note that the Department of Post-Graduation in commerce is organizing One day National Conference on “Emerging Trends in Commerce, Management and Technology” on 24<sup>th</sup> March 2018.

I am sure that the conference will provide a good platform for the HR executives, academicians, research scholars and students to interact and share their Knowledge.

I wish the Conference all the success.

**Smt. Sunitha P Manjappa**  
Managing Director  
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## Chief Executive Officer's Message

Soundarya Institute Of Management And Science is one of the premier institution of Soundarya Educational Trust Started way back in 2007 with the intention imparting quality education, producing responsible citizens and good human beings. The college has the state-of-heart infrastructure and highly qualified, experienced and dedicated faculties.

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I wish the conference a huge success.

**Sri. Keerthan Kumar. M**  
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## Principal's Message

The wealth of a Nation Lies not in its natural resource but in the abilities of its human resource. Human resource can only give you the best if they have been well educated and developed. One's they have this ability, then they have a choice. A choice in life to do what they want to do rather than to simply accept what nature imposes upon them. In this context, conferences, workshops and seminars have a very important place in academic setup.

In this context the Department Of Commerce And Management of SIMS is organising one day a National Conference on "Emerging Trends In Commerce, Management & Technology" on 24<sup>th</sup> March 2018 to provide a platform to HR Executives, Academicians and Research Scholars to discuss the deliberate issues concerning the recent trends, challenges and opportunity in the field of commerce, management in competitive global world.

I am convinced that the deliberations of this conference will contribute new dimensions in the field of commerce, management & technology in competitive global world.

I congratulate conference convenor, staff members and students of SIMS for their efforts in organising conference and participants from the various intuitions across the country for their efforts in participating and presenting research their work in this conference.

I express my deep sense of gratitude to the management of Soundarya Educational Trust for their whole hearted support and guidance in organising this conference.

I wish the conference a huge success.

**Dr. Suresh. C. Hegadi**  
Principal & Director  
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## Conference Convener Message

It is a matter of great pleasure to us that Soundarya Institute of Management and Science is organizing its National level Conference on **“Emerging Trends in Commerce, Management and Technology”**.

This conference on Emerging Trends in Commerce, Management and Technology provides a platform to discuss the modern day issues in Commerce, Management and Technology. The main objective of the conference is to intensify the information of the results of theoretical research and practical developments in the fields of Commerce, Management and Technology.

The collection of paper in these conference proceedings shows a maturity in the fields through new examples of Research creativity and we look forward that this conference provides a platform for future developments in research activities.

I wish all the Success for the Conference.

**Smt. Haritha M Raju**

Conference secretary

Soundarya Institute of Management and Science



## Editorial Message

On behalf of the editorial board members, it is with great pleasure, humility and honour that I welcome you to this inaugural of International Journal for social sciences, an national peer-reviewed journal published by IARA.

The editorial board members and the peer-reviewing process will stimulate the opening of a constructive debate on emerging trends in commerce, management & technology with the vision to fill the gap due to the lack of recognized protocols.

As editorial board member, I am delighted to be a part of this new interdisciplinary initiative, which I believe is exactly the type of platform needed to highlight and broaden trends in commerce, management & technology into widespread acceptance with the highest values of integrity to which the Journal of Social Sciences is inspired.

Once more, on behalf of the editorial board members, I welcome you to this journal. We look forward to your submissions and to publish your manuscripts.

**R. G. SAHA**  
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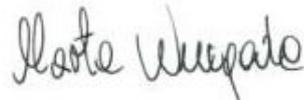
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**A STUDY ON INNOVATIVE EMPLOYEE ENGAGEMENT PRACTICES IN IT SECTOR**

**Sam X Kingsley Joshua**

Assistant Professor, Indian Academy Degree College (Autonomous), Bangalore

**ABSTRACT**

*The conception of human capital is valued and acknowledged by employers across the globe. The modern companies are shifting their focus from processes to people to be ahead in this competitive world. The recent trends of HRM are endorsed with responsibilities like employee engagement, their commitment and vitally their growth. In the last decade, the companies have been more concerned about the employees than the processes. The rise of social media, mobile phones and other aspects of communication in the last 5-10 years has brought about a great change in the work culture and other HR functions of the organization; Hence, employee engagement tools are not only becoming vital to understand their employees' needs but are also being integrated to performance management systems and so on. The objective of this research is to identify the various innovative employee engagement practices prevalent in the IT sector and analyze the same by way of questionnaire. This paper aims to examine the effectiveness of the practices and its outcomes of the companies in Bangalore, India.*

**INTRODUCTION**

The present era of globalized economy the organizations have become technology aided and automation is of utmost importance. In such a scenario managing human capital and sustaining the practices is an essential aspect to be taken into consideration. Therefore it is vital for the organizations to pay attention to the employees who are part of their organization. As technology advanced, periodically there came many innovative employee engagement practices which are helping organizations to succeed such as pulse feedback tools and systems, employee wellness apps, modern communication and productivity tools. It not only helps the employees to achieve organizational goals but also empowers them to grow individually.

**OBJECTIVES**

- To identify the innovative employee engagement practices in the IT sector.
- To analyze the effectiveness of the innovative employee engagement practices and its outcomes

**RESEARCH DESIGN**

The study is adapted analytical and descriptive in nature. Purposive sampling method was used to collect data through questionnaire from 120 employees of IT sector in Manyata tech-park with regard to innovative employee engagement practices and its effectiveness. The collected data is analyzed using statistical tool of Chi-Square test. The variables which have significant association with innovative employee engagement practices and its effectiveness are discussed in detail and other variables are not discussed.

**DATA ANALYSIS AND INTERPRETATION**

**1.1 Level of Experience in Organization and Employee Effectiveness**

Level of Experience in Organization	Employee Effectiveness			Total
	Average Effectiveness	Low Effectiveness	High Effectiveness	
Less than 2 years	17 (45)	20 (77)	32 (58)	<b>69</b>
2 - 5 years	15 (39)	0	12 (21)	<b>27</b>
5 - 8 years	6 (16)	6 (23)	12 (21)	<b>24</b>
<b>Total</b>	<b>38</b>	<b>26</b>	<b>56</b>	<b>120</b>

It is found from table 1.1 that the percentage of high effectiveness of level of experience in organization with regard to employee effectiveness is 58% in the category of less than 2 years. The percentage of low effectiveness of level of experience in organization with regard to employee effectiveness is 77% in the category of less than 2 years and lesser effectiveness in the category of high effectiveness and 23% in 5 – 8 years level of experience.

**HYPOTHESIS**

**Null Hypothesis (H<sub>0</sub>):** There is no significant association between level of experience in Organization and employee effectiveness

**Alternative Hypothesis (H<sub>1</sub>):** There is significant association between level of experience in Organization and employee effectiveness

**Pearson Chi-Square Test**

	Value	df	Asymp. Sig. (2-sided)	Result
<b>Pearson Chi-Square</b>	14.045a	4	.007	Significant at 5%

It is clear that there is significance between level of experience in Organization and employee effectiveness. Hence Null hypothesis is rejected and alternative hypothesis accepted.

**1.2 Technical Education and Employee Effectiveness**

Technical Education	Employee Effectiveness			Total
	Average Effectiveness	Low Effectiveness	High Effectiveness	
<b>B.E</b>	14 (37)	5 (19)	20 (36)	<b>39</b>
<b>M.E</b>	6 (16)	9 (35)	6 (11)	<b>21</b>
<b>B. Tech</b>	0	0	9 (16)	<b>9</b>
<b>M. Tech</b>	18 (47)	9 (35)	21 (37)	<b>48</b>
<b>Others</b>	0	3 (11)	0	<b>3</b>
<b>Total</b>	<b>38</b>	<b>26</b>	<b>56</b>	<b>120</b>

It is found from table 1.2 that the percentage of high effectiveness of Technical education with regard to employee effectiveness is 37% who studied M. tech, Average effectiveness of 47% in M. Tech and low effectiveness of 11% in other educational qualifications such as diploma etc.

**HYPOTHESIS**

**Null Hypothesis (H<sub>0</sub>):** There is no significant association between technical education and employee effectiveness

**Alternative Hypothesis (H<sub>1</sub>):** There is significant association between technical education and employee effectiveness

**Pearson Chi-Square Test**

	Value	df	Asymp. Sig. (2-sided)	Result
<b>Pearson Chi-Square</b>	29.620a	8	.000	Significant at 1%

It is clear that there is significance between technical education and employee effectiveness. Hence Null hypothesis is rejected and alternative hypothesis accepted.

**1.3 Usefulness of Slack software and Employee Effectiveness**

Usefulness of slack software	Employee Effectiveness			Total
	Average Effectiveness	Low Effectiveness	High Effectiveness	
<b>Highly useful</b>	3 (8)	6 (23)	20 (36)	<b>29</b>
<b>Useful</b>	14 (37)	11 (42)	18 (32)	<b>43</b>
<b>Moderately useful</b>	21 (55)	6 (23)	18 (32)	<b>45</b>
<b>Not useful</b>	0	3 (12)	0	<b>3</b>
<b>Total</b>	<b>38</b>	<b>26</b>	<b>56</b>	<b>120</b>

It is found from table 1.3 that the percentage of high effectiveness of the usefulness of SLACK with regard to employee effectiveness is 36%, average effectiveness of moderate usefulness is 55%, and low effectiveness is 12%.

**HYPOTHESIS**

**Null Hypothesis (H<sub>0</sub>):** There is no significant association between usefulness of slack software and employee effectiveness

**Alternative Hypothesis (H<sub>1</sub>):** There is significant association between usefulness of slack software and employee effectiveness

**Pearson Chi-Square Test**

	Value	df	Asymp. Sig. (2-sided)	Result
<b>Pearson Chi-Square</b>	23.708a	6	.001	Significant at 1%

It is clear that there is significance between usefulness of slack software and employee effectiveness. Hence Null hypothesis is rejected and alternative hypothesis accepted.

### 1.4 Learning and Development Programmes and Employee Effectiveness

Learning and development Programme	Employee Effectiveness			Total
	Average Effectiveness	Low Effectiveness	High Effectiveness	
Hacking and Coding competition	6 (16)	15 (58)	18 (32)	39
Online Courses associated to the field of work	23 (60)	6 (23)	26 (46)	54
Fully/partially paid educational scholarships	9 (24)	5 (19)	12 (22)	27
<b>Total</b>	<b>38</b>	<b>26</b>	<b>56</b>	<b>120</b>

It is found from table 1.4 that the percentage of high effectiveness of learning and development programmes with regard to employee effectiveness is 46% for online courses offered and low effectiveness for fully/partially paid educational scholarships i.e. 19%.

#### HYPOTHESIS

**Null Hypothesis (H<sub>0</sub>):** There is no significant association between learning and development programmes and employee effectiveness

**Alternative Hypothesis (H<sub>1</sub>):** There is significant association between learning and development programmes and employee effectiveness

#### Pearson Chi-Square Test

	Value	df	Asymp. Sig. (2-sided)	Result
<b>Pearson Chi-Square</b>	21.845 <sup>a</sup>	6	.001	Significant at 1%

It is clear that there is significance between learning and development programmes and employee effectiveness. Hence Null hypothesis is rejected and alternative hypothesis accepted.

#### SUGGESTIONS

From the above mentioned and analyzed study we conclude that the following areas can be improved with regard to employee effectiveness in the IT sector:

- The innovative employee engagement practices prevalent in the sector have more effect on the newcomers of the organizations. The focus should be more upon the employees who have more level of experience in organizations (5-8 years) as they go through the similar exercise for many years.
- The innovative employee engagement practices prevalent in the sector have more effect on M.Tech graduates as they are well versed with the subject knowledge which gives them an edge over under graduates (BE and B. Tech) to become actively engaged in the tasks allocated in their respective roles.

#### CONCLUSION

The recent trends of HRM are endorsed with responsibilities like employee engagement, their commitment and vitally their growth. From the study it is concluded that IT sector has to concentrate more on variables such as employees experience in organization, technical education, productivity software, learning and development program for engaging and retaining their employees in their organizations. The other variables namely gender, non technical education, conduction of motivational lecture and feedback system do not have significant association with effectiveness for innovative employee engagement practices.

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**COMPARATIVE ANALYSIS OF INVESTMENT AVENUES - STOCK MARKETS ARE STILL THE LAST OPTION FOR EMPLOYED WOMEN INDIVIDUAL INVESTORS****Dr. Deepak R<sup>1</sup>, Shruthi Prabhakar<sup>2</sup> and Dr. B Bakappa<sup>3</sup>**Associate Professor<sup>1</sup>, Dayananda Sagar College of Engineering, Bengaluru, Karnataka  
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**ABSTRACT**

*Research studies in behavioral finance studies point to various factors which may be responsible for investor's choices which concentrates mainly on individual investors which was mainly represented by male investors in the past. Studies on investment decisions often point towards women investors having greater tendency to primarily save and invest in less risky investment avenues rather than their male counterparts. These studies conducted point towards male investors to take more risk in their portfolio when compared to the women investors who are assumed to be influenced by various factors, and which may not be correlated with the factors assumed to have influence on male investor's decision making. The studies conducted find less relevance to the Indian context as in the past the women investors participation was assumed to be significantly less. But, to a great extent, the socioeconomic status of women has significantly changed during the past decade with them becoming more independent financially and economically. Thus, the study was conducted using a structured questionnaire with 36 statements. For the study, a sample of 300 employed women investor's responses were considered. The study was conducted to examine the relevance of the conceptual framework which consisted of key important factors identified in the behavioral finance studies in the past. Factor Analysis was employed and the study finds that, among all the important factors identified, advocate recommendations play a very important role in investment decisions and women investors are identified to be far more risk averse in nature.*

*Keywords: Behavioral finance; Stock Markets; Investment Decisions; Employed Women Investors; Factor Analysis; Investor Choices; Financially Independent Women.*

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**I. INTRODUCTION**

It was believed in the past and continuous as well in the present too, that investment decisions (considering the complex world of exotic financial instruments available for investments) are not the lone strength of an individual but, one requires the practitioners help viz-a-viz the investment managers/family members/friends. Today, being in the fast paced environment where information technology has introduced more competitiveness for one to invest beyond the wildest dreams of any strategist in the past such as, the algorithmic trading making their way, it sometimes seems individual investors can do nothing but to hope to stumble upon an idea of brighter unexpected discovery of undervalued or overvalued investments with respect to riskier investments under uncertainty. Even if they gather the strength, they need to be comparatively quicker to implement these decisions amidst the opinions from various nearest sources of information. Irrespective of who takes the baton of spirit and hope, based upon the fundamental analysis or technical analysis or any other scientific approach, one often finds psychological principles governing the decision making process. The behavioral studies into investment decisions track various factors to be responsible for decision making which broadly also reflects into the market sentiments. The asymmetric informational theories also believe in investment managers to be way ahead of the curve when compared to individual investors when making investment decisions not only with respect to stocks but with various investment avenues. Thus, over the last two decades, behavioral finance theories have gained prominence. Shefrin (2000) defined behavioral finance as "a rapidly growing area that deals with the influence of psychology on the behavior of financial practitioners". It is believed that, among behavioral theories, four important factors namely Heuristic-Driven Biases Theory, Prospect Theory, Market factors and Herding effects play an important role in affecting the rationality of retail investors. Ritter (2003) suggests that, human decision processes are based upon several cognitive illusions, which can be classified into groups in accordance with the prospect theory. These illusions maybe due to heuristic decision processes and by adoption of mental frames. Investment decisions in the present times are difficult to arrive at, due to complexity of the investment avenues and their combinations. So, investors often require mental shortcuts which can help to simplify these complex decisions. Heuristics helps explain these complex decision making using experience and practical efforts. These decisions often can be further simplified, if there is availability of more information. Sohani Islam (2012) documented that, decisions are often made based upon the nearest available information. Kahneman and Tversky (1974, 1979) revealed that, irrationality is observed in case of both the individual level and the market level. Muhammed Talha Naseem Uppal et.al (2012) suggest that, this irrationality is often caused by decision makers not being emotionally stable in nature in order to make these complex decisions.

Geist (2003) showed to the investor community the active role of emotions in the financial decision making process. Being among the earliest few who propounded that, investment decisions are shaped by investors own unconscious emotional convictions. The study paved way to recognize and analyze these emotional patterns and inculcate it in the investment decisions. But, Lusardi and Mitchell (2006) examined and proved that, equity investors do not have required knowledge of economics to make investment decisions and thus, need to cultivate the habit of investing scientifically and not irrationally. Hence, behavior of the stock markets and the various case studies on bubbles and crashes can be explained by the study of social sciences such as psychology (Gao and Schmidt, 2005) and hence behavioral finance may be more relevant in investment decision making. But, the concepts mentioned in the literature on investment decision making is often generalized and is not specific in nature. These decisions though critical from individual investors point of

view, the power of rationality seems to fade drastically depending upon the risk of the underlying instruments which often is measured using volatility parameters. Thus, depending upon the reaction of the investors based on their risk bearing capability and their reaction to turbulent market conditions, they are often classified into risk-takers, risk-neutral and risk-averse individuals. This generalization matters very much according to the literature considering the women investors who cannot be grouped into general categorization. The research into psychological studies on behavior of investors, attributes the pattern to both internal and external behavioral factors (Shefrin (2000), Shleifer (2000), Warneryd (2001)). The studies often summarize the investment decisions to several factors such as firm specific characters (fundamental and technical), economic factors, and individual risk profiles. According to Nagy and Obenberger (1994), investor behavior is governed by classical wealth maximization criteria, irrespective of how advanced the research studies are before investing. Thus, investors' financial decisions are often affected by internal and external behavioral factors (Shefrin, 2000; Shleifer, 2000; Warneryd, 2001). The disposition error also shows that regardless of accounting information, investors are influenced by sunk cost considerations and asymmetrical risk preferences for gain/loss situations. Nagy and Obenberger, (1994) examining these factors closely suggest that classical wealth maximization criteria are important to investors, even though investors employ diverse criteria when choosing stocks.

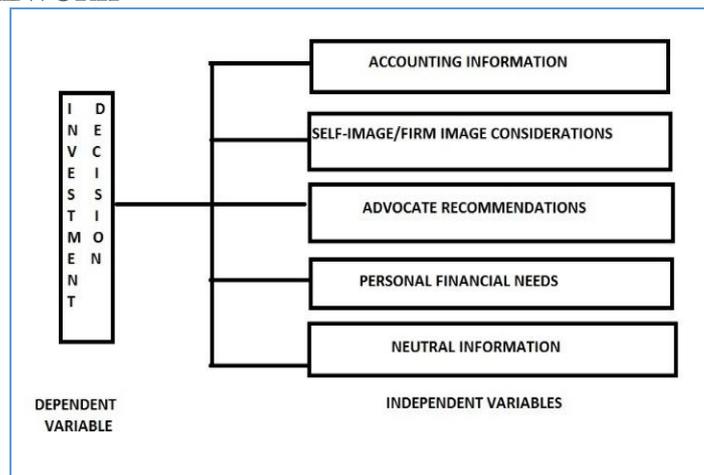
## II. PROBLEM STATEMENT

As observed, among all the demographic factors considered in the literature on investment theories, the most researched factor that appears to determine the risk perception of the individual investors after age and income is the “*Gender of the respondents*” (Jianakoplos and Barnesek, 1998). Studies find that, women have less risk taking capability and hence choose not to venture into riskier investment avenues (Bruce and Johnson, 1994 and Jianakoplos and Barnesek, 1998). Women individual investors are today considered independent and confident and have significant amount of income at their disposable for making investment decisions. They tend to invest more conservatively than men (Sunden and Surette, 1998) and hold more of fixed-income alternatives and less of risky assets than men (Hinz et.al, 1997). So, majority of them never want to invest irrespective of associated higher than normal expected returns in the riskier investments such as stocks (Kover, 1999). Even if, they choose to invest in stocks, the portfolio revisions done is significantly lower (Barber and Odean, 2001). This trend is observed across different regions in the world and women, on average, are always assumed to take less risk than men (Byrnes et.al, 1999). Thus, this investment behavior might be attributed to different qualities and factors which overshadows their rational behavior under severe conditions, which often is done considering the smallest investment into few securities (Nofsinger and Richard, 2002). Thus, the study finds relevance to examine various psychological principles which govern decisions making of retail employed women investors, which might not have the obvious answers and cannot be generalized.

## III. OBJECTIVES OF THE STUDY

1. To examine the investment choices of employed women investors.
2. To determine which factors play a key role in investing decisions.
3. To determine the risk-bearing capability of the women investors and whether they would like to venture into riskier investment avenues.

## CONCEPTUAL FRAMEWORK



**Figure-2: Factors identified important in Investors decision making forming the conceptual framework**  
Source: Ambrose.J and Vincent S. Mutswenje (2014).

Several behavioral theories help explain the behavior of investors towards investing in various investment avenues. Among these theories, some of the prominent ones are as follows:

- a. **Heuristic theory:** Explains the use of experimental and practical efforts to examine the complex situations in investment decision making use of various psychological factors. Kahneman and Tversky (1974) introduced three factors namely Representativeness, Availability Bias and Anchoring which belong to heuristics. Waweru et.al (2008) suggest two more factors namely Gambler's fallacy and overconfidence which would become part of the Heuristic theory.
- b. **Representativeness:** According to Gilovich (1991), "Representativeness is a tendency to assess the similarity of outcomes, instances and categories on relatively salient and even superficial features, and then to use these assessments and similarity as a basis of judgement". Thus, similar to stereotypes, representativeness assumes people to make subjective probability judgements.
- c. **Overconfidence:** According to the conceptual framework of the study, which is based upon the overconfidence theory by **Ambrose Jagongo and Vincent S. Mutswenje (2014)**, investors are always considered to generally rate themselves as being above average in their investing abilities. It is often observed that, investors generally overestimate themselves in their general research and investing abilities which would often help them in outperforming the general market. But, the study proves otherwise. According to the study, investors decision making capability is based upon several important independent factors such as Accounting information of the companies and investment avenues, firm image, recommendations from the family/friends/colleagues, personal financial needs and Neutral information.
- d. **Gambler's Fallacy:** Gambling refers to game of luck and chance and investors are often not interested in game enjoyment and not in the profit.
- e. **Anchoring:** Kahneman & Tversky (1974) suggested anchoring to be a phenomenon where investment decisions are often made based on initial values or different starting points which often lead to different estimates. It suggested that, anchoring to be the situation where, investors would consider the future returns to be similar to the past returns based on the event based studies conducted using new information.
- f. **Prospect Theory:** This is one of the well-known theory in economic psychology suggested by Kahneman and Tversky (1979). According to the theory, investment decisions are made based on the perceived gains and not on perceived losses.

Thus in all the theories, we observe that, Contemporary concerns such as local or international operations, environmental track record and the firm's ethical posture appear to be given only cursory consideration. The recommendations of brokerage houses, individual stock brokers, family members and coworkers go largely unheeded which was largely explained in the overconfidence theory. This theory might be one of the most important to be considered especially in our study, when women investors are considered. Thus, we examine the theoretical model, wherein, the factors such as recommendations of family members/husbands, and the choice to make a difference matters more than ever in investment decisions of the women investors as they are more independent and less reliant in financial terms than before.

As observed from literature, a rational investor in the recent times is considered to be more informed about the world around and is more aware of the happenings around the world. This information explosion also leads to problems, mainly in assessing what really matters oneself and what doesn't. A rational decision maker becomes irrational with the fear of loss in the future which is often considered true irrespective of the knowledge of the financial practitioner. This area which considers the psychology of the investors in decision making of a financial practitioner is the behavioral finance (Shefrin, 2000). The decision making often is considered to take a backseat according to many studies when women investors are considered. The influence of the family member/husband plays a very important role in investment decisions. These halo effect ceilings seem to disappear in recent times with them becoming more independent and confident in making choices for investments decisions. The proportion of these investments in stock markets is found more specifically to be confined to less number of securities (Nofsinger and Richard, 2002) and more into other investment avenues such as gold, fixed deposits, mutual funds. The strategy adopted by the women investors seems not to be predominantly influenced by internal factors (such as family advice/husband advice) and external factors as it is applicable to the all investors in general (where collective male representation is more than women), which is not studied or concentrated by the literature considering the proportion of working women in the past. The literature gives ample evidence of several factors which may play a very important role in decision making of the investors namely past performance of the companies, corporate earnings, stock marketability, presence of organized financial markets, noise of the market, newspaper information etc (Hussein. A. H (2007), Dimitrios (2007)). The literature also shows that, personal demographic factors like age and income are inversely related to risk taking capability of the investors (Cohn et.al (2007) and Riley & Chow). Thus, the studies in the literature often generalize the findings to the entire investment community which might find less relevance in case of female investing community. Thus, the study was conducted to identify different factors which play a very important role in investments of employed female investors.

#### **IV. DATA COLLECTION AND DATA METHODOLOGY**

For the study, the primary data was collected using structured questionnaire and the responses were coded and tabulated using SPSS software. For the study, 300 respondent's responses were collected using survey research design. According to Cooper and Schindler (2003), this design was suitable for this kind of study because the research as ours is intended to collect investment decisions of employed women investors in Bangalore. This methodology thus, makes use of surveys to solicit female investors informed opinion. The survey research design investigates the general condition of the people and organizations to investigate the behavior and opinion of investors through questioning them. For the study, the target sample of the population consisted mainly of all the employed female investors who will be making informed decisions to invest their savings across various investment avenues mainly being Gold, Mutual funds, Stocks and Fixed deposits. Insurances products were mainly ignored in the study, which are mainly considered by many respondents to save from taxes. The names and addresses of investors were mainly collected from few personal and professional sources such as chartered accountant's offices, brokerage houses and through personal contacts. From the sources obtained, a random sample of 300 responses were selected for analysis. The random number were obtained mainly through random number values obtained in Microsoft excel. Thus, simple random sampling was able to ensure that the sample represents the entire population and is not biased towards particular groups within the population. The questionnaire consisted of three categories. The first section sought to capture the general demographics and opinions of the investors. The second section mainly concentrated on the factors which affect investment decisions of the respondents considering the image of family, brokerage, investment avenue characteristics and their interrelationships in making key investment decisions. The third section mainly concentrated on the image of stock markets and growth based funds among the respondents and would they feel comfortable handling the riskier part of the portfolio. Except for first section, for remaining sections, respondents were asked to indicate their degree of acceptance to the items on five-point Likert scale.

#### **VI. DATA ANALYSIS AND FINDINGS OF THE STUDY**

In this chapter we will deal with the data analysis and findings of the study. As mentioned before, the data was collected through structured questionnaire which was coded and tabulated using Statistical Package for Social Sciences (SPSS). The data was first analyzed using descriptive statistics, after which reliability analysis and dimension reduction technique i.e., factor analysis technique was used to interpret the various factors and in making statistical inferences. Among the sample of women investors, around 73 percentage of the respondents had salary of less than 5 lakhs per annum and more than 70 percentage of the respondents were more than 35 years old. Irrespective of the age consideration, majority of the investors had started to invest in various investment avenues only in the recent years. Considering the investment avenues chosen by them, the less risky category of investments such as fixed deposits and gold were chosen by more than 80 percentage of the

respondents and remaining investments were in mutual funds and stock markets. The stock markets were being considered by them as the last choice which aligns with the literature. In order to measure the reliability of the different categories obtained, we used Cronbach's alpha. As we know it mainly consists of estimates of how much variation in scores of different variables is attributable to chance or random errors (Selltzm, et al, 1976). As a general rule, a coefficient greater than or equal to 0.5 is considered acceptable and a good indication of construct reliability (Nunnally, 1978). The overall Cronbach's alpha was observed to be 0.813. Factor analysis was performed on the results of the importance attached to each of the factors influencing individual investment decision. Initially, correlation analysis was run to check for interdependence among the factors after which Principal Component Analysis (PCA) was run. From the correlation matrix, the correlation coefficients are more close to one meaning that there is a relationship between the variables. The purpose of performing PCA was to transform a set of interrelated variables into a set of unrelated linear combinations (Cooper and Schindler, 2003). Varimax rotation together with Kaiser Criterion was used to classify and reduce the factors to interpretable components. The communality is the squared multiple correlation coefficient for variables using the factors as predictors. The communality measures the percentage of variance in a given variable explained by all the factors jointly and can be interpreted as the reliability of the indicator. It is the proportion of variance that each item or variable has in common with other items. For instance, 93.4% communality is the highest variability in the factor "I am aware that my portfolio needs to be revised based on expected corporate earnings", while as the lowest variability was captured for the factor "as income increases, I find myself capable of handling stress conditions better dealing with investments" with a communality of 67.9%. A total of 6 components were extracted from the factors. The components are orthogonal to one another, meaning they are uncorrelated. For a component to account for at least one variable, it should have an Eigen value (the sum of squares of its factor loadings) of at least one. This is the cut off point for determining the number of components to be extracted with maximum or near maximum loadings. Component 1 explains the highest observed variance followed by component 2 and so on.

From the table, component 1 accounts for 36.431% of the total observed variability while component 2 explains 13.631%, component three 9.929%, component four 7.356%, component five 5.695% and component six 4.887%. The eight extracted components explain 77.929% of the total variability for all the 36 variables. The rotated component matrix that was used to extract independent variables highly related to particular components was performed. Orthogonal Varimax rotation together with the Kaiser Normalization was used to force the entries in the initial factor to be near 0 or 1. Such loadings show more clearly which variables go together and thus easily interpretable. The final matrix represents both a pattern and a structure matrix. The coefficients in the rotated matrix indicate both the correlation coefficient and the regression weights (Cooper and Schindler, 2003). The rotated matrix indicates both the correlation coefficient and the regression weights.

Component 1(Recommendations of family and brokerage based on firm's image and reputation) consists of Family importance in decision making, Brokerage reputation and image, Concentration on Age and personal financial needs.

Component 2 (Stock phobic nature) consists of perception of stock market as riskier and need for continuous portfolio revision.

Component 3 (Risk aversion inspite being independent) consists of Difficulty in understanding firm's performance indicators, being independent but helpless about investments and income acting as self-check person.

Components 4 (Stock markets are speculative in nature) consists of good opinion towards income based funds rather than stock markets and strictly staying away from stock market ignoring broker recommendations on these decision matters.

Component 5 (Brokerage charges have no influence due to stock market dislike) consists of brokerage of the firms and feeling guilty on investing in stock markets and Component 6 (Better not to question broker on stock recommendations) consists of Perceived ignorance on part of investment into stock markets and blindly accepting brokerage words.

The factor which has heavier loading on a particular component should have the greatest corresponding value entry across all the six components in the rotated component matrix. The first two components clearly indicate that, family/brokerage recommendations and stock phobic nature have to be taken into considerations as important factors in planning investment decisions among the employed female investors.

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## **VII. CONCLUSIONS AND RECOMMENDATIONS**

The study conducted with 300 responses for the structured questionnaire with 36 statements to examine the various factors which may be responsible in understanding the investment strategies of the employed female investors in Bangalore. In the study, data was analyzed using frequencies, mean scores, standard deviations, percentages, factor analysis techniques. The results of the factor analysis clearly indicate that the main factors which play a very important in respondents choosing various investment avenues is mainly due to husband/family and broker recommendations.

The other important factors which indicate the rejection behavior of the respondents towards riskier investment avenues are stock phobic nature, Risk aversion inspite being independent, the perception of stock market to be speculative in nature, Brokerage charges having no influence due to dislike towards stock markets, and last is not to question the broker in matters of stock market recommendations.

Thus, we can conclude that, the study tried to understand the behavior of the women employed investors with general behavioral finance theories in the literature, which mainly concentrate on various factors that influence the decisions of investors mainly under uncertainty. But, the women counterparts though being independent do not find it feasible to make a choice towards stock markets. The fixed income securities such as fixed deposits and other investment avenues such as gold and mutual funds are found to have greater proportion in the portfolio. The proportion of the investment avenues apart from the stock markets are found to be more practical choice for the female employed investing community.

It was revealed from the study, that, the female counterparts do not want to replicate the portfolio of their family members/husband and thus tend to avoid investing in the stock markets. Thus, the findings of the study confirm that the factors influencing the decision making of the women investors in general to certain extent deviates from the behavioral finance theories.

## **VIII. POLICY RECOMMENDATIONS**

From the findings, it is clearly evident that, the investors and the brokerage houses have to take the factors identified into consideration before making the recommendations. The choice of portfolio selection, revision and evaluation might not be the same for women employed investors and suitable changes needs to be done to minimize the risk factors with substantial returns. The economic factors and company fundamentals need to be evaluated before recommending riskier investment avenues.

## **IX. SUGGESTIONS FOR FUTURE RESEARCH**

The research conducted clearly indicates that there exists research gap in understanding the behavior of employed female investors and the factors identified by behavioral finance theories though much relevant considering the general investment community have to also consider the important factors from women counterparts point of view. The recommendations of the family members/husband is found to be the point of reference for majority of the investors in general. Thus, more studies need to be conducted in this regards to identify more factors which might play a very important role and thus can contribute to the literature of behavioral finance.

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**APPENDIX**

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	13.115	36.431	36.431	13.115	36.431	36.431	10.399	28.885	28.885
2	4.907	13.631	50.062	4.907	13.631	50.062	5.365	14.903	43.788
3	3.575	9.929	59.991	3.575	9.929	59.991	3.471	9.642	53.430
4	2.648	7.356	67.347	2.648	7.356	67.347	2.972	8.256	61.686
5	2.050	5.695	73.042	2.050	5.695	73.042	2.759	7.665	69.351
6	1.759	4.887	77.929	1.759	4.887	77.929	2.145	5.958	75.309
7	1.188	3.301	81.231	1.188	3.301	81.231	2.045	5.681	80.990
8	1.120	3.111	84.342	1.120	3.111	84.342	1.206	3.351	84.342

**Table-1: Principal Component Analysis results obtained**

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**A STUDY ON MANAGING THE TURNOVER RATE OF FACULTY IN SELF FINANCED UG COLLEGES IN BENGALURU**

**Haritha M and EA Parameshwara Gupta**

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**ABSTRACT**

*The education system in India is much more improved these days and is one of the leading ones in the world. Besides various government initiatives, the role of the private institutions in the development of education industry in India cannot be denied. At present, India's private education market worth \$68 billion. Now with the sudden spurt in the number of private colleges/institutes/universities providing professional education in the recent past has resulted in the increased demand of highly qualified professionals in the market. Thereby, a large number of faculties are required by these institutes for their curriculum development and academic deliverance. Again the lucrative opportunities available in the corporate sector exert a pull on the existing faculty towards the corporate career from academic profession. This creates a void at various levels in the existing institutes to be filled in. The occupational migration of faculty from academics to the core industry, the additional faculty requirement of the existing institute for newly introduced courses and the faculty required for the newly established college's altogether creates an immense demand for faculty. This high demand and low supply is resulting in faculty crisis in the country, especially in self financed professional institutions. In this context faculty turnover has a serious impact on the institute and its reputation thereby resulting in the increased costs both direct and indirect.*

*Keywords: Self-Financed Professional Institutions, turnover Rate, Qualified Professionals*

**INTRODUCTION**

A high rate of employee turnover in an organization means increasing recruiting, selection and training costs. Moreover, lack of employee's continuity involves high costs in the induction and training of new staff. Organizational productivity is also one of the challenges that arise as a consequence of turnover (Siong et al, 2006). In case of higher educational institutions, the cost of employees' turnover is higher as human resources with knowledge and competences are the key assets and it affects the academic and research activities of the college. Quitting in the mid of semester, the affect is very high as it is difficult for both the college to arrange the substitute and student to adjust/accept new faculty in the mid of course.

Since, there is a considerable size of self financed institutions offering professional courses running in Bengaluru and the people are getting associated and planning to develop their career in this recession proof sector tremendously, the study will help examining several innovative and visionary pathways in the search for effective and efficient methods to improve retention of competent faculty members associated with self financed institution.

**STATEMENT OF THE PROBLEM**

In research process, the first and foremost step happens to be that of selecting and properly defining a research problem which must be unique. The basis of choosing this research area had been the practical encounter with the situation on my own. Being associated with education industry, especially private education market (self-financed institutions), nearly for past three years, I observed a growing concern for rising attrition rate in these institutions. These self-financed institutions offering professional courses are always in a faculty crunch either due to occupational migration of faculty members from academics to the core industry for their better career prospects in terms of growth and compensation, or failure of management of these institutions to be just and fair in the treatment with their faculty members, or lack of support for union formulation activities, leading to more victimization of exploitation by their employers, or decision for undertaking further higher studies, or family constraints and so on and so forth. Thus, the creation of interest and development of curiosity within myself to address and eradicate this growing concern amongst the self financed professional institutions motivated me to pick up this field as my research area.

Based on the discussion of the pertinent issues and problem statement of the research, this research has been executed with the aim to answer and analyze the following questions:

- i) What is the actual turnover rate of faculty members associated with self-financed institutions in Bengaluru?
- ii) What is the associated cost of turnover per faculty member?
- iii) Is there any difference on TI according to age, gender, marital status, experience, employment tenure, income level, academic designation and department?

- iv) Is there any impact of personal factors on TI?
- v) What is the relationship between TI and controllable factors?
- vi) What is the relationship between TI and uncontrollable factors?

**OBJECTIVES OF THE STUDY**

- To determine the overall attrition rate of faculty members associated with self financed professional institutions running in Bengaluru.
- To determine the cost of turnover borne by the management of institution per faculty member.
- To identify the employee motivators for joining teaching profession and in particular a self financed professional institution as an employee.
- To analyze the reasons for turnover intention in self financed professional institutions and provide with some corrective measures that can be adopted by the institutions for retaining their competent employees.

**HYPOTHESIS TEST**

<b>H1:</b>	<b>Demographic factors are associated with turnover intention.</b>
<b>Specifically</b>	
<b>H1:</b>	Age is negatively associated with turnover intention.
<b>H1:</b>	Males have greater intention to leave than females.
<b>H1:</b>	Unmarried have greater intention to leave than married.
<b>H1:</b>	Level of education is positively associated with turnover intention.
<b>H1:</b>	Tenure of an employee in an organization is negatively associated with his or her intention to leave.
<b>H1:</b>	Experience is negatively associated with turnover intention.
<b>H1:</b>	Level of income is negatively associated with turnover intention.
<b>H1:</b>	Position is negatively associated with turnover intention.
<b>H1:</b>	There is significant difference in turnover intention amongst various departments.
<b>H2:</b>	<b>Organizational factors are negatively associated with turnover intention.</b>
<b>Specifically</b>	
<b>H2:</b>	Working Environment is negatively associated with turnover intention.
<b>H2:</b>	Top Management/HODs Support is negatively associated with turnover intention.
<b>H2:</b>	Compensation is negatively associated with turnover intention.
<b>H2:</b>	Training and Developmental Opportunities is negatively associated with turnover intention.
<b>H2:</b>	Organizational Justice is negatively associated with turnover intention.
<b>H3:</b>	<b>Attitudinal factors are associated with turnover intention.</b>
<b>Specifically</b>	
<b>H3a:</b>	Job Satisfaction is negatively associated with turnover intention.
	H3: Satisfaction with pay is negatively associated with turnover intention.
	H3: Satisfaction with nature of work is negatively associated with turnover intention.
	H3a: Satisfaction with supervision is negatively associated with turnover intention.
<b>H3b:</b>	Job Stress is positively associated with turnover intention.
<b>H4:</b>	Organizational Commitment is negatively associated with turnover intention.
<b>H5:</b>	Perceived Alternative Employment Opportunities is positively associated with turnover intention.
<b>H6:</b>	Job Hopping is positively associated with turnover intention.
<b>H7:</b>	Personal Factor is negatively associated with turnover intention.

**RESEARCH DESIGN**

For the study of cause-related behavioral intentions of turnover amongst faculty members of self-financed professional institutions, exploratory research in the form of secondary data analysis and focus groups was conducted to identify the causes that self-financed professional institutions should be concerned about for their increasing faculty turnover rate. As a result, the following causes were identified as salient: demographic variables (comprising age, gender, marital status, experience, employment tenure, income level, academic designation and department); uncontrollable variables (comprising perceived alternative employment opportunities and job-hopping); controllable variables (including organizational factors, attitude factors and organizational commitment) and personal variables.

Then conclusive research in the form of descriptive cross-sectional survey was undertaken to quantify how and

why cause-related behavioral intentions of turnover amongst faculty members are influenced by identified variables (causes). A sample of 294 faculty members and 27 employers were surveyed by questionnaire and personal interview technique respectively.

The various steps undertaken in designing the sampling process were as follows:

1. **Target Population:** Assistant Professors, Associate Professors and Professors in self financed professional institutions and their respective employers; *Sampling Unit:* every employed faculty member in self financed professional institution and their respective employer; *Extent:* Bengaluru; *Time:* The data was collected between February and August 2017.
2. **Sampling Frame:** The sampling frame consisted of an on-line dictionary listing the self financed professional institutions running in Bengaluru.
3. **Sampling Technique:** The sampling technique of the study relied on convenience sampling and snowball sampling.
4. **Sample size:** A sample of 300 employees and 30 employers of self financed institutions were taken in consideration for the study.
5. **Execution:** 325 questionnaires were distributed to the respondents (faculty members of self financed professional institutions), but out of the 325 respondents approached, after screening, finally 294 usable questionnaires were obtained. Also, the researcher personally tried to approach 30 employers of self financed professional institutions, but could make it to only 27. The researcher explained on the purpose of doing the research and asked respondents (employers of self financed professional institutions) to answer various questions pertaining to the field. The response rate, with 294 returned employee's questionnaire, was 90.46%; whereas the employers interviewed response rate turned out to be 90.00%.

#### DATA ANALYSIS TECHNIQUES

The data gathered will be analyzed using The Statistical Package for Social Sciences (SPSS, computer software version 20.0). All the items and variables were coded before entered in the computer. In this study, the responses and information collected from the survey will be tested using statistical techniques such as Frequency Analysis, Pearson Correlation, independent t-test, One-way ANOVA and Multiple Regression analysis.

The first section will present the descriptive statistics of the demographic characteristics of the respondents followed by the calculation of actual turnover rate and the estimated cost of turnover borne by the management of the institution per faculty member. Also, the employee motivators for joining teaching profession and in particular a Self Financed Professional Institution will be identified using mean response method. The next section will deal with hypotheses testing using multiple regression, t-Test and One-way ANOVA and also look at the inter correlations between all the variables.

#### LIMITATIONS OF THE STUDY

1. The researcher had to depend upon the information provided by the respondents and some of the respondents were reluctant in providing the right information whereas some provided it carelessly. Results drawn will be completely based on the information provided. So, some times all efforts fail to find the right result.
2. The findings were limited to the respondent's perception of variable under investigation.
3. Due to limited knowledge available through literature review, the researcher could not cover each and every aspect related to it.
4. Because the research was restricted to specific areas (education industry, specifically self-financed professional institutions), the conclusions drawn, cannot be generalized to all the areas.
5. Sampling errors do creep in during the tenure of the study.
6. Inert feeling of researcher being management's person lead to hesitation and hence biased responses were there.
7. It is a research effort undertaken by an individual, which is not funded by any body or organization, so the researcher (an individual) encountered with certain limitations of lack of funds, manpower etc.

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## A STUDY ON FUTURE OF BITCOIN

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### ABSTRACT

*Bitcoin is a crypto currency and it is the first decentralized currency, which is accepted worldwide and which is not governed by central bank or single administrator. The network is based on peer to peer and transactions take place between users directly without an intermediary. Bitcoin's came into market in the year 2008 with very small value but today the value of a Bit coin varies between \$10000 to \$15000. In countries like Zimbabwe and Venezuela bitcoins are becoming major means of exchange, where are exactly bitcoins are moving? Are they replacing the centralized currencies in the world?*

*Keywords: crypto currency, store value, block chain, Bitcoin mining, volatility*

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### INTRODUCTION

On 18 August 2008, the domain name "bitcoin.org" was registered. In November that year, a link to a paper authored by Satoshi Nakamoto titled Bitcoin: A Peer-to-Peer Electronic Cash System was posted to a cryptography mailing list. Nakamoto implemented the Bitcoin software as open source code and released it in January 2009 on Source Forge. The identity of Nakamoto remains unknown. (Nakamoto, 2008)

In January 2009, the Bitcoin network came into existence after Satoshi Nakamoto mined the first ever block on the chain, known as the genesis block. Embedded in the coin base of this block was the following text. (Nakamoto, 2008)

The blockchain is a public ledger that records Bitcoin transactions. A novel solution accomplishes this without any trusted central authority: the maintenance of the blockchain is performed by a network of communicating nodes running Bitcoin software. Transactions of the form payer *X* sends *Y* bitcoins to payee *Z* are broadcast to this network using readily available software applications

Mining is a record-keeping service done through the use of computer processing power. Miners keep the blockchain consistent, complete, and unalterable by repeatedly grouping newly broadcast transactions into a block, which is then broadcast to the network and verified by recipient nodes. Each block contains a SHA-256 cryptographic hash of the previous block, thus linking it to the previous block and giving the blockchain its name.

### REVIEW OF LITERATURE

Jamie Dimon, CEO of JP Morgan Chase, recently labeled the leading digital currency, Bitcoin, a "fraud," likening it to the 17th century tulip bulb mania and adding that he would fire any employee caught trading it. But on October 2, the *Wall Street Journal* reported that rival Goldman Sachs is considering trading in crypto currencies, potentially the first Wall Street firm to do so. [forbes.com]

Hamad Sheikh, who pointed out that "Digital currency is here to stay, simply because it does not require middle men or local regulatory bodies to hinder its transnational efficiency"

Farah commented, "Bitcoins are useful for trading currencies internationally ... seamlessly in real time—something current banks lack ..."

### STATEMENT OF THE PROBLEM

In a world Bitcoin was the first crypto currencies introduced in the year 2008 form then it became a most buzzing word in the finance and most of the people started Bitcoin mining farm in country like Chain. The study was made to know the futuristic perspective of Bitcoin and evaluate whether Bitcoin will replace the money in future.

### OBJECTIVE OF THE STUDY

- Study is made to know Bitcoin be a future currency.
- To evaluate the possibility of Bitcoin replacing the money.

### METHODOLOGY

- Qualitative research based on the secondary data collected
- It's purely analytical research.

## ANALYSIS AND FINDINGS

The Bitcoin community was looking forward for a good popularity and increase in the price. If you talk to a Bitcoin enthusiast long enough, it's only a matter of time until they proclaim that it's not even possible for it to be a bubble since it's a currency. This wouldn't be true even if it was one, but it's not. It's stock in a much, *much* worse version of PayPal.

It's pretty simple. It has to do with the fact that, from the beginning, Bitcoin's mysterious inventor decided that there would only ever be 21 million coins. That limited supply means that any increase in demand can send prices soaring into the stratosphere, especially when people see everyone around them making a lifetime's worth of money in a couple of months. After all, the only thing worse than being the greater fool who buys into a bubble is being the greatest one who stays out and doesn't make any money off it.

What does it mean, though, if a "currency" goes up in value, like Bitcoin has, from \$775 last year to more than \$17,000 today? Just that a single coin can now buy 22 times more stuff than it could before. When you think about it, is the same as saying that the prices of everything else have gone down massively *in terms of Bitcoin*.

That's pretty normal for it, too. As you can see below, Bitcoin's extreme volatility means that prices tend to either rise 200 or 300 percent, or, more often, fall 80 to 90 percent against it. (To give you an idea of how extreme that is, the last time the United States experienced sustained deflation was during the Great Depression, when prices fell 10 percent per year).



Now, that last part might sound like a good thing — who doesn't like being able to buy more for less? — But it's death for a currency. Think about it like this. Would you ever take out a mortgage in Bitcoin when you knew that what was originally, say, \$200,000 worth of debt might turn into \$3.4 million worth a year later? Or use it to pay for a big night out when those same Bitcoin would be worth \$169,000 not too far down the road? Of course not. Nobody wants to borrow or spend money they think is only going to go up in value — at which point you have to wonder whether it's really money at all.

And the answer is no. Just because you call something a currency doesn't mean it is one. It has to be a stable store of value that people actually use to buy things with. Bitcoin fails on both accounts. Indeed, in the past year, the number of Bitcoin transactions is up only about 33 percent from what was (and is still) a very low level. That's nowhere near the type of hockey stick growth you'd expect from a technology that really was taking over the world.

## WHAT IS MONEY?

Money or essentially any fiat currency (such as USD, GBP or EUR) should satisfy three key criteria:

- It should function as a medium of exchange,
- It should be a unit of account, and
- A store of value.

We most probably have to agree with this one as more and more merchants are starting to accept Bitcoin as a payment option (Google has launched its payments API with Bitcoin, Amazon is rumored to soon start accepting payments in Bitcoin, etc). Moreover, the network of Bitcoin ATMs and the number of Bitcoin

Payment Cards is growing constantly, which makes this crypto similar to our beloved fiat. However, this is only one side of the coin. In fact, the most popular cryptocurrencies performs quite poorly as a medium of exchange. This is fundamentally due to high volatility, which makes it inconvenient and impractical to denominate goods or services in Bitcoin. For example, at the beginning of the day you might price your Mac Book at 1 BTC, but due to daily fluctuations (that can range up to 30 to 40 percent), at the end of the day it should cost 1.5 BTC. To put this into perspective, the daily exchange rate between USD and EUR is on average 1 to 3%.

Though the store of value resembles Bitcoin pretty well, it is still rather different to what conventional money should have. Probably one of the key features of currency as a store of value is that it should be stable. And this is especially important for countries that are striving to attract investment. Simply put, those who invest are expecting some stream of future earnings, and unstable currency compromises investors' ability to accurately predict future earnings, which makes investments less valuable, and hence less attractive.

In economics, a unit of account denotes a nominal monetary unit of measure or currency used to represent the real value of any economic item such as goods, services, assets or liabilities, income, expenses. Again, referring only to volatility, we can understand that Bitcoin does not satisfy this criterion.

### **CONCLUSION**

After taking a look at the key attributes of a currency, we can easily see that Bitcoin is not one. Taking into account slow transactions, relatively high costs and energy inefficiencies for running the network, as well as some fundamental disagreements (in terms of future developments) within the Bitcoin community, it is more than obvious that this cryptocurrency will never seriously challenge USD, GBP or EUR.

However, this does not mean that Bitcoin has no future. It can be applicable and use full only in those countries where the home currency is not reliable and stable. And only in those countries there is a possibility to replace the currency wit Bitcoin.

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**A STUDY ON UPANISHAD AND ITS APPLICABILITY IN MANAGERIAL DECISION MAKING**

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**ABSTRACT**

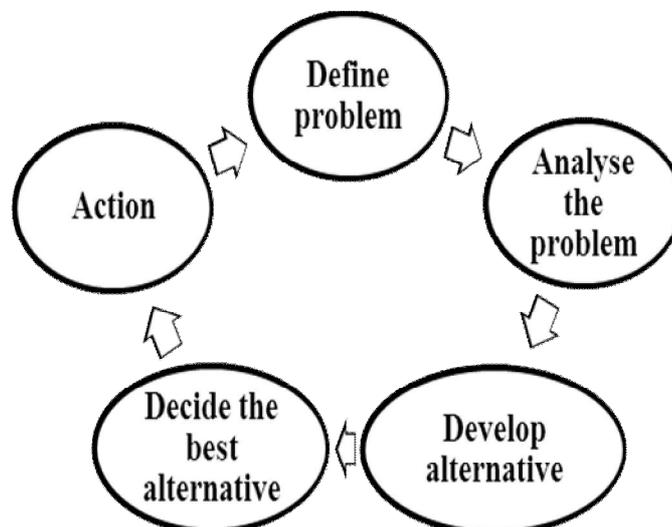
*The Upanishads were been the part of Vedanta, which was the last part of the Vedas. Vedas are treated as oldest scriptures of Hindus 1500–1000 BCE. The Upanishads revealed truth (Sruti) about Brahman (God), which is an Ultimate Reality and the only way of salvation (Moksha) Upanishad derived as upa- ('nearby'), ni- ('at the proper place, down') and sad ('to sit') and it means 'sitting near a teacher to receive the sacred teachings'. Vedas derives (vid - 'to know', 'knowledge' of the eternal truth). Of the 108 Upanishads that have been preserved 12 are considered the principle Upanishads. The Upanishads most of all are the record of what the sages and seers perceived in thought and visions and are not an organized system of philosophy. The Upanishads deal the disciplines of philosophical knowledge (jnana), divine love (bhakti), action (karma), and yoga. They express the same truth as the Bhagavad Gita and the Brahma Sutras. More than 200 Upanishads are known, of which the first 12 are the oldest and most important and are referred to as the principal or main (mukhya) Upanishads. The mukhya Upanishads are found mostly in the concluding part of the Brahmanas and Aranyakas and were, for centuries, memorized by each generation and passed down orally.*

*Arthur Schopenhauer was deeply impressed by the Upanishads and called it "the production of the highest human wisdom" western philosopher. "According to native authorities, Upanishad means setting to rest ignorance by revealing the knowledge of the supreme spirit."*

*Keywords: Jnana, Vedas, Upanishad, Sutras*

**INTRODUCTION TO MANAGEMENT DECISION MAKING**

It is well known that management decision making is seemingly simple, after all we all make decisions every moment of our lives, but the degree of decision depends upon the future requirement, which can be achieved only to the near expectation. When the heart of decision making is defined the start of the question of motivation, reason, and realisation of understanding the 'good' or 'bad'. The complexity of the task highlights on the inherent of the difficulties in identification. Nature of decision making in management becomes more relevant in present commercial exploitation. Focus on the future requirement of establishments as such the need and wants been changing as per the expectation of the customer. Management decision making is not only related to the focus on the market need but also to change the objectivity of the individual in the organisation. The nature of decision making and modelling, data forecasting, system analysis of decision making in particular to individuals and cognition in decision making, the group decision making and finally consideration to non-quantitative long-term forecasting decision making. According to Peter Drucker Process of Decision Making consists of five phases which are shown in the fig. 1. Decision Making process starts with Defining the problem or area for the improvement in the organisation or said department, followed sequence of phases like analysing the said problem or opportunity, Developing various alternatives required to be decided, then the team will finalise the best alternative and implement the same in the organisation.



**Fig-1: Decision making process as per Peter Drucker**

## **INTRODUCTION TO UPANISHAD AND DECISION MAKING**

Each of the principal Upanishads can be associated with one of the schools of exegesis of the four Vedas (shakhas). Many Shakhas are said to have existed. The main purpose of education was sharing knowledge and experience of each other coupled with decision making at different stage of life cycle and situations. Rishis travelled places in acquiring knowledge and sharing the same. This made rishis in understanding the living conditions, social wellbeing, social conditions, families, social status of each society. Management of society at situation of calamities, decisions in safeguarding society from invaders. Management of society in ancient period was under the control of the superior man of the society. Which was indeed the same prevailed in the family, the head of the family with the concern of all the members in a democratic way decision were been taken. First the problem was been identified and discussed among each and every member of the society and the family concern. The views of each members were been heard. The best alternatives was taken for implementation, this process was made I all circumstances of problem and decision of the related situations were implemented immediately.

Education was deeply rooted in Vedas. Vedic traditions and practices of education were in the form of 'Dharma Sutras.' In Bharat we find that ancient education was child friendly. The Hitopodesh and Upanishad were created and developed to teach the complexities of life and diplomacy. The medium was through stories of god, goddess and animals birds imparted moral and specialised training at the interest of the child and family, in this learning process. In ashram teacher and child centred knowledge were imparted, which also lead for a dialogue between guru and shishas. We can recall how Ram, Lakshmana went with guru Vishwamintra. Maharishi Viswamithra helps Ram and Lakshmana to specialise in Dhanurvedya.

The upaishads give a mode of teaching was through one to one discussion, questing and answering by both guru and shishas. It was students ask questions to guru and the guru gives answer and vice versa. *Kathopanishad* story goes with discussion between *Uddalak* and *Yama*, which provides for sharpen one's skill and learn new things and decision making process.

## **REVIEW OF LITERATURE**

### **Modern Management through Ancient Indian Wisdom: Towards a More Sustainable Paradigm**

The paper attempts to establish the relevance of the teachings of Ancient Indian scriptures like Vedas, Upanishads, Bhagavad Gita, Manu-smriti, Arthashastra, etc in the practice of Modern Management. In this paper, we will see that though Drucker's modern management paradigms like MBO are very ideal theoretically and can be derived from the ethical and spiritual frameworks of ancient Indian ethos however, in practice, companies are struggling to implement these frameworks effectively because they are still not aligned to the teachings of ancient Indian scriptures.

## **OBJECTIVES**

1. To study Upanishad and its applicability in organisation and corporate bodies.
2. To teach the complexities of each individual life and diplomacy in body corporate.
3. To shoulder more responsible in maintaining the sustainability of the business by leadership.
4. To incorporate ethics and integrity in the existing framework of leadership

## **STATEMENT OF PROBLEM**

It is well known that management decision making is seemingly simple, after all we all make decisions every moment of our lives, but the degree of decision depends upon the future requirement, which can be achieved only to the near expectation. When the heart of decision making is defined the start of the question of motivation, reason, and realisation of understanding the 'good' or 'bad'. The complexity of the task highlights on the inherent of the difficulties in identification. Nature of decision making in management becomes more relevant in present commercial exploitation. Focus on the future requirement of establishments as such the need and wants been changing as per the expectation of the customer. Management decision making is not only related to the focus on the market need but also to change the objectivity of the individual in the organisation. The nature of decision making and modelling, data forecasting, system analysis of decision making in particular to individuals and cognition in decision making, the group decision making and finally consideration to non-quantitative long-term forecasting decision making.

## **IMPLICATIONS**

The study is aimed at Self-Management to Creation of a Uniform World, Decisions can become complex when they involve or affect other people, so it helps to create a constructive environment in which to explore the situation and weigh up your options. Often, when you are responsible for making a decision, you have to rely on

others to implement it, so it pays to gain their support. It's most appropriate to make the decision within a group, conduct an individual Analysis to identify who to include in the process. To build commitment from others, make sure that these individual are well represented within your decision-making group

Making a decision implies that there are alternative choices to be considered, and in such a case we want not only to identify as many of these alternatives as possible but to choose the one that (1) has the highest probability of success or effectiveness and (2) best fits with our goals, desires, lifestyle, values, and so on. The two important ideas here are that first, there must be some genuine alternatives to choose from among. Every decision must be made in the light of some standard of judgment. This standard usually gets expressed in the form of criteria. Thus it is applicable to each and every person in the organisation to achieve the goals.

### RESULTS AND FINDINGS OR OUTCOME

Based on the qualitative analysis the researcher has tried to develop the modal from Upanishad, Decision Making:

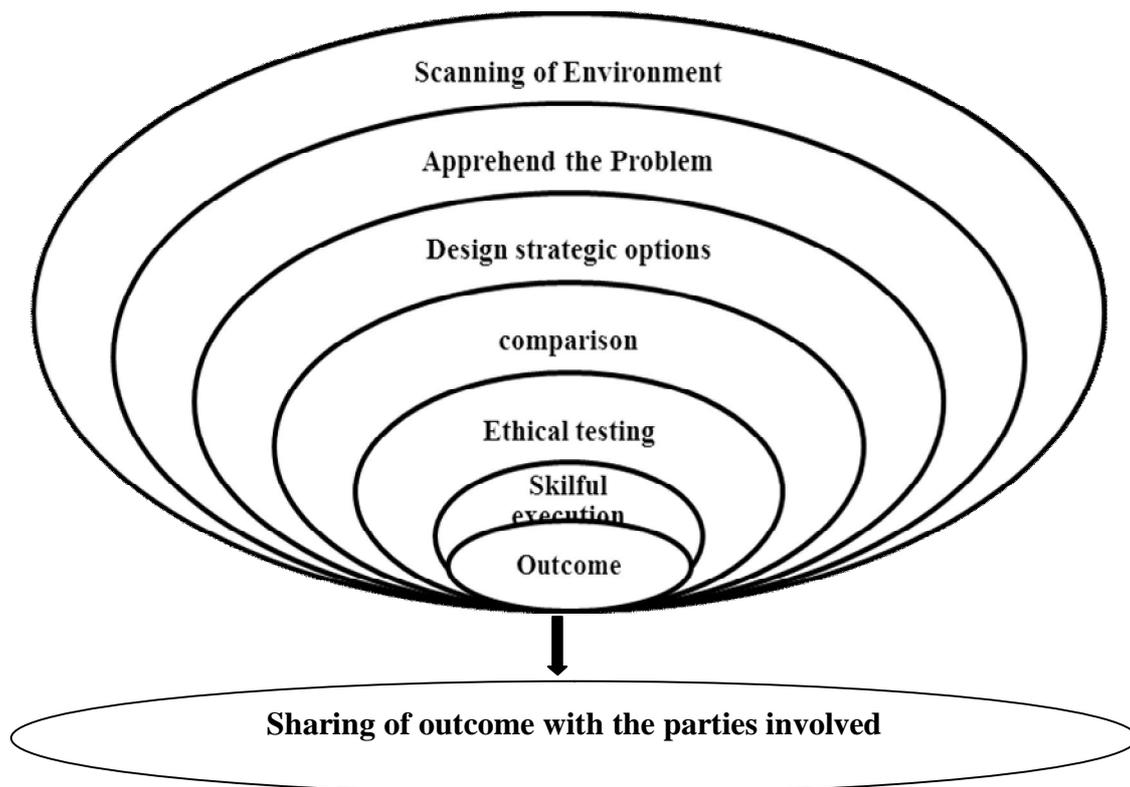


Fig-2: Decision making process as per the Geetupanishad

#### 1. Scanning of environment

Environmental scanning is a process that systematically surveys and interprets relevant data to identify external opportunities and threats. An organization gathers information about the external world, its competitors and itself Careful monitoring of an organization's internal and external environments for detecting early signs of opportunities and threats that may influence its current and future plans. In comparison, surveillance is confined to a specific objective.

#### 2. Apprehend the problem

Clarity on any situation is developing a clear, calm and collected mind. This takes a lot of effort. One way is meditation, another is by distancing yourself from the situation - not physically but mentally - where you look at it as an outsider and have a bird's eye view of it. To apprehend the problem to seize, either physically or mentally

#### 3. Design strategic options and take expert advice where ever necessary

Strategy is a set of key decisions made to meet objectives. A strategy of a business organization is a comprehensive master plan stating how the organization will achieve its mission and objectives. Most of our decisions get affected because we wonder about their outcomes and consequences. But when you realize that you have little control over the final outcome Look at your problems in different ways; find a new perspective that you haven't thought of before. Brainstorming, or rapid noting of alternatives no matter how silly, is an excellent discovery process.

**4. Comparison and choice among the various alternatives by ignoring to one's anger, greed, selfishness, revenge, jealousy and affection**

Weigh Alternatives after listing possible alternatives, evaluate them without prejudice, no matter how appealing or distasteful, Consider all criteria while a suitable solution may solve the problem, it may not work if resources aren't available, if people won't accept it, or if it causes new problems

**5. Ethical testing of the selected alternative**

Making a decision implies that there are alternative choices to be considered, and in such a case we want not only to identify as many of these alternatives as possible but to choose the one that (1) has the highest probability of success or effectiveness and (2) best fits with our goals, desires, lifestyle, values, and so on. The two important ideas here are that first, there must be some genuine alternatives to choose from among. Note that "Do it" or "Don't do it" does not qualify as a set of alternatives. Only "Do this" or "Do something else" really qualifies. Second, every decision must be made in the light of some standard of judgment. This standard usually gets expressed in the form of criteria, which reflect the values and preferences of the decision maker. These values and preferences are often influenced by corporate rules or culture, law, best practices, and so forth.

**6. Skilful execution of decision**

By making a decision a person commits herself to act in a certain way. However, in behavioural decision research, the link between decision making and action is largely neglected. The reason may be that decision making primarily is seen as a question of forming preferences, i.e., a question of finding the better or best alternative. However, in contrast to decisions preferences are not necessarily linked to actions. An individual may prefer alternative x to alternative y without committing herself to any action. That is, the alternatives in preferences need not be action alternatives

**7. Treat the outcome as the gift of God**

Most of our decisions get affected because we wonder about their outcomes and consequences. But when you realize that you have little control over the final outcome and when you don't focus on the gains, your efforts will be filled with more meaning. What's more you will also look at every gain as a bonus and appreciate the rewards more. Once you've decided on your course of action, set your own standards of excellence, benchmark your own success, and then create newer highs. The greatest achievers have kept pushing themselves for gaining greater levels of mastery. They compete with themselves and continue learning in all areas of their lives. They meet with success and failure but still keep growing. And their journeys continue to inspire us and give light to our lives.

**8. Sharing of outcome with the parties involved**

A person is considered superior who is impartial towards companions, friends, enemies, neutrals, arbiters, haters, relatives, saints, and sinners. People make up our lives and it's difficult not to get influenced by them or by our equations with them. But that's exactly what Lord Krishna says. Treat everyone with the same lens of impartiality. A son shouldn't take on his father's business by virtue of being his son, but, because he is an able and competent worker. Likewise just because someone has picked a fight with you, don't write them off for good... the event isn't the person.

**CONCLUSION**

From the above discussions we conclude that firstly, much of modern management principles existing today can be derived from the body of knowledge of the ancient Indian scriptures. However, in practice, the sustainability of the existing management frameworks is still dubious. Secondly, through the wisdom of Ancient Indian scriptures and taking the six-fold path of knowledge, we can make the existing modern management acculturation, Modern Management through Ancient Indian Wisdom: towards a more Sustainable in practice. Through spirituality wisdoms of the Vedas, Upanishads, Bhagavad Gita, etc. we can not only promote a more ethical and responsible leadership on an individual or institutional level but also move towards the direction of restoring management peace and a better managerial economic order through coupling globalization with spiritual congruence. Finally, it is through the Guna theory and an analysis of the delicate balance that exists in the three gunas (viz., Sattwa, Rajas, and Tamas) that we can understand the reasons for decision-making failures on an individual level which ultimately leads to organizational or institutional failures. Some of the recent failures of companies which were revered in their industry can be explained through this Guna theory. It is time that modern management thinkers should embrace the importance of ancient Indian ethos in filling the gaps that exist in the existing leadership and management.

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**CONSUMER BUYING BEHAVIOR OF FMCG PRODUCTS AT RELIANCE FRESH****Naveen A<sup>1</sup> and Vanitha RS<sup>2</sup>**HOD<sup>1</sup>, Department of B.Com, SIMS, BangaloreGuest Faculty<sup>2</sup>, Maharani College, Bangalore**ABSTRACT**

*Consumer Buying Behavior concerns the consumer behavior of the end customer, i.e. individuals or households. Consumer buying behavior has changed due to a number of reasons e.g. the Internet, globalization, and the fact that today's consumers have more disposable income than at Consumer behavior can be studied from varying perspectives like psychology and micro-economics, which have been the foundation of early research in this area. More recent perspectives like sociology and cultural anthropology have contributed to a larger picture of consumer behavior.*

*The study involves describing the consumer buying behavior of FMCG products at Reliance Fresh. The methodology of research study was descriptive research. Descriptive research includes surveys and fact finding investigation. The major purpose of descriptive research is, description of state of affairs as it exists at present.*

*In this survey I found that most of the respondents are regular customer of Reliance Fresh. And they felt that Reliance Fresh is providing good service to the customer, means price of the FMCG products at Reliance Fresh is very convenient and reasonable.*

*In this survey we studied the buying pattern of FMCG products at Reliance Fresh. In this study an attempt is made to know whether the consumers are satisfied or not satisfied with the service, price, and quality of the products at Reliance Fresh.*

*Reliance Retail industry:*

*Reliance fresh is the retail chain division of reliance industries of India which is headed by Mukesh Ambani. Reliance has entered into this segment by opening new retail stores into almost every metropolitan and regional area of India.*

*Reliance Fresh falls under Reliance Industries. It is the first retail venture of the Group. The company offers fresh fruits and vegetables, staples, groceries, fresh juice bars, FMCG products and dairy products and non-vegetarian items. Reliance Industries has invested nearly Rs. 3,000 crores to expand the Reliance Fresh stores. Reliance Fresh directly buys stock from the farmers to cut down on the wastage. The stores work on The Ranger Format which means selling of fresh vegetables to the road sellers. Reliance Retail has signed a pact with Apple for the establishment of a chain of Apple Specialty Stores branded as iStore, starting with Bangalore*

*Besides, the stores would provide direct employment to 5 lakh young Indians and indirect job opportunities to a million people, according to the company. The company also has plans to train students and housewives in customer care and quality services for part-time jobs. Currently, selling through company-owned stores currently totals just \$8 billion in India. Industry estimates say that the country's retail industry is worth \$300 billion, that is about Rs 13, 50,000 crore. This stands a chance to blossom to \$427 billion in the next four years. Organized retail accounts for just over Rs 35,000 crore. RelianceFresh bids to tap the potential for organized retail in the country.*

**INTRODUCTION**

Understanding consumer buying behavior begins by understanding the general steps consumers go through before, during and after the purchase. By understanding each step, marketers can conduct marketing efforts to encourage customers to gravitate towards a purchase, and once a purchase has been made, find a satisfaction with their choices

**Stages of the Consumer Buying Pattern**

Problem Recognition (awareness of need), Information search, Evaluation of Alternatives, Purchase decision, Purchase, Post-Purchase Evaluation

**Types of buying behavior**

Complex buying behavior is where the individual purchases a high value brand and seeks a lot of information before the purchase is made.

Habitual buying behavior is where the individual buys a product out of habit.

Variety seeking buying behavior is where the individual likes to shop around and experiment with different products.

Dissonance reducing buying behavior is when buyer is highly involved with the purchase of the product, because the purchase is expensive or infrequent.

**Problem Statement**

To make an comprehensive study of Reliance fresh & know the buying pattern of FMCG product at Reliance Fresh. Consumer buying pattern of FMCG product will be a primary force in determining how this transition will evolve. Getting closer to the consumer in today’s highly competitive landscape is essential for the entire industry and is no longer just a retail issue. It requires all organizations across the supply chain to work as a single enterprise, sensing and responding rapidly to consumer demand in a co-ordinate manner. Detailed study of the changing patterns of consumer demand, satisfaction and shopping trends can be analyzed through a FMCG retail players & can strategized for reliance FMCG.

**OBJECTIVE OF THE STUDY**

- To find out various dimensions which affect consumer buying pattern of FMCG product at Reliance Fresh.
- To find out the expectation and satisfaction level of customers.
- To know the major factors which influencing consumer buying pattern.
- To identify consumer preferences towards shopping of FMCG product.

**METHODOLOGY**

The methodology of research study was descriptive research. Descriptive research includes surveys and fact finding investigation. The major purpose of descriptive research is, description of state of affairs as it exists at present.

Sampling Technique: Simple Random sampling is used

A sample size of 100 respondents has been taken

Data Collection: Primary data for research are collected from direct resources i.e. customer of Reliance fresh who visit retail outlet through questionnaire.

**LIMITATION OF THE STUDY**

- The study was limited to few Reliance Fresh outlets which is located Bangalore north There can be response bias from the respondents, which limits the validity of findings.

**ANALYSIS OF THE DATA**

Showing the percentage of the customer’s with Reliance Fresh.

**Table-1**

<b>Opinion</b>	<b>No of responds</b>	<b>Percentage</b>
<b>Yes</b>	91	91%
<b>No</b>	9	9%
	100	100%

Out of 100 respondents who participated in survey 91% were the customer of Reliance Fresh and 9% were not the customer of Reliance Fresh. So majority of respondents who participated in survey were customer of Reliance Fresh.

Showing the no of customer regularity with Reliance Fresh

**Table-2**

<b>Particulars</b>	<b>No of Respondents (%)</b>
<b>Rare</b>	10
<b>Frequently</b>	30
<b>Regular</b>	47
<b>Only when there is offer &amp; discount</b>	4
	91

So majority of respondents who participated in survey like to purchase regularly and least like to purchase only when there is offer and discount.

Showing the grounds (basis) for customers opting for Reliance Fresh product

**Table-3**

Grounds	No of Respondents	Percentage
Convenient	35	35
Good services	17	17
Product assortment	5	5
Ambiance	5	5
Reasonable price	30	30
Promotional offers	8	8
	100	100

It is infer that due to convenient majority of respondents prefer Reliance Fresh and due to product assortment & ambience least respondents prefer Reliance Fresh for purchasing the FMCG products.

Showing the awareness of the FMCG product category in Reliance Fresh

**Table-4**

Product category	Yes	No	Total
House hold care	84	16	100
Food & Beverage	98	2	100
Personal care	90	10	100
Groceries	69	31	100
Fruits & vegetables	100	0	100

Majority of sample unit were aware of FMCG products category in Reliance Fresh. And least percentage of sample units was not aware.

Showing the appeal factor during purchase with customer

**Table-5**

Appeals	No of Respondents	Percentage
Window shopping	8	8%
Ambience	17	17%
Demonstration of the product	24	24%
Entertainment	3	3%
Quick service	48	48%
If any other specify	0	0%
	100	100%

Consumer give importance toward appeal factor is quick service because of which reliance outlet was preferred by consumer.

Showing the time spend in Reliance Fresh outlets

**Table-6**

Time	No of respondents	Percentage
30 min	62	62%
1 hr	31	31%
1 hr 30 min	5	5%
2 hrs	2	2%
	100	100%

**Table – 7: The factor influencing the purchase behavior at Reliance Fresh.**

Factor	No of Respondents	Percentage
Brand name	17	17%
Quality	48	48%
Advertisement	9	9%
Price	22	22%
Past experience	4	4%
Any other	0	0%
	100	100%

**Table-8: The customer preference for various retail outlets**

Rank	Reliance Fresh	More	Food World	Food Bazaar	Heritage Fresh	Spencer's
1 <sup>st</sup>	60	15	11	3	0	11
2 <sup>nd</sup>	22	44	13	15	2	4
3 <sup>rd</sup>	9	20	27	27	5	12
4 <sup>th</sup>	6	9	35	25	8	17
5 <sup>th</sup>	2	7	10	19	34	28
6 <sup>th</sup>	1	5	4	11	51	28
	100	100	100	100	100	100

**Table-9: The behavior of customers in the absence of preferred products at Reliance Fresh**

Particulars	No of Respondents	Percentage
Prefer some other store	73	73%
Buy some products which is well presented in the store	27	27%
	100	100%

**Table-10: The satisfaction level of the service provided by the sales personnel at Reliance Fresh**

opinion	No of respondents	Percentage
Yes	78	78%
No	22	22%
	100	100%

## FINDINGS

- Majority of respondents who participated in survey like to purchase regularly and least like to purchase only when there is offer and discount.
- Most of the customers preferred Reliance Fresh because it is more convenient and due to reasonable price and very few preferred due to good services and other reasons.
- Most of the customers agreed that they are aware of the entire FMCG product category available in Reliance Fresh.
- Most of the customer responded that there is quick service & demonstration of the product. And least percentage of the respondents appealed for entertainment & window shopping.
- Most of the customers felt that if preferred brand is not available in the store (Reliance Fresh) then they will prefer some other store. And least percentage goes for another option.
- Customers felt that the price of the products at reliance fresh were economic compared to its competitors, very few felt it was expensive.
- Most of the respondents felt that sales personnel in Reliance Fresh were skillful in solving the problem regarding guiding and product identification.
- On an average mostly respondents has given the good rating for ambience, after sales service and store layout, and average for sales personnel.

## CONCLUSION

It can be concluded that behavior pattern of the customer is influence by the product and service quality price and brand, consumer buying pattern is influenced by the store layout, ambience, behavior of sales personnel, and after sales service of Reliance Fresh. Most of the customers are ready to buy some product from another retail outlet, if they are not finding good quality of products there in Reliance Fresh. Means customer want up gradation of the product at Reliance Fresh. So that Reliance Fresh can face a tuff competition with the other retail outlet.

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**A STUDY ON IMPACT OF CORPORATE ACTIONS ON STOCK PRICES**

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**INTRODUCTION**

A corporate action is an event initiated by a public company that affects the securities (equity or debt) issued by the company. Some corporate actions such as a dividend or coupon payment or a call (early redemption) of a debt security may have a direct financial impact on the shareholders or bondholders. For example, if interest rates fall sharply, a company may call in bonds and pay off existing bondholders, then issue new debt at the current lower interest rates.

Other corporate actions such as stock split may have an indirect impact, as the increased liquidity of shares may cause the price of the stock to rise. Some corporate actions such as name change have no direct financial impact on the shareholders. Corporate actions are typically agreed upon by a company's board of directors and authorized by the shareholders. Some examples are stock splits, dividends, mergers and acquisitions, rights issues and spin offs.

Largely there are three reasons for a company to use corporate actions:

- Return profits to the shareholders – cash dividends are the best example in this case. Another case is issue of bonus shares whereby the shareholder is rewarded.
- Influence the share price – If the price of a stock is too high or too low, the liquidity of the stock suffers. Stock splits and reverse stock splits help reduce or increase the price respectively. Buybacks is another way of influencing the share price as management buys back the shares from the market thereby reducing liquidity and increasing the price.
- Corporate Restructuring – Corporate re-structure in order to increase their profitability. Mergers are an example of a corporate action where two companies that are competitive or complementary come together to increase profitability. Spinoffs are an example of a corporate action where a company breaks itself up in order to focus on its core competencies.

Corporate actions from the investors perspective could be mandatory (such as stock splits, mergers, pre-refunding, return of capital, bonus issue spin off), voluntary (such as tender offer) or mandatory with choice (such as cash or stock dividend option, the shareholder can elect to take the proceeds of the dividend either as cash or additional shares of the corporation. These are commonly known as Mandatory Events with Options, as a dividend is mandatory but a shareholder has the option to elect for the cash or to re-invest their cash dividend into the shares.)

**LITERATURE REVIEW**

Garcia de Andoin and Bacon (2009)<sup>1</sup> had studied the impact of stock split announcement on the stock prices of companies listed in NASDAQ. Their study had concluded that “firms’ public stock split announcements did not affect stock price on the announcement day. Rather, for the two for one and three for two forward split samples, stock price exhibited a significant positive reaction up to 27 days prior to the announcement. For the reverse split sample, stock price exhibited a significant negative reaction up to 30 days prior to the announcement”. They had also opined that “Investors greet forward stock split announcement with a positive sign, whereas they view reverse splits as bad news. Management may be using stock splits to adjust stock price to a more marketable range, downward with forward and upward for reverse splits”

Pavabutr and Sirodom (2008)<sup>2</sup> had studied the impact of price and liquidity on the stock exchange of Thailand. Their study “finds evidence that stock splits can have favorable impact on stock price through reduction of trade frictions such as bid-ask spreads and price impact measures. The reduction in bid-ask spread and price impact is a consequence of increased trading frequency of market participants who are expected to have a preferred trading range”.

We have discussed some of these below in more detail.

**DIVIDEND**

A dividend is a payment made by a corporation to its shareholders, usually as a distribution of profits. When a corporation earns a profit or surplus, it can either re-invest it in the business (called retained earnings), or it can distribute it to shareholders. A corporation may retain a portion of its earnings and pay the remainder as a

dividend. A dividend is allocated as a fixed amount per share, with shareholders receiving a dividend in proportion to their shareholding.

### OBJECTIVES

- To study the various important corporate announcements.
- To assess the impact of corporate action announcements on share prices.
- To examine whether there is any abnormal returns around the corporate action announcement window.

### DIVIDEND STRIPPING IN STOCKS

It is a tax planning method used by investors which allows them to set off the capital loss against a short term or long term capital gain, thereby reducing the tax liability.

- Dividend stripping refers to timing the purchase and sale of shares to reduce tax liability. You can avail of the set-off benefits available on short-term capital loss arising from the transaction.
- Dividends bring down the share price to the extent of the payout. By buying shares when they are cum-dividend and selling when they become ex-dividend, you make a short-term capital loss.
- This short-term capital loss can be set-off against short-term as well as long-term capital gains made in other transactions during the current year.

### DIVIDEND STRIPPING IN MUTUAL FUNDS

Dividend stripping is a strategy whereby one can save on taxes. It is a process wherein an investor invests in a mutual fund just before the fund declares dividend and sells the units after receiving the dividend. Earlier the mutual funds announced dividend in advance and investors could invest huge sums for a **very small period** and withdraw the amount after receiving the tax free dividend. Buying the securities fetches investor's dividends, and by selling it immediately a short-term capital loss is incurred. This loss can be set off against a short term capital gain, thereby reducing the tax liability.

In the union budget, the finance minister revised the tax norms under dividend stripping and marked the end of this loophole. The tax provision now states that when a person buys any units within a period of three months before the record date and sells such units within nine months after such date (note the difference in the time period vis-à-vis shares), then the dividend income on such units is exempt from tax. But the capital loss on such sale to the extent of the dividend income cannot be set off against other gains.

Further, mutual funds are also now mandated to fix their record date no later than five days after they issue a public notice about the dividends. This ensures that large investors don't get a long advance notice about an approaching dividend. In case of mutual funds, the effectiveness of dividend stripping depends on the dividend distribution tax applicable on debt fund dividends. It also depends on the exit loads at the time of redeeming the units.

Since dividend stripping no longer can supply tax avoidance, it is less attractive than it formerly was. Even so, it can be an attractive profit option. Dividend stripping can be effective when the purchaser believes the dividend about to be paid will be higher than the loss incurred at the time of sale.

On the day a company goes ex-dividend a company's share price usually falls as the cash to pay the dividend leaves the balance sheet bound for investors' pockets. In theory, the shares should fall back by the amount paid out in dividend. But this doesn't always happen - stocks with good momentum often don't fall by the full amount.

### STOCK SPLIT

A stock split or stock divide increases the number of shares in a public company. The price is adjusted such that the before and after market capitalization of the company remains the same and dilution does not occur. Options and warrants are included.

For example, take a company with 100 shares of stock priced at Rs.50 per share. The market capitalization is  $100 \times \text{Rs.}50$ , or Rs.5000. The company splits its stock 2 for 1. There are now 200 shares of stock and each shareholder holds twice as many shares. The price of each share is adjusted to Rs.25. The market capitalization is  $200 \times \text{Rs.}25 = \text{Rs.}5000$ , the same as before the split.

Ratios of 2-for-1 or 2:1 (which means 2 shares for every 1 share held), 3:1, and 3:2 splits are the most common, but any ratio is possible. Splits of 4:3, 5:2, and 5:4 are used, though less frequently. Investors will sometimes receive cash payments in lieu of fractional shares.

It is often claimed that stock splits, in and of themselves, lead to higher stock prices; research, however, does not bear this out. What is true is that stock splits are usually initiated after a large run up in share price. Momentum investing would suggest that such a trend would continue regardless of the stock split. In any case, stock splits do increase the liquidity of a stock; there are more buyers and sellers for 10 shares at Rs.10 than 1 share at Rs.100.

### **BUY BACK**

“Buy Back” means the repurchase of outstanding shares by a company in order to reduce the number of shares on the market. Companies will buy back shares either to increase the value of shares still available (reducing supply), or to eliminate any threats by shareholders who may be looking for a controlling stake.

A buyback allows companies to re-invest in itself. By reducing the number of shares outstanding in the market, buybacks increase the proportion of shares a company owns. Buybacks can be carried out in two ways:

- Shareholders may be presented with a tender offer whereby they have the option to submit (or tender) a portion or all of their shares within a certain time frame and at a premium to the current market price. This premium compensates investors for tendering their shares rather than holding on to them.
- Companies buy back shares on the open market over an extended period of time.

### **BONUS**

A bonus share is a free share of stock given to current shareholders in a company, based upon the number of shares that the shareholder already owns. While the issue of bonus shares increases the total number of shares issued and owned, it does not change the value of the company. Although the total number of issued shares increases, the ratio of number of shares held by each shareholder remains constant.

Whenever a company announces a bonus issue, it also announces a book closure date which is a date on which the company will ideally temporarily close its books for fresh transfers of stock. Sometimes a company will change the number of shares in issue by capitalizing its reserve which is a positive indicator for investors and suggests the confidence and conviction that a company has in itself.

A bonus share issue is not a dividend. Although these shares are "distributed" from a company to its shareholders, this is almost never a "distribution" in the corporate law sense. That is because they represent no economic event – no wealth changes hands. The current shareholders simply receive new shares, for free, and in proportion to their previous share in the company.

A bonus share issue is very similar to a stock split. The only practical difference is that a bonus issue creates a change in the structure of the company's shareholders' equity (in accounting). Another difference between a bonus issue and a stock split is that while a stock split usually also splits the company's authorized share capital, the distribution of bonus shares only changes its issued share capital (or even only its outstanding shares). The share price like in the case of a split is adjusted thereby leaving the market capitalization unchanged.

### **CONCLUSION**

Thus to sum it up, a corporate action is any event that brings material change to a company and affects its stakeholders. This change could relate to the name, price, shares, capitalization etc. This includes shareholders, both common and preferred, as well as bondholders. The actions could be mandatory, voluntary or mandatory with options. In Most cases specially the ones mentioned above, either the price changes (in case of dividends) or the capital structure (in case of buyback) or both (in case of split, bonus). As an investor one needs to keep in mind the action taken and the resultant change so as not to be misled by the price changes.

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**A STUDY ON WORK ETHICS AMONG NGOs, LEADS TO SUSTAINABLE DEVELOPMENT.WITH  
SPECIAL REFERENCE TO LANDESA (RURAL DEVELOPMENT INSTITUTE)**

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**ABSTRACT**

*Non-government organization belongs to service sector which is not working for the profit. Now-a-days the number of NGOs are growing and the donors are also been very much interested to work along with NGOs as they are very much concerned with social responsibility. NGOs work along with government; but, they have their own system of working. In this system ethics plays an important a major role and also it acts as a pillar in the NGO.*

*The paper brings out a conceptual based that upholds the importance of ethical code and ethical standards in NGO and also concentrates on factors that influence moral conduct and ways adopted by them to infuse moral awareness among the employees in special reference to LANDESA(Rural Development Institute) which has base in Seattle, US. This particular non-profit organization is striving hard to secure land rights to poor families.*

*Keywords: non-profit organizations, ethical codes, ethical standards and moral awareness.*

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**OBJECTIVES OF THE STUDY**

1. To study the role of ethics in NGO
2. To know team standards of NGO Landesa(RDI)
3. To analyze the ethics that is followed by Landesa for fundraising

**REVIEW LITERATURE**

Nonprofit organization is neither government concern nor private who is working for profit. These popularly known as service oriented organization. NGO are the successful way to promote social responsibility or social initiative among government and some corporate group. The legal status of NGOs can be as Trusts, Charities, Foundations (Fact sheet 2012)<sup>5</sup>

NGOs are mainly working on the concept of “KARMA YOGA” working for “SARVA” instead of “SVA”.

**NGOS WORK MAINLY IN THREE WAYS:**

- Sometimes it takes away the role of government
- Sometimes it works as a sub-ordinate or complementary to government or charity.
- It will also replace the individual philanthropy or charity(Antonio Argandona 2007)<sup>1</sup>

The importance for NGO has increased due to intellectual support what they give for people who are really in need. Their existence has become necessity rather than a luxury for the society. (Rockefeller brother fund 2006)<sup>2</sup>. NGOs are striving very hard in the act of distributing wealth equally among people.

Globalization has become one of the supporting factors for this non government organization to develop. Because, countries due to globalization have become dependent on one another for economic prosperity. This is mainly due to the culture of MNCs. And there MNCs are welcoming diversity in culture, exchange of ideas and practices. These kinds of exchanges help people fulfilling their basic needs and also provide necessities. Finally it leads to qualitative life (high standard of living).

One more important reason why there is more importance is given to NGOs because, government is paying less importance to global problems relating to human rights violation, unemployment, female illiteracy which leads to many kinds of harassment. Therefore NGOs are important players in formulation, designing and developmental strategies. (Training guide for peace crops volunteers 2005)<sup>3</sup>

**FEW CHARACTERISTICS OF NGOS**

1. Aims to serve other with related values
2. Independent
3. No profit motive
4. Voluntary service

There is one more factor which facilitates NGOs is innovation in the field of communication Medias. These innovations and advancements have given support this NGOs working for accountability and transparency. (Charlie Beckett 2009)<sup>4</sup>. These supporting factors also helped these organizations to stick on to their ethical standards

NGOs act as a supplier of information to news media about development and also humanitarian issues which enhances government and public to be aware of all these things. This shows the societal commitment of NGOs. NGOs are suppose to give exact information without any exaggerations, which influence policy making, governing and developmental process.

**FACTORS WHICH HELP NGOS TO WORK EFFICIENTLY ARE**

- New and cheaper technologies which makes work of gathering media materials easy
- Efficient and effective own staff
- Stakeholders
- Supporters
- Public
- Growth in literacy rate
- Raise in income level
- Growth in journalism(Charlie Beckett 2009)<sup>4</sup>

There are more than 2 million NGOs; there is one NGO for every 600 Indians.

**THE ACTIVITIES OF NGOS CAN BE BROADLY DIVIDED INTO**

- NGOs working for human rights
- NGOs working for environmental benefits
- Working for developmental purpose

A set of principles which guides by telling what to perform and what not to perform for achieving the agenda of improving the status of its members and also affected segments of society.

The code of ethics or conduct for NGOs is designed to be applicable to the worldwide NGO community. (WANGO 2004)<sup>6</sup>

TRUST is the fundamental point between NGOs and public for establishing partnership .therefore for gaining the trust these NGOs should stick on to ethics only then public will value their agenda. (INTRAC 2000)<sup>7</sup>

An international committee of NGOs leaders from 42 nations, representing the wide spectrum of the NGO community was established for the development of set of fundamental principles, operational principles and standards which can guide the actions and manage these NGOs. (WANGO 2004)<sup>6</sup>

NGOs should be very careful with the money what they have got from donations from donors. If they misuse this money, they will lose the faith of donors. Therefore they should follow proper system of governance to manage their ethics.

It is funding organization's responsibility to tell NGOs to maintain financial transparency to make sure that money is not misappropriated. This process is termed as "Moral Guardianship" (Charlie Derry 2010)<sup>8</sup>

**NGOS HAVE MAJOR RESPONSIBILITY TOWARDS BEING ETHICAL ARE**

- Give accurate information and do not manipulate situations for their personal benefit of their board or staff.
- They should work beyond the boundary of race, ethnicity, culture, religion and politics.
- They should respect each person's fundamental human rights.
- Donations what they have collected, should not be used for their personal benefit.
- They should oppose government for their selfish means

**NGOS ETHICAL CODES TOWARDS THEIR EMPLOYEES**

- Training and working conditions

- Written HR policy
- Staff growth and development
- Fairness and rights
- Code of ethics and conduct
- Communication of serious concern
- Standards and responsibility
- Confidentiality (Bisman 2011)<sup>9</sup>

**THIS RESEARCH STUDY IS CONCENTRATED ON A PARTICULAR NGO NAMED AFTER LANDESA (RDI)  
History of LANDESA (RDI) in India**

Landesa registered as Rural Development Institute (RDI) was founded in 2008 in India. Landesa's involvement in India started in 1999 with focused field research. This research led to engagement with the national government on crafting new land policy that would focus on the rural poor. These pro-poor policies serve as a foundation for Landesa's continued work in India as it partners with the national and state governments to develop and implement specific large-scale programmes.

**LANDESA globally**

Landesa headquarters in Seattle, Washington with offices in India and China. For more than 40 years, Landesa has championed the power of land ownership and secure land rights as the better and safer future for the world's poorest people.

It is works to secure land rights for India's poorest people. It partners with national and state government to design and implement laws, policies and programs which concern land and are instrumental in reducing poverty, promoting economic growth, bringing about women's empowerment, maximizing and preventing violent conflict and fostering environmental stewardship.

**Ethical practices of Landesa**

- Committed with government of several states by giving assistance to them in implementing programmes in a systematic manner.
- Creation of employment for rural youth
- Tribal empowerment
- Establishment of WSC (women support Centre), which will educate government officials about needs of women-headed households.
- Under the programme named as SABLA educating girl on land rights and also striving hard in creating awareness about their harassment.

**Strategic objectives of Landesa in India**

1. Provide access to homestead land for the rural landless
2. Increase women's and girl's legal rights to land ownership
3. Increase secure land rights for the rural poor through legal aid
4. Legal recognition of farm land leasing for the rural poor

**Workplace standards of Landesa**

1. "LEARN" – everybody in learning day
2. "STRONGLY BELIEVE" – we are only the part of the story
3. "DON'T BURN" – yourself too much
4. Learn to say NO
5. "TEA" – do not forget to drink tea and to have biscuits
6. "TIME" – find time to have informal, casual, offline chat
7. "BALANCE" – personal and professional life
8. "OPEN, FRANK" and direct communication

9. No gossiping in office
10. Maintain office hours
11. Make plans in advance
12. Clear agenda and action points in meeting
13. No sexist jokes and remarks
14. Keep work stations clean and tidy
15. Stay quiet in office- avoid talking loudly over phone or in groups
16. Respond to e-mails within 48 hours
17. Respect other's view without being judgmental
18. Positive attitudes ensure decisions get implemented
19. Recognize and use other's skills and expertise
20. Be co operative and respect others
21. Respect other's priorities
22. Honor commitment and deadlines
23. Encourage debate and dissent
24. Offer opposing views openly address performance and behavior issues directly
25. Rules for everyone
26. Encourage healthy conflict
27. Unbiased decisions
28. Information is shared openly
29. Get early approval for leaves longer than one day
30. Learn the power of thank you and apology

#### **ETHICS TOWARDS FUND RAISING**

1. Outline the donor's rights by turning around writing a thanking letters and receipting donations
2. Let our support and beneficiaries know how you follow ethical investment policies aligned with your mission and values
3. Donors should be well informed about how you will work with donations.
4. Do not accept donations from usual suspects like gambling, human trafficking, animal experimentations, tobacco, alcohol and pharmaceuticals.

#### **CONCLUSION**

In previous pages of this study discussed about strengths and strategies of NGOs. Here, we shall through our observation make some conclusions.

Though, ethics is the core concept of NGOs to go on with. Ultimately it is employees or the team members (fund raising and research team) are gate way. Therefore the organization should train them well to work along with standards of the organization and also to work selflessly.

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**EMPLOYEE ENGAGEMENT: A STRATEGIC INITIATIVE TO ENHANCE ORGANISATIONAL EFFECTIVENESS- AN EMPIRICAL STUDY IN SELECTED SERVICE ORGANISATION OF BANGALORE URBAN**

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**ABSTRACT**

*The terms commitment and job satisfaction are often used interchangeably. However, research has revealed that, although there is some overlap in the factors of commitment and satisfaction, there are also key differences in the components that determine each one.*

*Some experts define commitment in terms of the feelings and behaviour of employees. Committed employees can report feeling concentrated and intensely involved in the work they do. They are enthusiastic and have a sense of urgency. Committed behaviour is persistent, proactive and adaptive in ways that expand work roles as needed. Committed employees go beyond the descriptions of jobs in, for example, service provision or innovation. While committed employees feel focused with a sense of urgency and focus on how they approach what they do, satisfied employees, on the other hand, feel pleasant, happy and satisfied. The level of job satisfaction of employees in an organization is often related to factors over which the organization has control (such as salary, benefits and job security), while commitment levels are largely in direct control or significantly influenced. by the employee's manager (through assignments of work, trust, recognition, daily communications, etc.).*

*The terms commitment and job satisfaction are often used interchangeably. However, research has revealed that, although there is some overlap in the factors of commitment and satisfaction, there are also key differences in the components that determine each one.*

*Some experts define Employee Engagement in terms of the feelings and behaviour of employees. Engaged employees can report feeling concentrated and intensely involved in the work they do. They are enthusiastic and have a sense of urgency. Engaged Employees feel focused with a sense of urgency and focus on how they approach what they do, satisfied employees, on the other hand, feel pleasant, happy and satisfied.*

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**OVERVIEW**

The term Employee Engagement is related to the level of commitment and connection of an employee with an organization. The Employee Engagement has become a key factor of business success in the current competitive market. High levels of commitment promote talent retention, foster customer loyalty and improve organizational performance and the value of stakeholders.

**This paper overview on the following contents**

- The business case in support of employee participation initiatives.
- The nature and drivers of employee engagement.
- The roles of human resources and management to involve employees.
- Human resource practices that can increase commitment.

**INTRODUCTION**

Employee Engagement is a concept that has acquired great importance in the last 10 years. Today's organization uses engaged employees as a tool for strategic partners in the business. The concept of Employee Engagement has now gained even more importance, as many controllers have been identified that affect the performance and well-being of employees in the workplace. As companies in all industries strive to survive and overcome stiff competition, the physical and mental well-being of employees will be one of the important aspects on which human resource managers should focus. Therefore, employee engagement is seen today as a powerful source of competitive advantage in turbulent times.

Employee Engagement is an important human resource variable for most organizations. It helps to allow your organization to offer superior performance and gain a competitive advantage. Engaged employees make an extra effort, learn more and faster, and are more creative. In addition, they are the ambassadors of your organization. In addition, engagement is a good predictor of customer satisfaction, staff retention, productivity and profitability.

Engagement takes committed and motivated employees to the next level. Engaged employees focus on the goals of their organization and the results that you as an organization expect from them. They have the feeling that they can really contribute to the success of their organization and that they are using all their skills.

Kahn defines employee engagement “as the harnessing of organization member selves to their work roles: in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.”

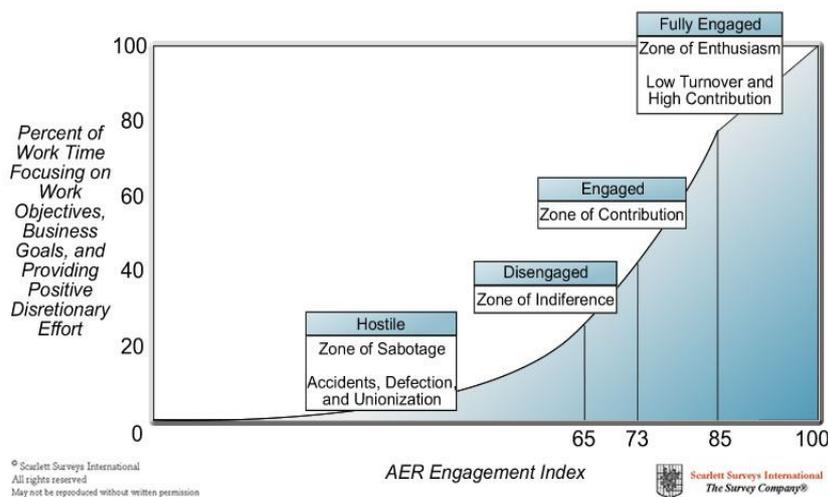
The Employee Engagement is the emotional commitment that an employee has with the organization and its objectives, which results in the use of a discretionary effort. The discretionary effort of an employee results in the chain of participation. Because they focus more for the productive, provide a better service and even stay in their jobs for longer. All this leads to happier customers, who buy more and refer more often, which increases sales and profits, which ultimately results in an increase in the price of the shares.



Employee engagement is not the only term used to describe the attitudes and positive behaviour of employees at work. Other commonly used terms are 'commitment', 'organizational citizenship behaviour' and 'psychological contract'. The implications of the policy and practice of employee participation are often reflected in "high involvement work practices" and "high performance work". This plethora of terms can sometimes confuse the debate, but the fundamentals are the same. Purcell explains: "Commitment is a combination of attitude and behaviour, attitude is 'commitment' and behaviour is 'going beyond'" (Purcell, 2010). Committed employees create winning organizations that are more profitable, a fun place to work and offer excellent customer services and other solutions for which the organization exists.

Gallup (2009) defines employee engagement as, “the individual’s involvement and satisfaction with as well as enthusiasm for work”. The traditional tools of “internal communication” are not sufficient. From “broadcast models” of intranets, bulletin boards and other resources, it is necessary to transition to dialogues, which should be increasingly direct, inspiring and guiding. And beyond this, the ongoing acculturation of the values and purpose of the company is essential for individuals to understand the personality of the organization and to accurately judge if they really “belong” to it. In other words, internal communication must transition towards employee engagement.

### Fully Engaged Employees Contribute More



The Engaged employee feels not only aligned through his position and salary, but also with the way of thinking and acting of the company. This convergence of behaviour accelerates the performance of the business by transcending the job description and exceeding what is expected or requested. With this, the individual tends to behave proactively and positively.

The importance of the participation of employees in the current business scenario acquires importance and has been labelled as the "hottest issues in management" in recent times (Welbourne 2007). Previous research shows that the main factor for the health of an organization is the commitment of the employees. Employees who engage in their work and engage with their organizations provide businesses with crucial competitive advantages that include increased productivity and lower employee turnover.

The study notes how 'there is evidence that committed employees perform better than others, take fewer sick leave and are less likely to leave their employer'. The authors distinguish between three types or dimensions of employee commitment:

- **Intellectual commitment:** the extent to which individuals are absorbed in their work and think about how performance can be improved.
- **Affective commitment:** the extent to which people feel positive emotional connections with their work experience and, therefore, with the company.
- **Social participation:** the extent to which employees talk to their colleagues about improvements and changes related to work.

#### ADVANTAGES OF EMPLOYEE ENGAGEMENT

Employee engagement is a win-win for the both employee and employer. Here are a few reasons why we, as employee, should choose to be engaged in our work.

1. **Safety:** Research shows that engaged employees have a decreased chance of experiencing an accident at work. When we are engaged in what we do we tend to follow safety procedures more diligently and don't lose focus as often, thus leading to fewer safety incidents.
2. **Better health:** A group of engaged and disengaged workers monitoring multiple times during a day to measure stress, as well as other health indicators. Those that were engaged reported lower stress and higher interest levels throughout the day. They also showed improvement in cholesterol and blood pressure readings.
3. **Happiness:** Employees can be happy but not fully engaged in their work. Employee engagement is based on fulfilling five basic human needs in our work: meaning, autonomy, growth, impact, and connection.
4. **Pay and advancement:** Engaged employees not only work harder, but also work smarter and are able to produce better results. This helps them to earn higher wages, receive faster promotions and market themselves for better career opportunities. Being fully engaged allows you to get more out of your workday while feeling energized and committed to your work.

#### LITERATURE REVIEW

1. **Amy L. Richman, Janet T. Civian, Laurie L. Shannon, E. Jerrey Hill & Robert T. Brennan, 2008**

This article studies on the relationship of perceived flexibility workplace and policies of work-life support towards employee engagement and expectations of the organisation with reference to retention. The research data is collected from multi-organisation database created by WFD Consulting of studies (1996-2006). The findings of the study revealed that perceived workplace flexibility and policies of work-life supportive is greater related to employee engagement and longer than expected retention. The formal and informal use of flexibility is positively associated with perceived flexibility, employee engagement and expected retention.

2. **Sabine Sonnentag, Eva J. Mojza, Carmen Binnewies & Annika Scholl, 2008**

This study examines the work engagement of the employees associated with positive outcomes of the organisation as employees need time period for temporary disengaging from work. The hypothesis shows that work engagement and psychological disinterest from work during off-job time forecast high positive affect and low negative effect. The research data survey over the course of 4 working weeks, 159 employees from 5 German organisations from various industries completed survey twice a week, once at the beginning and at the end. The hierarchical linear modelling shows that work engagement and psychological disinterest from work during off-job time together affect at the end of the working week.

3. **Mark Attridge, 2009**

This research article is on the high levels of work engagement of employees involved with commitment, enthusiasms, and passion about their work. The areas of focus include defining the concept of employee work engagement, how work is measured, how often it is done, the costs of disengagement, organisation

profits linked to positive engagement and how organisation change will encourage the engagement of the employees. The research findings indicates that the work engagement can be improved by adopting certain health practices like supervisory communication, job design, resource support, good working conditions, corporate culture and leadership style.

#### 4. Dr. Peter H. Langford, 2009

This study examines the tool tested across 13,729 employees from 1,279 business units and approx. 1,000 organisations. Through survey of psychometric properties of the voice climate survey on an employee opinion survey that measures work practices and outcomes. The study is analysed by exploratory factor analyses, confirmatory factor analyses and internal reliability analyses supported by 31 lower order work practices and outcomes such as organisation direction, ethics, resources, involvement, recognition, development, teamwork, wellness, work-life balances, change management, customer satisfaction, job satisfaction, organisational commitment and employee intention to stay. External validation demonstrated on the employee survey with independent manager reports of turnover, absenteeism, productivity, health and safety, goal attainment, financial performance, change management, innovation and customer satisfaction.

#### EMPLOYEE ENGAGEMENT DEFINITION

The definitions of employee commitment range from brief and concise to descriptive and detailed. Many of these definitions emphasize some aspects of an employee's commitment to the organization or the positive behaviours exhibited by a committed employee. For example, a committed employee has been defined as one who:

- Is loyal and productive (Gallup).
- Knows what to do and wants to do it (Sibson Consulting).
- Has a rational, emotional and motivational connection with the company (Employee Engagement Network).
- Has the motivation to help the organization succeed (ie, commitment) and a line of vision (i.e., focus and direction) to know what to do to make the organization successful (Watson Wyatt).
- Is emotionally and intellectually committed to the organization or group, as measured by three main behaviours:

**Say:** The employee always speaks positively about the organization to co-workers and potential employees and clients.

**Stay:** the employee has an intense desire to be a member of the organization, despite the opportunities to work elsewhere.

**Strive:** the employee exerts extra effort and exhibits behaviors that contribute to commercial success (Hewitt Associates).

The knowledge gap between the needs of the organization and the ability of the professional to respond effectively is problematic. It has been observed that the participation of employees is one of the possible research trends and there is a huge margin to implement a comprehensive framework, and analyze and show how the private sector can make better use of employee engagement to improve performance general.

#### WHAT DIFFERENTIATES ENGAGED AND NON-ENGAGED WORKERS?

Organizations that conduct research on employee participation classify employees based on the employee's level of commitment, but have used different terminology to do so. For example, committed and less committed employees have been described as follows:

- Gallup distinguishes between employees who are "actively engaged" (loyal and productive), "unengaged" (average actors) and "actively disconnected" (ROAD warriors, or "retired active duty").
- Sibson Consulting differentiates "committed" employees (those who know what to do and want to do) from "disconnected" employees (those who do not know what to do and those who do not want to), the "enthusiasts" (those who want to do the work but do not know how to do it) and "renegades" (those who know what to do but do not want to do it).
- The market research firm Opinion Research Corporation (ORC) applied a consumer market segmentation approach using the "tell, stay and strive" model to measure commitment. This segmentation analysis revealed six distinct categories of employees identified by ORC as:

or "Elizabeth the Engaged" (employees who have a lot of confidence in their leadership team and feel a great sense of accomplishment).

or "Lucy the Laggard" (the most disconnected employees, who do not plan to leave but tend to do their work half-heartedly and make careless mistakes).

or "Colin the Comfy" (employees who do not intend to leave their work environment, but who have little sense of accomplishment of their work, do not feel valued, although they rarely complain).

or "Alison the Ambivalent" (employees who lack connection to work or organization).

or "Simon the Saboteur" (employees who tend to be very negative and say critical things about the organization).

### **HUMAN RESOURCES PRACTICES**

Human resource practices have a significant impact on employee participation. The following practices can increase employee participation:

- **The enrichment of work:** Incorporate the meaning, variety, autonomy and respect of the co-worker in the work and tasks so that employees see their role more broadly and are more willing to take on tasks beyond the description of their position.
- **Recruitment:** Identify applicants who may see your work as interesting and challenging. Encourage those who are not suitable for a particular job to choose not to participate in the process.
- **Selection:** Choose candidates who are more likely to perform their job functions well, make voluntary contributions and avoid inappropriate behaviour.
- **Training and development:** Provide guidance to create an understanding of how work contributes to the organization. Offer training in skills development to increase work performance, satisfaction and self-efficacy.
- **Strategic compensation:** Use pay-for-performance programs to focus employee attention on incentivized behaviours. Adopt a payment based on competencies to encourage the acquisition of knowledge and skills and improve employee performance.
- **Performance management:** Provide challenging objectives that align with the strategic objectives, feedback, and recognition of achievements and additional voluntary contributions of the organization.

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**A STUDY ON POST DEMONETISATION EFFECT ON BANKING ACTIVITIES IN INDIA**

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**ABSTRACT**

*Demonetisation is the process that involves a change of national currency, where old currency is replaced with new currency. Demonetization is a tool to combat against Inflation, Black Money, Corruption, Crime, and discourage a cash dependent economy and help trade. Its policy of the government by banning Rs. 500 and Rs.1000 currency notes has influenced all almost all the corner of the economy. The biggest beneficiaries of demonetization are Banks. It made the banks to accept the deposits without any cost of promotion and drastically increased liquidity position of the banks. The present study is made out of available literature on post demonetization effect on banking activities in India.*

*Keywords: Demonetization, Currency circulation, Banks, Govt.policy.*

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**INTRODUCTION TO INDIAN BANKING SYSTEM**

**Meaning of Banking System**

A banking system is a group or network of institutions that provide financial services for us. These institutions are responsible for operating a payment system, providing loans, taking deposits, and helping with investments.

**Definition of Banking System**

Banking system in simple words refers to a chain of financial institutions that provide financial services like deposits, loan, money transfer, etc. to individuals and institutions with interest as the determining factor of the transaction. Banking system plays the role of an intermediary between the ones saving and the ones who borrow money for investments.

**History of Banking System In India**

Banking in India, in the modern sense, originated in the last decades of the 18th century. Among the first banks were the Bank of Hindustan, which was established in 1770 and liquidated in 1829–32; and the General Bank of India, established in 1786 but failed in 1791. The largest bank and the oldest still in existence, is the State Bank of India (S.B.I). It originated as the Bank of Calcutta in June 1806. In 1809, it was renamed as the Bank of Bengal. This was one of the three banks funded by a presidency government; the other two were the Bank of Bombay in 1840 and the Bank of Madras in 1843. The three banks were merged in 1921 to form the Imperial Bank of India, which upon India's independence, became the State Bank of India in 1955. For many years the presidency banks had acted as quasi-central banks, as did their successors, until the Reserve Bank of India was established in 1935, under the Reserve Bank of India Act, 1934. In 1960, the State Banks of India was given control of eight state-associated banks under the State Bank of India (Subsidiary Banks) Act, 1959. These are now called its associate banks.[6] In 1969 the Indian government nationalised 14 major private banks, one of the big bank was Bank of India. In 1980, 6 more private banks were nationalised.[8] These nationalised banks are the majority of lenders in the Indian economy. They dominate the banking sector because of their large size and widespread networks. The Indian banking sector is broadly classified into scheduled and non-scheduled banks. The scheduled banks are those included under the 2nd Schedule of the Reserve Bank of India Act, 1934. The scheduled banks are further classified into: nationalised banks; State Bank of India and its associates; Regional Rural Banks (RRBs); foreign banks; and other Indian private sector banks. The term commercial banks refers to both scheduled and non-scheduled commercial banks regulated under the Banking Regulation Act, 1949. Generally banking in India is fairly mature in terms of supply, product range and reach-even though reach in rural India and to the poor still remains a challenge. The government has developed initiatives to address this through the State Bank of India expanding its branch network and through the National Bank for Agriculture and Rural Development (NABARD) with facilities like microfinance.

**DEMONETISATION IN INDIA**

**The First Currency Ban**

In 1946, the currency note of Rs 1,000 and Rs 10,000 were removed from circulation. The ban really did not have much impact, as the currency of such higher denomination was not accessible to the common people. However, both the notes were reintroduced in 1954 with an additional introduction of Rs 5,000 currency. Rs 500 and Rs 1000 notes were introduced in 1934 and after four years in 1938, Rs 10,000 notes were introduced.

**The Second**

That came in 1978; the then Prime Minister of India Morarji Desai announced the currency ban taking Rs 1000, Rs 5000 and Rs 10,000 out of circulation. The sole aim of the ban was to curb black money generation in the country.

**Similarities In 1978 And 2016 Ban**

The note ban by Morarji Desai also aimed to drive away black money out of circulation in the economy. Hence, The High Denomination Bank Notes (Demonetization) Act was implemented. Narendra Modi announced the currency ban is an address that was broadcasted across all news channels. Similarly, Desai announced the ban over the radio after which the banks were closed the following day. Both the affairs were kept confidential.

**2016 Indian Banknote Demonetisation**

On 8 November 2016, the Government of India announced the demonetization of all ₹500 (US\$7.90) and ₹1,000 (US\$16) banknotes of the Mahatma Gandhi Series. The government claimed that the action would curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. The sudden nature of the announcement and the prolonged cash shortages in the weeks that followed created significant disruption throughout the economy, threatening economic output. Prime Minister of India Narendra Modi announced the demonetization in an unscheduled live televised address at 20:00 Indian Standard Time (IST) on 8 November. In the announcement, Modi declared that use of all ₹500 and ₹1000 banknotes of the Mahatma Gandhi Series would be invalid past midnight, and announced the issuance of new ₹500 and ₹2000 banknotes of the Mahatma Gandhi New Series in exchange for the old banknotes.

The BSE SENSEX and NIFTY 50 stock indices fell over 6 percent on the day after the announcement. In the days following the demonetization, the country faced severe cash shortages with severe detrimental effects across the economy. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked to the rush to exchange cash. Initially, the move received support from several bankers as well as from some international commentators. The move has also been criticized as poorly planned and unfair, and was met with protests, litigation, and strikes against the government in several places across India. Debates also took place concerning the move in both houses of parliament. The move reduced the country's industrial production and its GDP growth rate. By the end of August 2017, 99% of the banned currency was deposited in banks, leaving only around ₹14,000 crore of the total demonetized currency discarded.

**ADVANTAGES OF DEMONETISATION**

1. Reduce the use of fake currency.
2. Tackle with corruption due to currency upholds.
3. Withdrawal of old currency and bring unaccounted money back into the banking system by a considerable increase in bank deposits. With this the idle money becomes productive.
4. Encourage digital payment modes to reach the target of a cashless society.
5. Reduction of illegal activities.
6. Reduced tax avoidance by encouraging higher tax payments.

With a perfect implementation, demonetisation policy can provide a great boost to any country's economy.

**DISADVANTAGES OF DEMONETISATION**

Some of the disadvantages that may emerge could be

1. Inconvenience to the public.
2. Huge economic cost to the nation.
3. Disruption of business activities.
4. Decrease in sales, particularly cash based sales.
5. Labour / Wage payment issues.
6. Additional printing and distribution cost of new currency.
7. Problem situation for small-scale business operations that deal in cash.

## RESEARCH DESIGN

### OBJECTIVES OF THE STUDY

- To know or to understand the concept of demonetization.
- To identify the problems faced by the customer due to demonetization.
- To know the effect of demonetization on banking sector.
- To suggest the bank in lending activities from mobilization of funds.

### STATEMENT OF THE PROBLEM

The banks are facing a problem of penalty on deposits and credit growth has been anemic.

### LIMITATIONS

1. Destruction of old currency units and printing of new currency new units involve costs which has to be borne by the government.
2. Another problem is that majority of times this move is targeted towards black money and rotated or used that money in other asset classes like real estates , gold and so on than there is no guarantee that demonetization will help in catching corrupt people.
3. Due to time consumption I could not meet the number of customers.

### RESEARCH METHODOLOGY

Both Exploratory and conclusive research has been adopted to conduct the present research. The research was conducted on 100 account holders / customers of the various nationalised Banks.

The Research Design suitable here is **Exploratory Research**. Because in this research it has explored about unknown facts, which has been explained in the findings part of the study.

Conclusive research design for **Descriptive research** is also suitable because to study in detail the Effectiveness of Single window service to customers, wherein exploratory research it cannot be dealt in detail.

**Causal research** in order to know the relationship between Banker response and the satisfaction level of its customer's i.e., the way the Banker response to customer has an impact on the satisfaction level of customers. Hence in order to identify this impact causal research has been undertaken.

### DATA COLLECTION

**Types/Sources of research data:** - Both primary and Secondary data has been be used for the study.

#### ❖ Primary Sources

1. Data are collected through personal interviews and discussion with the account holders / customers of Vijaya bank.
2. Data is also collected through discussion with employees of Vijaya Bank.
3. **Schedule & questionnaire** method of data collection are used to record opinions of the respondents.

#### ❖ Secondary Sources

1. Articles for the purpose of literature review are collected from the suitable website.
2. Industry profile is also collected from the website, thus using secondary data for this purpose.

### SAMPLING

Sampling Element	Account holders and employees.
Sampling Unit	Account holders of various national banks.
Sample Size	Account holders = 100
Survey Technique	Questionnaire and Schedule

### SAMPLING PROCEDURE

From the large number of account holders of the bank, 100 customers were selected from the bank based on their visit.

### TOOLS AND ANALYSIS TECHNIQUES

For this purpose tools and analysis techniques which will be used for survey is questionnaire to collect information from the respondents. Having collected the information, the information will be then represented by using statistical tools like bar charts and pie charts .

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### **FINDINGS AND SUGGESTION**

The implementation of demonetization in a populous country like India was not a cakewalk for the government. The sudden declaration of **demonetization** in the country has created lots of chaos and confusion among the common people of the country, but gradually everything becomes normal.

### **CONCLUSION**

A well-planned demonetisation system can prove beneficial for any economy. However, in case of mishandled support, this may also cause problems. Hence, the developing country like India required a public support for the overall success of demonetisation policy.

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**RECENT TRENDS IN DIGITAL MARKETING**

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**ABSTRACT**

*The business world has witnessed the popularity of online shopping industry and has also seen the emergence of e commerce in other areas which has ultimately given rise to Digital Marketing. Digital is touching the urban India in lot many aspects and still holds tremendous potential which can multiply the opportunities for business enterprises. The rapidly emerging digital economy is challenging the relevance of existing marketing practices and radical redesigned of the marketing curriculum consistent with the business needs of the 21<sup>st</sup> century is required.*

*Digital marketing has gained a lot of popularity with large and medium sized business creating their online presence and preventing their services and products through numerous social media channels and sites. This paper reveals the list of some of the most reliable digital marketing trends for the current year, challenges associated with the new age of marketing and suggestions to overcome it.*

*Keywords: Digital marketing, mobile search, E-mails, SEO, Content marketing.*

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**INTRODUCTION**

Digital marketing involves promoting product and service by means of a range of digital channels to reach customers at the accurate time through their favoured channel. The Digital Marketing has become the vital course of action of business houses and they are striving for each single innovation which can be possibly added in the modern business so as to maximise the revenue of business house. India as far as digital marketing is concern has shown a bit late entry. Digital marketing can be defined as An attempt as a cyclic practice done by a business which involves the analysis of needs of customers, which is followed by a manufacturing process as per the read needs of customers from target market, which also gives space to the sound pricing and study about the convenient place where product of a service will be kept for sale, however the last phase of one cycle of this practice is about monitoring the released satisfaction after consumption of the sold product or a service and the mandatory part in this cyclic practice is each part consist of use of modern communication devices from information and communication technology available till date.

**DIGITAL MARKETING**

Digital marketing is an addressable marketing method where relevant marketing communications are delivered to individuals through the e-mail, Web, and mobile channels using an e-mail address, a Web browser cookie, and a mobile phone number.

**LIVE SCENARIO OF DIGITAL MARKETING IN INDIA**

Digital marketing is still at its initial phase in India. Most of the companies are still thinking to adopt the medium while many top brands have already rolled their digital marketing campaign. Seeing the large number of youth population in India (More than 40% of total population of India, around 460 millions youth is there, in which 333 millions are literate) and the rising technology savvy young generation, corporate will be more than happy to engage the target audience and spread their products & services among them via digital media. Thus there will be a Big Change in coming future.

Indian digital marketing scenario has changed tremendously after the it boom, India with 60,000,000 internet users provides a very good platform for online marketing. Also with a growth rate of over 1000% the potential looks good too. The penetration is a mere 5.2% - but which is actually good.

The cream of the society - the people most likely to have pockets deep enough to trade or make purchases online are among the 5.2% of the population. This makes targeting these high-end profiles easier & your leads are more likely to be converted.

However, one area of concern is the support operations that help convert the leads into sales. These are mainly call centres & back offices that are responsible for following up on the leads that are provided to them. But the staffs at these organizations in India is many a times not that well trained for digital marketing & usually the high potential leads are lost due to inability of the staff to convince the lead. The lead is mostly very expensive. They get one lead after incurring a huge cost through a lot of clicks.

Hence, more than educating internet users it would be vital to train the support teams so as to consolidate the current amount of leads that you are getting. Otherwise, we many end up in a situation where we have high demand, high potential but inadequately trained staff to service the lead

- While in many countries Digital Media course has emerged as one of the mainstream degree but here in India it is still under the control of digital media agencies who took the initiative to teach people on Digital Marketing with live projects.
- Many of the premier business schools are in a posing (of course seeing the demand) to run the digital marketing program. But most of them are running short of the quality faculties.

Further insights have revealed that an average Indian spends 45 minutes on Facebook in a day. The huge number of smart phone users with apps adds up further to the consumer base for brands to interact and take opportunities. The recent hit of the “Kolaveri Di” song, reaching more than 50 million users globally is a measure of the impact and spread of internet.

## REVIEW OF LITERATURE

1. Rekha Dahiya and Gayathi (2017) has published Research Paper on Digital Marketing Communication and Consumer Buying Decision Process.

Marketing is one of the business function most dramatically affected by emerging information technologies. Internet is providing companies new channels of communication and interaction. It can create closer yet more cost effective relationships with customers in sales, marketing and customer support.

2. Katherin Taken Smith (2016) has published paper on Digital marketing strategies that Millennials find appealing, motivating, or just annoying

With the increasing usage of digital media by consumers, more companies are using digital marketing to reach their target markets. Millennials will repeatedly visit a website that has competitive prices and good shipping rates. If given an incentive, such as a discount or reward, Millennials will write an online product review.

## METHODOLOGY

The research is an attempt based on the available secondary data collected from internet, articles, journals according to the requirement of the objectives of the study. Descriptive type of research design is adopted to impart more accuracy and analysis of research study.

## OBJECTIVES

1. To study the different channels of Digital Marketing
2. To study the growth and role of Digital marketing
3. To analyse the approach which help them to get more business

## DIFFERENCE BETWEEN DIGITAL MARKETING AND TRADITIONAL MARKETING



<u>Traditional</u>	<u>Digital</u>
Includes... <ul style="list-style-type: none"> <li>• <b>Print media</b> (newspaper and magazine ads, newsletters, brochures and other printed material)</li> <li>• <b>Broadcast media</b> (such as TV and radio ads)</li> <li>• <b>Direct mail</b> (including fliers, post cards, catalogs)</li> <li>• <b>Telemarketing</b></li> </ul>	Includes marketing efforts anchored on electronic devices such as-- <ul style="list-style-type: none"> <li>• <b>Websites</b></li> <li>• <b>Social networking sites</b></li> <li>• <b>Content marketing</b></li> <li>• <b>Banner ads</b></li> <li>• <b>Google ads</b></li> <li>• <b>Video marketing</b></li> </ul>
<ul style="list-style-type: none"> <li>• Proven techniques with high success rate</li> <li>• Long-standing initiatives that the public already understands</li> <li>• Metrics for measuring success</li> </ul>	<ul style="list-style-type: none"> <li>• Cost-efficient methods of marketing</li> <li>• Unprecedented audience reach</li> <li>• Allows direct response from intended audience</li> </ul>

**CHANNELS OF DIGITAL MARKETING**

Some of the most popular digital marketing channels include the following

- Social Media Marketing
- Search Engine Optimization
- Pay-Per-Click Advertising (PPC)
- Email Marketing
- Content Marketing
- Affiliate Marketing
- Display Advertising
- Online PR

**1. Social Media Marketing**



Social media marketing, as the name suggests, is a digital marketing channel used to promote and market brands and businesses on various social media platforms. Some of the popular social media marketing platforms include Facebook, Twitter, LinkedIn, Instagram, and so on. The platform you choose depends on whether you're B2B or B2C apart from a whole lot of other factors including your brand's business goals.

## **2. Search Engine Optimization**

SEO as it is popularly called, is the art and science of getting websites or specific web pages to show up on search engines when specific keywords are used as search terms. SEO helps a brand gain visibility across search engines and geographies. The process of optimizing a website for search engines begins quite early, more or less at the time the website is being built. This is because the content that will ultimately go up on the website will have to be optimized for search engines, while ensuring the keywords relevant to the business and website are present in the content.

## **3. Pay-Per-Click Advertising (PPC)**

Pay Per Click Advertising is a type of digital marketing where the advertiser pays for every click of an ad. Here, you can create multiple ads, monitor them real-time, and optimize them as you go. The advantage of this form of advertising is the paying bit. These are more specific in nature since you get to define your audience to the T and these ads are shown specifically to those matching the parameters you've defined. The amount you spend on PPC ads will depend, to a large extent on the placement of ads, the type of ads (search ads/display ads), and so on.

## **4. Email Marketing**

Email marketing, as the name suggests, is a digital marketing channel which is used to market brands and businesses through emails. While email marketing runs the risk of emails getting into the Spam folder, it is still a powerful means of increasing visibility of your brand or business. Email marketing is used not just as a means of brand awareness, but also to generate leads, highlight product offers, send out newsletters, and so on.

## **5. Content Marketing**

Content is central to all marketing campaigns and activities. Content marketing involves marketing various pieces of content written in your niche on several digital marketing channels. What is most important for content marketing to work is high-quality, non-plagiarized content. While non-plagiarized content is important, it is also necessary for you to ensure the content you're trying to market is relevant to your brand or business. The content you create can be in a variety of formats including blogs, infographics, and other visual and written content formats.

## **6. Affiliate Marketing**

Affiliate marketing is a channel of digital marketing which works with the help of affiliate marketers. It is a slowly catching up field in the area of digital marketing. Affiliate marketers normally work on a commission basis where they charge a certain amount as commission for every product or service they market through the process of affiliate marketing.

## **7. Display Advertising**

Display advertising normally works more on the principle of placing display ads on various blogs, websites, forums, and so on. In affiliate marketing, the payment works more on a Cost Per Impression or CPM model rather than a Cost Per Click model.

## **8. Online PR**

Online Public Relations is another field which, although not directly related to the concept of digital marketing, can be considered to be a part of the overall digital marketing strategy of a brand or business. It seems to connect more with Content Marketing, as a large part of PR is to do with creating content about a brand or business.

Overall, the aforementioned digital marketing channels work well if you have a solid digital marketing strategy in place for your brand or business. Each channel has to be evaluated for its relevance in your overall marketing strategy and needs to be aligned in keeping with your business goals.

Irrespective of which digital marketing channel you choose to market your brand or business on, it is important to periodically monitor the effectiveness of the channel and strategy so you can finetune the strategy as per your business goals and other metrics.

## **FOLLOWING ARE THE BIGGEST DIGITAL MARKETING CHALLENGES**

1. Updating yourself with the new technologies, programs, developments that happen at an amazingly quick speed.

2. Always trying to convince new clients that we are not ripping them off, Digital Marketing (at least on the organic side) does take time! We're not lying to them.
3. Always trying to maintain some form of order when the Digital Marketing method keeps changing. I mean, the statistics that I look for in a website audit in February will be different than what I look for in May.
4. Desperately trying to keep prices of our services for customers low enough so that we can keep bringing small business owners.
5. Regularly revamping our own internal processes in order to streamline the work as much as possible.
6. We are still stuck in idle, focusing on data collection. Many marketers are just learning that "how to crawl" when it comes to making data actionable at scale. As 2016 was not much progressive in that direction.
7. Securing enough budget is pressing challenge for marketing globally.
8. Managing websites is a big challenge, your website's performance should be high and it should be on top of your list of priorities

### **CONCLUSION**

Succeeding at digital marketing has a lot to do with trying new tools, techniques and strategies. Companies should not hesitate about experimenting by testing something you haven't tried yet. Digital channel in marketing has become essential part of strategy of many companies. Nowadays, even for small business owner there is a very cheap and efficient way to market his/her products or services. Digital marketing has no boundaries. Company can use any devices such as smartphones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail and lot more to promote company itself and its products and services. Digital marketing may succeed more if it considers user needs as a top priority. The watchwords "test, learn and evolve" should be at the heart of all digital marketing initiatives. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance.

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**FRAUDULENT PRACTICES TO FINANCE FAMILY BUSINESS IN INDIA: A CASE STUDY OF NIRAV MODI****Dr. Vaishali Pagaria**Associate Professor, Malla Reddy College of Engineering and Technology, Hyderabad

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**ABSTRACT**

*Financing options for family business are generally less in India for the very fact that the majority of family businesses view maintaining control over their company as a key success factor. But to increase profit and accelerate growth, a family business too requires strong financing. Therefore, knowing the fact of limited financing options and with a target to achieve over ambitious project in a shorter period, owners of these family businesses attracted to fraudulent practices. Nirav Modi, a diamond giant, is one such example. Nirav Modi, with a net worth of \$1.73 billion, acquired fraudulent letters of undertaking from one of Panjab National Bank (PNB) branches for overseas credit from other Indian lenders to meet his dream of having 200 exclusive diamond stores bearing his name across the world by 2025. He flew away after willful defrauding PNB of more than Rs 11,300 crore. The Enforcement Directorate (ED) is looking in to this case, but Nirav Modi stores will still remain open and business at these stores will be as usual around the world. This paper is an attempt to sketch the case with an aim to find out the way family businesses are financing in India. Several questions have been raised against the unscrupulous businessman as well as the bank's financing system which the Indian finance sector needs to think on seriously. Moves of the government, regulatory bodies and the banking systems are also analyzed to know the current status and possibilities of recovery of dues.*

*Keyterms: family business financing, willful defaulter, fraudulent practices, bank's financing system*

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**INTRODUCTION**

India has 108 publicly-listed family-owned businesses, the third highest in the world, while China tops the tally with 167 such companies followed by the US which has 121. 60 per cent of family businesses in India are in their third generation compared to 30 per cent of Chinese companies. The financial performance of family-owned companies is also superior to that of non-family-owned peers. According to Credit Sunrise, Indian family-owned businesses appear to be more optimistic with regard to future revenue growth and have a slightly more conservative approach to funding that growth.

Because of the prominent challenges such as succession planning, greater competition and talent retention faced by the Indian family-owned businesses, they are not able to attract many investors. Credit Sunrise report also reveals that investors are not too concerned about the level of ownership but rather how involved the family owners are in the daily running of the business. In a macro picture, financing options for family business are generally less in India for the very fact that the majority of family businesses view maintaining control over their company as a key success factor. But to increase profit and accelerate growth, a family business too requires strong financing. Therefore, knowing the fact of limited financing options and with a target to achieve over ambitious project in a shorter period, owners of these family businesses attracted to fraudulent practices. Nirav Modi, a diamond giant, is one such example. Nirav Modi, with a net worth of \$1.73 billion, acquired fraudulent letters of undertaking from one of Panjab National Bank (PNB) branches for overseas credit from other Indian lenders to meet his dream of having 200 exclusive diamond stores bearing his name across the world by 2025. He flew away after willful defrauding PNB of more than Rs 12600 crore shaking the Banking System of India.

**WHO IS NIRAV MODI?**

A 47 year old diamond jeweler and designer, Nirav Modi, is a third generation diamantaire. His grandfather left Mumai for Singapore in the 1940s, initiating his son into the diamond trade. Deepak Modi, Nirav's father, moved to Antwerp in Belgium, the centre of the diamond world, in the 1960s. Though Nirav was born in Mumbai, he grew up in Antwerp, joined his uncle Mehul Choksi, owner of Gitanjali Gems, at the age of 19 and spent 9 year to master in-side out of jewellery business. In the year 2004, Modi launched his own company named Firestar International, with his wife and brother, sourcing and trading in the highest quality of diamonds. In year 2010, he set up 'Nirav Modi' store and made an instant splash. By 2018, Modi has opened 14 such 'Nirav Modi' boutiques in Delhi, Mumbai, Hong Kong, New York, London, Beijing, Singapore, Las Vegas, Hawaii and Macau. With this instant rise, Modi dreamed of having 200 exclusive diamond stores bearing his name across the world by 2025. This of course needed huge capital investment in very short time. The over-ambitious project has inspired the family-owned business to find out an easy way out i.e. LoU. And to surprise to all, that has worked for quite a long time!!!!

**HOW HE DID IT?**

1. Firms promoted by Nirav Modi, his wife Ami Nirav Modi, brother Nishal Modi and uncle Mehl Choksi of Gitanjali Gems – Diamond R US, Solar Exports and Stellar Diamonds - approach PNB officials, asking for issuance of letter of undertaking (LoU) that would allow them to raise capital from overseas branches of other Indian public sector banks for imports. PNB branch issues LoUs without mandatory collaterals.
2. PNB sends messages on Society for Worldwide Interbank Financial Telecommunication (SWIFT) system to overseas branches of 30 Indian banks, asking for loans as required by its client. Three persons, with separate password-protected access, meant to handle SWIFT messages. But one of the accused officials named Gokulnath Shetty has access to all three passwords. Messages seem to have been sent by only two people.
3. The banks, on receiving intimation via SWIFT, transfer the money to PNB's 'nostro' account, where other Hong Kong- based branches of these banks send in the money, as required by PNB. It is unclear if the recipient bank sent confirmatory notes to the PNB branch and regional office. No alarm raised.
4. PNB pays this money to Modi and his firms, but they use it only to repay a previous loan. On Modi firms' request, a fresh LoU is generated, extending the earlier one, this time also covering the interest to be paid. SWIF transactions has not reconciled with PNB's core banking system. None of these high-volume 'nostro' transactions amounting over Rs. 11,000 crore were red-flagged at PNB.
5. The 'ever-greening' of loans plays out over many years, ultimately ballooning to a huge sum, as in the present case. A CBI FIR filed on February 15, 2018, says Rs.4886.72 crore was swindled by Modi and his firms in 2017-18 alone by getting 143 LoUs issued through PNB. Actually, the auditors in bank branches are supposed to verify these transactions. The branch manager is responsible to review the SWIFT transaction register. LoUs issued by banks are supposed to send to RBI every quarter. But all these procedures were ignored.
6. The scam comes to light only after a change of guard at the particular window at PNB that deals with such overseas loans. When Modi's firms approach PNB for fresh LoUs, they are asked to submit adequate collaterals. Modi's firms question the move, saying such letters have been issued in the past without any fuss.
7. This sets off alarm bells in PNB, and internal investigations reveal the bank has been cheated o Rs.280 crore. Subsequently, the CBI files an FIR on January 31, 2018, against Modi and his family members, and other PNB officials on charges of criminal conspiracy, cheating and abuse of official position by public servants.
8. In a notice to the Bombay Stock Exchange (BSE) on February 15, 2018, PNB says the scam is to the tune of Rs.11400 crore which is now aggregated to Rs.12600 crore. The PNB share price crashes (28 per cent as on February 19, 2018), as do shares of other listed PSU banks.
9. Meanwhile, on February 16, 2018, pass-port of both Modi and Choksi are suspended but by that time they already flew away. CBI then approached Interpol to track down Modi family.
10. On February 17, 2018, CBI arrests Shetty and Karat, along with Hemant Bhatt, the authorized signatory of companies run by Modi and relatives. The three are sent to CBI custody till March 14, 2018. The Enforcement Directorate (ED) is looking in to this case.
11. On March 12, 2018, RBI halts issue of LoU for import trade credit.

**WHY THIS HAPPENED?**

- Over-ambitious project of the family-owned business and fraudulent practices to get easy and fast finance.
- Huge lapses in banking operations, poor management scrutiny, lack of accountability and transparency in public sector banking in India.
- Unholy nexus of dishonest and influential businessmen who artfully bend rules to suit their requirements, flaunting their ties with those in power.
- Auditors' criminal negligence.
- The governing and controlling authority, RBI, was missing in action, even their auditors!
- Irresponsible behavior of Government being a majority owner in PSBs.

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**CONCLUSION**

Despite of ED and CBI probe and actions, recovery of money from Nirav Modi and his family will be a long drawn out one and could take several years. Modi's properties and goods worth Rs.5000 crore have been confiscated, but the scam has eroded the brand and a subsequent selloff may not yield much. Unaffected to these, Nirav Modi stores will still remain open and business at these stores will be as usual around the world!!! This family business financing scam is one of many!!!

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## ROLE OF MICRO FINANCE AND SH IN COMMERCE

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### ABSTRACT

*Unemployed or low-income individuals don't have to remain in the same financial state forever; they deserve a chance to thrive. Sometimes, all that's needed is a little help to get started. However, these individuals likely don't qualify for a standard bank loan. So they need someone who can help them to save for the future. At the same time it also helps them in making some investment. This is possible in group as we know each droplets of water can make an ocean like that small help groups come together to help each other not only financially also morally. All the developing countries has to concentrate on rural and semi urban areas for overall development of a country*

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### INTRODUCTION

The most notable 21st centuries aim is to eradicate poverty. This can be happened through MICROFINANCE. It can change the lives of the poor. There may not be a quantum jump in the income but it is possible still to ensure a reasonable change alleviating the poverty. With the help of Micro finance people who lives in rural area are able to save their part of income in small saving scheme.

The prospect of Microfinance is a WIN-WIN approach. That is both the client and thebankers or agencies are also benefited. It is a three tier process. The source of availability either through banks or agencies or through fiends, money lenders, pawn brokers who is assigning the minimum amount of interest which can be affordable by rural people. The product includes again three types that is Micro finance, Micro savings and Micro insurance. The micro finance and the micro saving can be clubbed and its source of other. Whereas the Micro insurance is still in the process of development. The asymmetry of information in taking loan is an adverse decision and usage of monetary value and the loan repayment is the moral hazard. Mostly the rural people are still illiterate the awareness about any of the new programme or the procedures to deal with is a greatest difficulty which can be eradicated and motivated through self help group which is no need of collateral and also of low value. Through the micro finance the self help group has been developed to a great extent. After independence of India the loan are given through the regional rural banks, commercial banks and also through co-operative but it gives a great pressure in subsidy rate of interest for both the borrowers and repayment of pending loans to the banks. The timeline shows that in1950 & 1969 it emphasis on the promoting of cooperatives,

Nationalization of the major commercial banks beginning of commercial bank branch expansion in the rural and semi-urban areas.

In 1976 Regional Rural Banks (RRB), low cost institutions mandated to reach the poorest in credit-deficient areas

### OVERVIEW OF MICRO FINANCE

Micro finance has existed in various forms for centuries, even longer in asia, where informal lending and borrowing stretches back for several thousands years, however the birth of modern micro finance is said to have occurred in the mid 1970s in rural banglesh. There in the midst os a famine Dr. Muhammad Yunus professor of economics at the university of Chittagong, was becoming disillusioned with the abstract theories of economist.

One such form of microfinance has been the development of the self-help movement. Based on the concept of "self-help," small groups of women have formed into groups of ten to twenty and operate a savings-first business model whereby the member's savings are used to fund loans. The results from these self-help groups (SHGs) are promising and have become a focus of intense examination as it is proving to be an effective method of poverty reduction. This paper examines the SHG operating model, the state of SHGs today, their impact on civil society and how they need to be supported going forward. The rise of SHGs and more formal SHG Federations coupled now with SHG Bank Linkage have made this a dominant form of microfinance in addition to microfinance institutions (MFI). The policy environment in India has been extremely supportive for the growth of the microfinance sector in India. Particularly during the International Year of Microcredit 2005, significant policy announcements from the Government of India (GoI) and the Reserve Bank of India (RBI) have served as a shot in the arm for rapid growth. SHGs have spread rapidly due to their ease of replication. SHG Bank Linkage has provided the capacity for SHGs to increase their capital base to fund more members and bigger projects

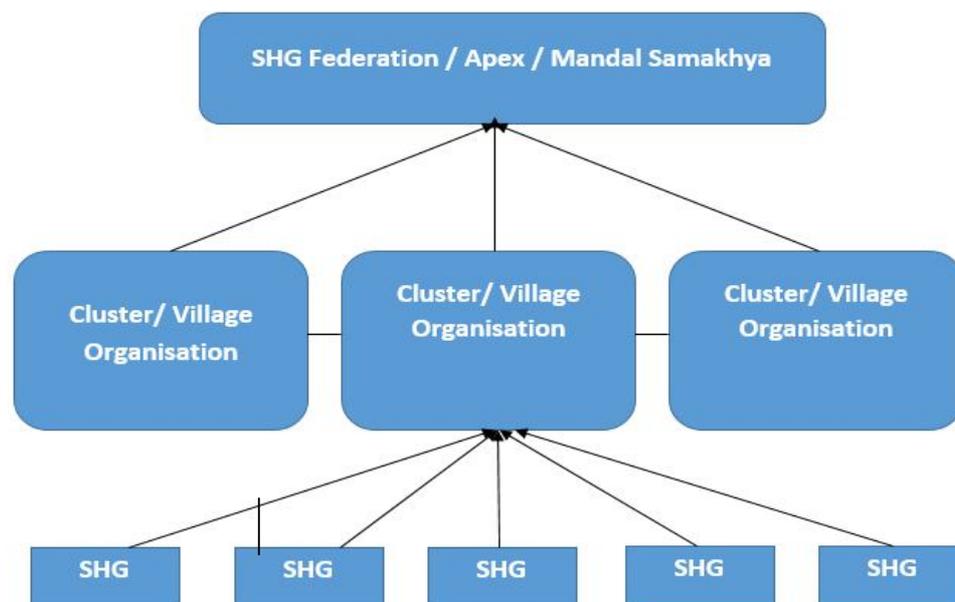
**A BRIEF HISTORY OF MICRO FINANCE IN INDIA**

The post-nationalization period in the banking sector, circa 1969, witnessed a substantial amount of resources being earmarked towards meeting the credit needs of the poor. There were several objectives for the bank nationalization strategy including expanding the outreach of financial services to neglected sectors (Singh, 2005). As a result of this strategy, the banking network underwent an expansion phase without comparables in the world. Credit came to be recognized as a remedy for many of the ills of the poverty. There spawned several pro-poor financial services, support by both the State and Central governments, which included credit packages and programs customized to the perceived needs of the poor. While the objectives were laudable and substantial progress was achieved, credit flow to the poor, and especially to poor women, remained low. This led to initiatives that were institution driven that attempted to converge the existing strengths of rural banking infrastructure and leverage this to better serve the poor. The pioneering efforts at this were made by National Bank for Agriculture and Rural Development (NABARD), which was given the tasks of framing appropriate policy for rural credit, provision of technical assistance backed liquidity support to banks, supervision of rural credit institutions and other development initiatives. In the early 1980s, the GoI launched the Integrated Rural Development Program (IRDP), a large poverty alleviation credit program, which provided government subsidized credit through banks to the poor. It was aimed that the poor would be able to use the inexpensive credit to finance themselves over the poverty line. Also during this time, NABARD conducted a series of research studies independently and in association with MYRADA, a leading non-governmental organization (NGO) from Southern India, which showed that despite having a wide network of rural bank branches servicing the rural poor, a very large number of the poorest of the poor continued to remain outside the fold of the formal banking system. These studies also showed that the existing banking policies, systems and procedures, and deposit and loan products were perhaps not well suited to meet the most immediate needs of the poor. It also appeared that what the poor really needed was better access to these services and products, rather than cheap subsidized credit. Against this background, a need was felt for alternative policies, systems and procedures, savings and loan products, other complementary services, and new delivery mechanisms, which would fulfill the requirements of the poorest, especially of the women members of such households. The emphasis therefore was on improving the access of the poor to microfinance rather than just micro-credit. To answer the need for microfinance from the poor, the past 25 years has seen a variety of microfinance programs promoted by the government and NGOs. Some of these programs have failed and the learning experience from them has been used to develop more effective ways of providing financial services. These programs vary from regional rural banks with a social mandate to MFIs. In 1999, the GoI merged various credit programs together, refined them and launched a new programme called Swarnajayanti Gram Swarazagar Yojana (SGSY). The mandate of SGSY is to continue to provide subsidized credit to the poor through the banking sector to generate self-employment through a self-help group approach and the program has grown to an enormous size. 6 MFIs have also become popular throughout India as one form of financial intermediary to the poor. MFIs exist in many forms including co-operatives, Grameen-like initiatives and private sector MFIs. Thrift co-operatives have formed organically and have also been promoted by regional state organizations like the Cooperative Development Foundation (CDF) in Andhra Pradesh. The Grameen-like initiatives following a business model like the Grameen Bank. Private sector MFIs include NGOs that act as financial services providers for the poor and include other support services but are not technically a bank as they do not take deposits. Recently, microfinance has garnered significant worldwide attention as being a successful tool in poverty reduction. In 2005, the GoI introduced significant measures in the annual budget affecting MFIs. Specifically, it mentioned that MFIs would be eligible for external commercial borrowings which would allow MFIs and private banks to do business thereby increasing the capacity of MFIs. Also, the budget talked about plans to introduce a microfinance act that would provide some regulations on the sector. It is clear from the previous that the objectives of the bank sector nationalization strategy have resulted into several offshoots, some of which have succeeded and some have failed. Today, Self-Help Groups and MFIs are the two dominant form of microfinance in India. This report focuses on the aspects of the SHG as an effective means to provide financial services to the poor. Emergence of the SHG Movement While no definitive date has been determined for the actual conception and propagation of SHGs, the practice of small groups of rural and urban people banding together to form a savings and credit organization is well established in India. In the early stages, NGOs played a pivotal role in innovating the SHG model and in implementing the model to develop the process fully. In the 1980s, policy makers took notice and worked with development organizations and bankers to discuss the possibility of promoting these savings and credit groups. Their efforts and the simplicity of SHGs helped to spread the movement across the country. State governments established revolving loan funds which were used to fund SHGs. By the 1990s, SHGs were viewed by state governments and NGOs to be more than just a financial intermediation but as a common interest group, working on other concerns as well. The agenda of

SHGs included social and political issues as well. The spread of SHGs led also to the formation of SHG Federations which are a more sophisticated form of organization that involve several SHGs forming into Village Organizations (VO) / Cluster Federations and then ultimately into higher level federations (called as Mandal Samakhya (MS) in AP or SHG Federation generally). SHG Federations are formal institutions while the SHGs are informal. Many of these SHG federations are registered as societies, mutual benefit trusts and mutually aided cooperative societies. SHG Federations resulted in several key benefits including: • Stronger political and advocacy capabilities • Sharing of knowledge and experiences • Economies of scale • Access to greater capital 7 Some states have developed SHGs further than others. This report is based on the experience that APMAS has had in working with SHGs in Andhra Pradesh and limited experiences in other states.

SHG Federation As mentioned previously, SHGs have also federated into larger organizations. In Figure 1, a graphic illustration is shown of a SHG Federation. Typically, about 15 to 50 SHGs make up a Cluster / VO with either one or two representatives from each SHG. Depending on geography, several clusters or VOs come together to form an apex body or an SHG Federation. In Andhra Pradesh, the Village Organizations, SHG Clusters and SHG Federations are registered under the Mutually Aided Co-operative Society (MACS) Act 1995. At the cluster and federation level, there are inter-group borrowings, exchange of ideas, sharing of costs and discussion of common interests. There are typically various subcommittees that deal with a variety of issues including loan collections, accounting and social issues.

**Figure-1: Illustrative SHG Federation**



As already described, SHG Federations have presented some key benefits to SHGs as a result of their greater scale. Increasingly, SHG Federations are being seen as a key interface with the SHG movement because of their formal registration under the MACS and recognition from bankers. But, in addition to the benefits of SHG Federations, there are some drawbacks, or constraints, that should be noted. SHG Federation / Apex / Mandal Samakhya Cluster/Village Organization Cluster/ Village Organization Cluster/ Village Organization SHG SHG SHG SHG SHG 9 An SHG Federation is a formal group of informal common-interest groups. As a result of its rather informal members, there are internal constraints that it faces. Namely, it has a poor capacity for self-governance, average to low quality managers and systems and process are poorly defined. Further, there is significant financial cost to organizing and registering a SHG Federation which has been estimated to be about Rs 7,000 per SHG member. To bridge these internal constraints requires savvy external assistance and there are few good quality NGOs to provide this assistance to a burgeoning number of SHG Federations.

Self help group is so important in India

- To Remove poverty.
- To increase employment opportunity.
- To increase economic growth.
- To raise status of women and low income people in the society.

## FUNCTIONS OF SELF HELP GROUPS

To achieve the objectives of Self help group to increase economic growth these are the functions undertaken by the Self help Groups.

- a. Small Savings mobilization
- b. Provide funds
- c. Maintain record and accounts
- d. Provide training and development for unskilled labor
- e. Member action oriented approaches

### V. Impact of self help group in India

**Improve Financial Decision Making:** One of the primary benefits of a SHG is the opportunity to save regularly, access formal savings institutions and participate in the management of these savings. They save regularly, have their own bank accounts and make deposits into these accounts. SHG is having a good impact on members, in their ability to save their hard earned money.

**Access to credit:** Those people who become member in SHGs will access to credit. Since the project is perhaps too early in its implementation to directly improve women's access to credit. The financial mobility due to participation in the SHG has led to an improvement in the quality of life, according to some of the successful groups. Overall, many families were able to address their basic needs better than before. Some of NGOs reports have shown that the record on the repayment of loans by women was often better than that of men, and that women were also more likely to spend the income earned, on their families, leading to improved health and nutrition of the poor population and for improving the quality of their lives.

**Job Opportunity:** The implementation of SHG has generated Self-employment opportunities for the rural poor. The program helped many participants in improving their economic conditions. After joining the self help group the women are economically and socially empowered. This empowerment cannot be transformed or delivered it must be self generated such that it enables those who are empowered to take control over their lives.

**Take decision within the household:** The social impact of the SHG program increased involvement in Decision-making, awareness about various programs and organizations, increased access to such organizations, increased expenditure on Health and Marriage events, there is a Change in the attitude of male members of the families, now they are convinced about the concept of SHG and encourage women to participate in the meetings and women reported that they have savings in their name and it gives them confidence and increased self respect. Within family the respect and status of women has increased. Children Education has improved significantly. Especially girl education was very low but now SHG members are sending their children including girls to school. The Sanitation in members' households has improved and it has led to better health in members' families. Now women are taking treatment from qualified doctors, even if they have to travel to nearby towns. Members are now confident enough to raise social status.

**Participation in politics:** Because of SHG, women know about their local political institutions such as the Gram Panchayats and have better knowledge of where to report certain types of grievances. As part of the political empowerment process, it is a pertinent fact that many women have not only been elected to the Grama Panchayats but have become the role holders too. In a majority of the cases, the women perceived themselves as now having some influence over decisions in the political life of village, and in a smaller number of cases, the women named their participation and influence in village political life as an important and note-worthy change.

of the village processes were still being male-dominated and patriarchal. Though the SHGs generate positive impact on the rural economy through empowering women and enhancing the rural income of those participant households, the issue of group size has been of long standing concern.

**Communication Level of Members:** Microfinance movement is having a good impact on members, in their ability to express their feelings and has made people more confident to express themselves.

**Brings Self Confidence among Members:** The group formation brought out the hidden talent and leadership qualities among the members. Therefore, it can be concluded that after joining the SHG the members have improved their status in family, become helpful in family finance and sometimes helped others too. Now, most of the SHG people feel that they get more respect; not only in the village, but our own family members treated us more respectfully. People of the village now invite us for social and community functions. Now our family members value our opinions whereas earlier they had no use for it. They encourage us and support us in our

activities". "Now they get respected in the village society and have a definite identity in society. Family members think of them as a working woman and encourage them in their work". Improve their knowledge of banking, of how to undertake the different banking transactions, as also of dealing with government officials. They now feel confident about these things. They too feel an improvement in their social status. Family members changed their attitudes towards them after they started participating in the SHG. They now regard them brave women. The people of the village too give much more respect than before". Family members seek her opinion in many of the family decisions. Moreover, people from the society in general respect

**Change in Family Violence:** Involvement with SHG has reduced this violence in 25 per cent cases especially due to reduction in economic difficulties. In most of cases the members revealed that their husbands should also be involved in SHGs.

**Frequency of Interaction:** with Outsiders Members generally, got lesser opportunity to interact with bankers, Government officials, NGOs and others in the Pre-SHG period. It can be seen that in the Pre SHG period 25 per cent of the members were not interacting with officials whereas after associating with SHGs, 91 per cent members had interacted with the outsiders and out of total 44 per cent have interacted more than 4 times with outsiders. This interaction helped them to articulate their problems and improved their self-confidence.

**Undertake Community Participation:** SHG members undertook a lot of community activities which they earlier could not have imagined themselves to have done. They distributed school uniforms to poor students; they undertook a plantation drive, distributed pen and notebook sets to poor students and donated some money to a charity during a national calamity. They participated in several social initiatives like the "Clean Village Drive" and other such social upliftment programmes since their involvement in the SHG. They organized a small function on India's Republic day. Perspective of the Social Worker Women who have participated in this have benefited economically. They are now able to buy household goods like televisions, furniture, telephones, jewellery and most importantly are able to save for the future. "Now they are much more confident in their dealings with government officials, bank officials, electricity board officials, Medical officers, the revenue officer, health scheme officials etc. They also participate in elections. Moreover, they make use of the various government welfare schemes available"

**SHGs and Environmental Management:** SHGs undertake lot of activities for protecting environment, they create awareness about the importance of the environment and measures to protect environment.

#### **Problem faced by SHGs**

1. Regional Imbalance,
2. Poor management,
3. Problem of micro enterprises,
4. Dropouts,
5. Lack of business attitude,
6. Regulations,
7. Lack of political support,
8. Difficulty in sustainability

#### **SUGGESTIONS TO IMPROVE SELF-HELP GROUP IN INDIA**

Focusing on promotion and strengthening of SHG institutions and later focus may be on setting up of small and medium enterprises under SHG federations.

Suggestions to promote Financial Inclusion1. SHG banking may be allowed to function as core banking activity without any outside interference like target fixing, interest cap, loan size, etc. 2. The Government may promote quality SHGs through village/ cluster level; sub-district/ block level and district level federations. 3. Wherever banks are not accessible or not responsive, federations may be prepared to take up financial intermediation 4. Promoting agencies play a crucial role in developing quality institutions. Promoting agencies may be given adequate financial and capacity building resources and timeframe. Available evidence indicate that investment of about Rs.15,000 per SHG for 8 to 10 years is required to promote quality SHGs with strong federations and effective livelihood opportunities.

Promoting agencies should have a clear role transformation strategy and should implement the same in letter and spirit

Loan facility is available for all the members without any restriction.

Thus SHGs are formed with the idea of mobilizing small savings from the members. SHGs are not treated as financial system but they are formed with a view to social and economic change of the rural people especially for the rural women.

In avoiding of any misuse of money, there should be a need of proper regulating authority at each level such as saving, depositing, and money lending.

Periodical training programme at regular intervals to group members may be organised by the NGOs and other Government officials to aware about bank loan, proper accounts keeping, self management, decision making etc.

Attendance at meeting and workshops should be made mandatory so that the members can enhance their group cohesiveness.

Women should be properly educated so that they will enhance the capability to manage communities and community projects.

The NGOs and the State government must also monitor at a regular interval the overall performance of SHGs and the members included in it.

### **VIII. CONCLUSION**

SHG Programme clearly plays a central role in the lives of the poor. The programme in various blocks all seem to be very successful in reaching poor clients. Importantly; there is evidence of increased household income. This is a very significant indicator of impact. Standard of living for the program participants has increased and also the food security is much more for the program clients. Programme loans are one of the main ways clients overcome food insecurity with sickness, disease, emergencies and crises, where programme participants seem to transfer the loan source from friends and moneylenders to SHG loans to meet these expenses. At the individual level, there is evidence that the programme attracts already relatively empowered people and that empowerment occurs among some clients through programme participation. The process of empowerment manifests itself in increased self-esteem. Programme participation is also associated with changes in decision-making at the family level. Program participants are far more aware about the various programs and organizations and have an access to these organisations. Microfinance is playing a significant role in alleviate poverty and rural development. Since women are the sole family caretaker, proper emphasis should be given to the rural women and for empowering the rural women finance is required. Microfinance to the rural SHGs is a way to raise the income level and improve the living standards of the rural women. The Self Help Groups have proved the way for economic independence of rural women. Thus, it can be concluded that the self help groups contribute substantially in pushing the conditions of the female population up and through that chip in poverty eradication as well. From the above analysis we can conclude that inspire of the concerted efforts taken by SGSY, it is clear that the failure of the programme is seen. But of course there is lot of advantages as well as disadvantages. Now MoRD has been taking a lot of initiatives to revamp the programme. Let us hope that better solutions coming up to implement the programme in effective and efficient ways and means in the near future. Self-help Groups have been playing considerable role in training of Swarozgaris, infrastructure development, marketing and technology support, communication level of members, self confidence among sample members, change in family violence, frequency of interaction with outsiders, change in the saving pattern of SHG members, change in the cumulative saving pattern of SHG members per month, involvement in politics, achieving social harmony, achieving social justice, involvement in community action, sustainable quality and accountability, equity within SHGs, defaults and recoveries, and sustainability - financial value.

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**PANCHATANTRA TALES: AN EFFECTIVE TOOL FOR INCULCATING LIFE SKILLS AND  
MANAGERIAL SKILLS IN MANAGEMENT EDUCATION**

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**ABSTRACT**

*Education is an important phase in every individual's life. It helps everyone to acquire moral education and necessary skills to be a competent in the corporate world and also it teaches for one's life. Indian education system has seen many phase starting Gurukul System, the British model of Education, Government and Universities regulated mechanism and now trend towards online and satellite education platform. In India education is divided into various phases like, Primary, Higher Primary, Higher Education and Research. Many corporate and industry people have expressed their opinion that, Indian formal education has failed to feed required employable skills for graduates as per the expectation of industries. Looking at these feedback and comments, system needs to be updated with the current trends and also to be in the competition. Learning from the religion is an integral part of Indians evolution. We Indians derive most of our learnings from religions and also these spiritual contents helps in understanding the life and also acquiring skills. Storytelling is one of the oldest art forms known to mankind from the ancient India. It has stimulated imaginations and even built communities of tellers and listeners especially in the family between grandparents and grandchildren. This papers aims at finding the feasibilities of adopting Panchantantra tales as curriculum in the management courses for imbibing required skills.*

*Keywords: Educations, Panchantantra, Skills, Storytelling*

**INTRODUCTION TO PANCHATANTRA TALES**

The Panchatantra tales discusses varied topics like philosophy, psychology, politics, music, astronomy, human relationship, etc., in a simple yet elegant style. This makes it a rare piece of literature, and a unique book. It attempts to illustrate how to understand others, how to choose reliable and trustworthy friends, how to overcome difficulties and problems through tactfully and enhance their wisdom. Moreover, it illustrates how to live in peace and harmony even in the midst of deceit, hypocrisy and other pitfalls in life.

According to the introductory narration, the Panchatantra was composed for three princes that a king had entrusted the composer with, to impart knowledge and wisdom. The composer, a brahmin by the name of Pandit Vishnu Sharma, is stated to have enlightened them through colourful tales within six months. He recited and explained to them this unique composition of tales based on older oral teachings and stories. The book, Panchatantra, is divided into (pancha) five 'tantra's (systems) of 'Nitishashtra' (Science of wise conduct).

The Panchatantra is a collection of short stories under five headings - **Mitra Bhedha** [The loss of friends]; **Mitra Samprapti** [How to win friends]; **Kakolukiyam** [Of owls and crows]; **Labdha Prasanam** [Loss of Gain] and **Aparikshita Karakam** [Rash Actions]. The stories of the Panchatantra are not just relevant on those days, but still holds good even now! The beginning sentence of the Panchatantra in Sanskrit reads like this: '*All the worldly wisdom and inner meaning of life which was written anywhere in any book was compressed in the five books by the shrewd Vishnu Sharma!*'

**INTRODUCTION TO VISHNU SHARMA**

Vishnu Sharma (Sanskrit: विष्णुशर्मन् / विष्णुशर्मा) was an Indian scholar and author who is believed to have written the Panchatantra collection of fables. The exact period of the composition of the Panchatantra is uncertain, and estimates vary from 1200 BCE to 300 CE. Some scholars place him in the 3rd century BCE. Panchatantra is one of the most widely translated non-religious books in history. The Panchatantra was translated into Middle Persian/Pahlavi in 570 CE by Borzūya and into Arabic in 750 CE by Persian scholar Abdullah Ibn al-Muqaffa as Kalilah wa Dimnah (Arabic: دمنة و كليلة). In Baghdad, the translation commissioned by Al-Mansur, the second Abbasid Caliph, is claimed to have become "second only to the Qu'ran in popularity. As early as the eleventh century this work reached Europe, and before 1600 it existed in Greek, Latin, Spanish, Italian, German, English, Old Slavonic, Czech, and perhaps other Slavonic languages. Its range has extended from Java to Iceland." In France, "at least eleven Panchatantra tales are included in the work of Jean de La Fontaine."

## **CHANGING SCENARIO IN THE MANAGEMENT EDUCATION**

After India opened its economy to Private and Global organizations, Education in India has started renovating and innovating as it required to meet the changing scenario of the corporate world. Many higher education institutions had conducted a detailed research on identifying the need of corporate, changes required in the syllabus, innovations in the pedagogy and many more. The conducted results have shown that, there was a gap in demand of skilled graduates and supply of certificate holders. This made higher educational institutions to change their mechanism in teaching the curriculum and they have started adopting innovative and best practices for inculcating the required skills rather than the conventional classroom teaching, few these are case studies, role play, inculcation of ICT, industrial tours, adoption of Movies as cases and many more. In spite of these innovations in teaching and syllabus still corporate segment feels that colleges are just supplying the graduates and not the skilled employees. In order to develop required skills it is very much necessary for us to look at India's ancient rich culture and knowledge treasure and adopt the same in higher education, like Vedic Mathematics, Vedic Management, Learning Management from Mahabharatha, Panchtantra and many more.

## **REVIEW OF LITERATURE**

### **a. The Panchatantra Stories –An Embodiment of Management Wisdom**

The researchers have conducted the research with objectives of exploring the lessons of management that can be found in the tales of Panchtantra, secondary data was used for the work and found that stories lay down rules for efficient managerial practices and also comment on behavior that should be avoided by leaders if they wish to attain success and popularity.

### **b. Learning Crisis Management through Literature**

Though this research, the researchers have made an attempt to learn the effective crisis management through Panchtantra, they have found feasible lessons for crisis management, which are Lesson 1: - Only the brave succeed in life from the story of 'The Jackal and the Drum'. Lesson 2:-When you see a danger coming, act immediately from the story of 'The three Fishes'. Lesson 3:- Do your best but leave it to destiny from the story of 'The Merchant's son'. Lesson 4:- Check thoroughly even what seems to be impossible from 'The Tale of the Golden droppings'. Lesson 5:- At the first hint of danger, Act quickly to save yourself from 'The Tale of two Fishes and a Frog'. Lesson 6: - Union is strength from 'The Bird with two heads'.

### **c. Management and Panchtantra: a door ahead to wisdom in corporate world**

This paper was focused on discovering and integrating Panchtantra for proper learning and understanding innovative strategies for management. The idea is to improve upon the behavioural aspect of managers. Once the basic thinking skill set is properly directed it would definitely enhance the efficiency and productivity of managers.

## **STATEMENT OF PROBLEM**

Doing business in the present economy is not so easy as we think by sitting in the AC rooms, always business gives lots of ups and downs in the due course. Today's business always gives you an ample opportunities to grow your business vertically and horizontally, and at the same time it troubles you with the lot of challenges as M. E . Porter said in his five forces model, bargaining power of customers, bargaining power of suppliers, rivalry from existing competitors, rivalry from new entry to markets and rivalry from substitutes. The entrepreneurs and managers of today's business should be ready with the skills to tackle these challenges and also to grab the opportunities at all feasible manner. This research work aims at possible learning outcomes from Panchtantra to tackle the challenges arises in due course of business and to make use prospective opportunities which business world though at managers.

## **OBJECTIVES OF THE STUDY**

- To study Panchtantra in order to understand management skills in it
- To analyse the status and expectations of present Management Education
- To identify the feasible way to teach management skills by using Panchtata tales as curriculum

## **IMPLICATIONS OF THE PAPER**

The study aims at finding the applicability of Panchtantra in Management Education to impart necessary skills in upcoming graduates to face the feasible challenges which they come across in the business and also to make use of opportunities in all possible ways. Practical implications of project are Universities and colleges can introduce Panchtantra as subject for Management courses, Companies and organisations can also use this model to train their newly recruited employees to train in order to achieve the goals of the organisation in an ethical path.

**PANCHATANTRA TALES AND ADOPTABILITY IN MANAGEMENT EDUCATION****One Stomach but two heads**

Book 05 of Panchatantra tales (Aparikshitakarakam) story titled ‘**One stomach but two heads**’ explain the challenges of team management in the organisation under the team work. A story of bird having two heads with one stomach explains what should not be done in the organisation as team. Team members should have good understanding among the members. When misunderstanding arises among the team members leads to disasters how bird died in the story. Take ways of story are: *Jealousy is Suicidal; People living together should not quarrel among themselves. Unity is Strength. Differences of Opinions should be solved by proper discussion and negotiations*

**Snake, Mongoose and Heron**

Book 02 of Panchatantra tales (Mitrabhed), Story titled **Snake, mongoose and Heron** is the best tale to explain the consequences of one’s greed. When you are trying to kill your enemy in the business world may leads to ending their own business or work life. It also gives morale that ‘Solution of the problem should not be worse than the problem itself’. Take away of story are *Greed invites retributions, Solution of the problem should not be worse than the problem itself, Don’t be the victim of foolish suggestions, No one gives you a free suggestions or consultation without own benefits.*

**Claver Rabbit, Proud Lion**

Book 02 of Panchatantra tales (Mitrabhed), story titled **Claver Rabbit, Proud Lion** is the best to teach the morale of Intelligence is superior to the physical strength. Always need to keep in mind that, one can’t win the game by using only physical strength in game ground. It is very important understand that, intelligence helps to overcome worst situations of day to day business wit out any adverse effects. Take ways of the story are *Intelligence is superior than the physical strength, Deceive the wicked and destroy them without mercy, One shouldn’t be panic in the critical situations; one should be clever enough to think out of the box to solve the issues.*

**Timid Bramin’s Crab friend**

Another story of Panchatantra tales brief us an opportunity to understand the need of troop or partners in the business. A Bramin’s while travelling to another place, carried a crab along with him as per the suggestion of his mother. During the journey, a Bramin was taking rest under the tree and a snake came by sensing the smell, but before even it harms him, crab had a fight with snake and killed it. So the story tells us that to be a one among team members. *Take ways of the story are Never Embark the journey alone, always listen to the elders, Each and every one are helpful in various situations.*

**CONCLUSION**

It is very important for one to have necessary skills to tackle the difficult challenges arises in the day to day activities and also to an effective utilisation of opportunities come to us. Teaching these skills in the formal education in the theoretical classes is the biggest challenge for teachers and professional trainers. Here is an opportunity for the Universities, Colleges and Companies to adopt these Panchatantra stories to teach required skills and morale in the easiest and effective manner.

Significant efforts were made to analyse and understand the Panchatantra Tales and its applicability in the management education with the objectives of imparting the life skills and managerial skills among the youth as these are very much necessary in the present era. Study shows that, majority of the Panchatantra tales can be adopted in the syllabus in order to imibe required skills. As these tales are self-explanatory and it will be easy for students to understand the contents adopted and also can be inculcated among them. These skills will be very useful for them in the coming days as well as in the corporate world.

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**GREEN HRM – A PREREQUISITE OF 21<sup>ST</sup> CENTURY**

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**ABSTRACT**

*GREEN HRM is the emerging topic in the current scenario. There is a great deal of increase in adopting of environment management systems by the corporate sector. HR of the organization plays a major role in making environmental responsibility a part of CSR. GREEN HRM promotes the environment related issues by adopting it, in HR policies and practices, training & development and implementation of laws related to environment protection. GREEN HRM involves two essential elements – environment friendly HR practices and preservation of knowledge capital. This paper identifies how corporations today develop HR policies for promoting environment management initiatives.*

*Keywords: Green HRM, Environment Management, Corporate Social Responsibility.*

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**INTRODUCTION**

Twenty-first century has been showing heightened interest in the environmental concerns all around the globe irrespective of related fields be it politics, public, or business.

GREEN initiatives within the HRM form part of wider programs of CSR. GREEN HR involves undertaking environmental friendly HR initiatives resulting in greater efficiencies, lower costs and better employee engagement and retention which in turn help employee carbon footprints by the likes of electronic filing, car sharing, job sharing, tele-conferencing and virtual interviews, recycling, tele-communicating, online training, energy efficient office spaces.

The responsibility of the present generations, HR managers is to create awareness amongst the youngsters and among the employees, about the GREEN HRM, green movement, utilization of natural resources and helping the corporate to maintain proper environment and retain the natural resources for our future generations.

**WHAT IS GREEN HRM?**

The term 'GREEN HRM' is most often used to refer the contribution of people management policies and practices towards the broader corporate environmental agenda.

GREEN HRM is directly responsible in creating green workforce that understands, appreciates and practices green initiative throughout the HRM process of recruiting, hiring, training, compensating, developing and advancing the firms human capital.

**LITERATURE REVIEW**

Mr. M. W. SHAIKH in his paper submitted GREEN HRM, A requirement of 21<sup>st</sup> century to Abhinav journal of Research has made an attempt to promote the importance of GREEN HRM in industries. The GREEN HRM is based on green movement related to Protection of Environment and save the planet Earth from disasters. The "Magna Carta" on Human Environment was declared in the first United Nation's (International Conference) on Human Environment held in June 1972 in Stockholm declared that, to defend and improve the human environment for present and future generation has become an imperative goal for mankind. The GREEN HRM will play an important role in industry to promote the environment related issues by adopting it, in management philosophy, HR policies and practices, training people and implementation of laws related to Environment Protection.

**OBJECTIVES OF THE PAPER**

- Provide with a basic understanding of GREEN HRM to the readers.
- Attempt to spread the awareness amongst the organizations, across the country on GREEN HR.
- Changing attitudes and behaviors related to environmental issues in the workplace.
- To reduce environmental problems, hazards and pollutions by the organizations by going green.
- To identify how corporations today develop human resources policies for promoting environment management initiatives.

**RESEARCH METHODOLOGY**

Research methodology is considered as the nerve of the project. The research design is both primary as well as secondary. **Secondary Data** was collected from various research journals, websites and articles to detailed understanding of the subject authenticity of information. For **Primary Data** we have selected 20 respondents working in **Infosys Pvt Ltd** and **ICICI Bank** through questionnaires.

**Sample Units** - Professionals, HR Managers, Employees, Working Women and Students.

**Sample Size** - 20 people responded for this survey.

**ANALYSIS – QUESTIONNAIRE**

**1) Do you know ‘GREEN HRM’?**

- a) Yes      b) No

Company	No. of Respondents	Yes	No
Infosys	10	5	5
ICICI	10	7	3

**2) To what extent HR policies can improve environment and make name for the organization?**

- a) Great    b) Average    c) Low    d) No Effect

Company	No. of Respondents	Great	Average	Low	No Effect
Infosys	10	4	3	1	2
ICICI	10	5	2	2	1

**3) Role of HR in environment management?**

- a) High    b) Medium    c) Low

Company	No. of Respondents	High	Medium	Low
Infosys	10	6	3	1
ICICI	10	7	2	1

**4) Best practice for going green can be**

- a) Eliminating excess use of paper.                      b) Computerized training.  
c) Vehicle sharing.                                              d) Any other.

Company	No. of Respondents	Eliminating excess use of paper	Computerized training	Vehicle training	Any other
Infosys	10	2	3	1	4
ICICI	10	4	3	1	2

**5) How you are contributing to the place you work or spend maximum time?**

- a) Recycle, Reduce, Reuse.  
b) Motivating others to participate.  
c) Doing basics like switching lights & monitors off when are not in use.

Company	No. of Respondents	Recycle, Reduce, Reuse	Motivating others	Doing basics
Infosys	10	3	2	5
ICICI	10	4	1	5

**6) Why GREEN HRM?**

- a) Trend nowadays    b) Need of hour    c) Necessity forever

Company	No. of Respondents	Trend nowadays	Need of hour	Necessity forever
Infosys	10	1	2	7
ICICI	10	2	3	5

**7) How much Indian organizations are promoting GREEN HRM?**

- a) Very much    b) Average    c) Very less

Company	No. of Respondents	Very much	Average	Very less
Infosys	10	5	3	2
ICICI	10	7	2	1

**8) At what level more improvements is needed to spread HR policies in the organizations effectively?**

- a) At organizational level    b) At HR level    c) At employee level

Company	No. of Respondents	Organizational level	HR level	Employee level
Infosys	10	1	4	5
ICICI	10	2	2	6

**RESULT / FINDINGS**

- ✓ Role of HR professional is very big for GREEN HRM.
- ✓ Impact of GREEN awareness is fruitful.
- ✓ Changing attitudes and behaviors related to environmental issues in the workplace

**SOME GREEN HR PRACTICES ARE PROVIDED BELOW**

- Use of recycle paper & bottles in the office.
- Encourage turn off lights, computers & printers after work hours.
- Promote web or teleconferencing to reduce travel.
- Work with IT to switch to laptops over desktops computers. (Laptops consumes up to 90% less power)
- Play green-themed games to promote environment friendly behavior.

**CONCLUSION**

GREEN HR efforts to date have primarily focused on increasing efficiency within processes, reducing & eliminating environmental waste and revamping HR products, tools & procedures resulting in greater efficiency & lower costs. With society becoming more environmentally conscious, businesses are starting to incorporate work environment. Environmentally friendly HR initiatives result in greater efficiencies, employee engagement, which in turn helps organizations to operate in an environmentally sustainable fashion.

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**SOCIAL ENTREPRENEURS IN TOURISM WITH REFERENCE TO KODAGU**

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**ABSTRACT**

*Social entrepreneurship in tourism business is a concept that has only recently origin. It is introduced as an object worthy further research, mainly as it is considered to be an efficient catalyst for creating societal empowerment and enabling marginalized people in discovering their capacity and capability to turn ideas into business practice. The area is relatively unstudied, unrealistic, social business characters, which motivates us to conduct further research on this specific area of entrepreneurship, empowerment and poverty alleviation. Many tourism organizations adopted social entrepreneurship to serve for the up-liftment of local communities. The study is making an attempts to understand the contribution of social entrepreneurs towards tourism, environmental development and eco-system and suggest the various sustainable development practices for the local community development programs.*

*Keyword: Social Entrepreneur, Implementation, Local Community, Sustainable Development, Social Value.*

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**INTRODUCTIONS**

In the modern business world the term Social Entrepreneurship is taking a lead role. It as set up its own trend in all the areas of businesses and it is also having profit like any other Entrepreneurship. The aims of the study are to understand of Social Enterprise and whether it can be a more beneficial business plan in Tourism Industry. The implementation of this idea in social enterprise combining with the social benefit and the entrepreneurship have been seen as a synergy for encouraging a better life and environment by tackling the social problems. The entrepreneurs can be informed and educated more about the Social Enterprise and use it as a new business idea for creating a better profit maximization and also creating social awareness by solving those social issues. The implementation of Social Enterprise will be a very interesting business idea too when it comes to the tourism industry as it will surely cause a new movement for the customers to be interested in.

**OBJECTIVE OF THE STUDY**

- To create an awareness of the importance of social entrepreneurship.
- To know the sustainable development in the society.
- To suggest social value creation by the social entrepreneurs.

**RESEARCH METHODOLOGY**

**Data Collection**

The validity of any research is based on the systematic method of data collection and analysis. For the study both primary and secondary data were collected and analyzed.

- **Primary Data:** It is collected through the Questionnaire, Observation, Interviews and feedback, from working under different unorganized sectors women's.
- **Secondary Data:** The analysis of secondary data involved a comprehensive literature review of published sources from annual report, Journals, Websites, Magazines, Articles, Books, Reports of various committees.

**SCOPE OF THE STUDY**

**It is consider as one the major pillar in the development of the economy. Country like India it is very important.** It has not only increased turnover, job opportunities but also added a new value in the business called social benefit. It is not entirely only profit making but also providing benefit to the society and helping in social issues in the countries. With the understanding of Social Enterprise and this new business idea has been favoured by the consumers as they have come to understand the importance of supporting social value and paying more money for giving aid to the society.

**LIMITATIONS OF THE STUDY**

**Like any other research this is also is not exempted from the limitations.** However, a great care was taken in structuring this research so that these limitations would not affect outcomes and the contribution of this study. Described below are the major limitations that came across while conducting this study:

- This study restricted to Kodagu district only.
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- Due to time constraints it was not possible to go in detail study.
- Some respondents were neither motivated nor interested in expressing their honest response owing to official secrecy.
- Whatever the information's collected are considered for the analysis and interpretation.
- The suggestions are based on the data collected.

### **FINDINGS**

- 82% of the respondents were considering this as a complex concept and it can't be understandable easily within the defined framework.
- 90% of the respondent had the opinion that the practice of social entrepreneurship should result in the output of environmental value, social value and economic value.
- 97% of the respondent had the opinion that organization practicing of social entrepreneurship must have social value creation as their main and above all other aims.
- 68% of the respondent had the opinion that the Focus on the creation of economic value can negatively affect the potential of social value creation within an organization.
- 100% of the respondent had the opinion that A charitable institution that focuses solely on social output and value creation will create the greatest value within the organization. .

### **SUGGESTIONS**

- Social entrepreneurship is a very complex concept and so this concepts should be made simple to understandable and defined within a single model/ framework.
- The practice of social entrepreneurship should result in the creating an awareness about environmental value, social value and economic value.
- A local community needs always be easily met with the own community solution in resolving it. This kind of community issues are simply related with incompetence in creating more business opportunities, job creation, or transportation etc. If a social enterprise is built focusing on these needs, it will surely generate the possibilities of success in the days to come.
- Social enterprises are the resources that become available for the needs of the local community and community will see these as an opportunity for the locals to get access in a wider range of services and possibilities.
- As social enterprise is focusing on a social purpose, the voluntary sector organization might want to contribute in providing assistance and supports. Therefore the possibility of getting more services or funds possibly affects the local community.

### **CONCLUSION**

Like any other Industry Tourism industry can even consider as an idea of social enterprise. In tourism the effect of getting the community involvement and benefiting locals can easily create many possibilities like cooperation, create an environmental friendly enterprise in associating the tourism industry etc.

Social enterprises are a growing trend nowadays as they create a new innovative way in creating business opportunities and implement it towards benefiting and making a difference in the local community. The idea of traditional business which is making money, getting power and freedom is no longer the priority of this category. It serves for a greater cause and there is no surprise that many people nowadays want to have not only salaries out of their work, they are looking something more influential and meaningful which is why social enterprises can be created for a new era of economic market.

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**A STUDY ON MARKETING PROBLEMS AND EXPECTATIONS OF PADDY GROWERS IN  
KURNOOL DISTRICT, ANDHRA PRADESH**

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**ABSTRACT**

*The study is mainly focused on to identify the marketing problems and expectations of paddy growers and evaluate the relation between them in Kurnool district. Bandi Atmakur and Sirvel mandals was selected for the study, from the two mandals 25 marginal and small farmers were selected and 25 medium and big farmers were selected, the total sample size is 50 farmers (paddy growers). To select the sample cluster sampling technique was used. At the time of survey many marketing problems was identified but for the study only eight marketing problems was selected. The correlation technique was used to find out the relation between marketing problems and expectations. The relation existed between the marketing problems and expectations is positive. The calculated of correlation was 0.5706, it is clear that if the marketing problems of paddy growers was solved then they will reach their expectations regarding to marketing of paddy.*

*Keywords: Marketing problems; Farmers; Paddy; Minimum Support Price (MSP)*

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**1. REVIEW OF LITERATURE**

Prakash C (2012)<sup>1</sup>, revealed in his paper that paddy farmers are facing number of problems while marketing the agricultural produce. During the study he found eight important marketing problems. The study was took up mainly to see the relation between the problems and expectations of the farmers. Finally, the relationship between the problems and expectations was derived with help of correlation, the relation between marketing problems and expectations was positive and they are related 67 percent by each other.

C. Ramesh & S. Vijayan (2012)<sup>2</sup>, they attempted to analyze the marketing channels, marketing system, marketing cost and margin and marketing problems faced by the farmers in the Cuddalore District, Tamilnadu. The marketing problems they found during the study was forced sales, malpractices in unregulated markets and existence of more middlemen in the market. The main finding was found in the study was 69.33 percent farmers sold their agricultural produce to commission agents due to lack of storage facilities. The marketing cost of an agricultural produce incurred per quintal was mostly dominant by commission charged by commission agent, transportation cost and storage cost. The reason that most of the farmers depend on the commission agents was many of the commission agents provide credit facility whenever required by the farmer.

**2. STATEMENT OF THE PROBLEM**

Marketing of an agricultural produce is very challenging in India. The farmers are facing several problems in marketing the agricultural produce. The marketing problems will arise due to lack proper market information. As many of the farmers are not finding the means of survival, illiterate and ignorant, proper market information is not available with the farmer. Though the government is providing the Minimum Support Price (MSP) to the farmers, but in the practice it is reached to the middlemen pockets. Due to the existence of middlemen and malpractices the farmers are facing more problems in marketing of agricultural produce. Hence, this study is taken to know the marketing problems and expectations of paddy growers in Kurnool district of Andhra Pradesh and to evaluate the relation between problems and expectations.

**3. OBJECTIVES OF THE STUDY**

The objectives of the study are

- i) To know the paddy procurement system in the Andhra Pradesh,
- ii) To identify the marketing problems of the paddy growers and their expectations in marketing of paddy in the study area,
- iii) To evaluate the relation between marketing problems and expectations of paddy growers in the study area.

**4. METHODOLOGY**

The study area was selected as Kurnool district. Among the 53 revenue mandals in Kurnool District paddy was produced more in two mandals one is Bandi Atmakur and another one is Sirvel. From the two mandals 25 marginal and small farmers were selected and 25 medium and big farmers were selected, the total sample size is 50 farmers (paddy growers). To select the sample cluster sampling technique was used. The list of the farmers was collected from Mandal Revenue Officers of the two mandals.

The study was empirical in nature. The primary data is collected through well-structured questionnaire. The secondary data was collected from internet, journals and other sources etc.

**Analysis and Interpretation of Data:** The data thus collected were classified, tabulated, analyzed and interpreted with the help of relevant statistical tools making use of Statistical Package for Social sciences (SPSS).

## 5. ANDHRA PRADESH PADDY PROCUREMENT SYSTEM

Paddy purchased by the AP State Civil Supplies Corporation shall be handed over to the nearest designated rice mills for custom milling on the terms and conditions agreed to between the millers and Corporation. The custom milling has to be simultaneously attended not later than 15 days by the rice millers along with the milling of paddy meant for delivery of levy. The District Manager, Concerned shall deliver the paddy procured to the rice miller within 15 days positively from the date of procurement. The Civil Supplies Corporation shall release paddy to the rice millers for custom milling duly taking Bank Guarantee or Collateral Security equivalent to the value of paddy delivered, or after taking the rice in advance. Besides the miller, the District Rice Millers Association shall also be responsible for ensuring the delivery of custom milled rice to the CS Corporation in time<sup>3</sup>.

## 6. DATA ANALYSIS AND INTERPRETATION

**Table-6.1: Knowledge about the Procurement System**

Particulars	No. of Respondents		Total	%
	Marginal & Small Farmers	Medium & Big Farmers		
Known	17	20	37	74
Unknown	8	5	13	26
Total	25	25	50	100

Source: Primary Data

The farmers must have a minimum knowledge on the procurement system of paddy to sell their paddy, but the table 6.1 shows that only seventy four percent of the farmers know about procurement system and the remaining twenty six percent of the farmers not having any knowledge on the procurement system in the study area.

**Table-6.2: Preference to Procurement System**

Particulars	No. of Respondents		Total	%
	Marginal & Small Farmers	Medium & Big Farmers		
Monopoly	1	2	3	6
Traders' levy	3	2	5	10
Free Trade	9	11	20	40
Both Monopoly and Traders' Levy	3	2	5	10
Both Traders levy and Free Trade	4	4	8	16
Both Monopoly and Free Trade	5	4	9	18
Total	25	25	50	100

Source: Primary Data

The table 6.2 clearly shows that forty percent of the farmers are preferring free trade procurement system, eighteen percent of the farmers are giving preference to both monopoly and free trade, sixteen percent of the farmers are giving preference to both traders levy and free trade, ten percent of the farmers are giving preference to both monopoly and traders levy, another ten percent farmers are giving preference to traders levy, and last six percent of the farmers are giving preference to monopoly procurement system.

**Table-6.3: Prices of Paddy Sold by Farmer**

Particulars	No. of Respondents		Total	%
	Marginal & Small Farmers	Medium & Big Farmers		
Minimum Support Price	-	-	-	-
MSP after Official cut only	-	-	-	-
MSP after unofficial and official cut	25	25	50	100
Total	25	25	50	100

Source: Primary Data

The table 6.3 states that all the fifty farmers are not selling paddy at Minimum Support Price. They are selling it MSP after unofficial and official cut.

**Table 6.4 Opinion on Government Policy Paddy Procurement System**

Particulars	No. of Respondents		Total	%
	Marginal & Small Farmers	Medium & Big Farmers		
Satisfactory	-	-	-	-
Not Satisfactory	25	25	50	100
Total	25	25	50	100

Source: Primary Data

The table 6.4 clearly says the opinion on government policy paddy procurement system in the state was not satisfactory by all the farmers. It means that government has to change the procurement policy system.

**MARKETING PROBLEMS**

During the study many marketing problems was identified in the study area through a survey, but among that only eight major marketing problems was taken for the study, and the table shows the marketing problem facing by the paddy growers in Kurnool district.

**Table-6.5: Marketing Problems facing by the Paddy Growers**

Marketing Problems	Marginal & Small Farmers	Rank	Medium & Big Farmers	Rank	Total	Rank
Low Price	25	I	25	I	50	1
Malpractices	21	V	22	IV	43	5
Delay in Payment	15	VIII	18	VII	33	8
Transportation	20	VI	20	VI	40	6
Storage Problems	23	III	23	III	46	3
Existence of Middlemen	24	II	24	II	48	2
Improper Method of Sale	22	IV	21	V	43	4
Lack of Information	18	VII	16	VIII	34	7

Source: Primary Data

From the table 6.5 it is clearly knowing that low price of the paddy, the existence of the middlemen is the second problem facing by the paddy growers, the storage of the paddy is essential for a farmer but the third problem they are facing is storage problem, the fourth marketing problem facing by the paddy growers is improper method of sale, existence of malpractices is the fifth problem facing by the farmers, mode of transportation is the sixth marketing problem facing by the farmers, lack of market information availability is the seventh marketing problem facing by the paddy growers, and last eighth problem facing by the paddy growers is delay payment of cash both in the cash sale and credit sale.

**Table-6.6: Expectations of the Paddy Growers in Marketing**

Expectations	Marginal & Small Farmers	Rank	Medium & Big Farmers	Rank	Total	Rank
Reasonable Price	25	I	25	I	50	1
No Malpractices	21	V	23	III	44	4
Prompt Payment	24	II	22	IV	46	3
Fair Transportation Cost	19	VII	21	V	40	6.5
Availability of Good Storage Facilities	20	VI	20	VI	40	6.5
Direct Marketing	23	III	24	II	47	2
Government Support in Marketing the Produce	22	IV	19	VII	41	5
To Establish Information Center by Government	16	VIII	14	VIII	30	8

Source: Primary Data

The table 6.6 consists expectations of the paddy growers in terms of marketing. Many of the paddy growers are expecting reasonable price first, next to that the farmers need a direct marketing channel to sell their products, the third expectation is they need a prompt payment after selling their product without any delay, the farmers are expecting there should be no malpractices in the market like fraud in weighing the products and taking more quantity as sample etc., the farmers are also expecting government support in marketing of agricultural produce

by providing proper marketing facilities like supply of packing material at low cost etc., more expectations of farmers are availability of storage facilities, transportation facilities at low cost and to establish an information center by the central government.

### **7. RESULTS AND DISCUSSIONS: RELATIONSHIP BETWEEN THE MARKETING PROBLEMS AND EXPECTATIONS**

For the study eight marketing problems and eight expectations of paddy growers were taken. The correlation technique was used to find out what type relation existed between the problems and expectations. After using correlation technique it found that both the marketing problems and expectations of paddy growers are positively related. i.e., the relation existed between the marketing problems and expectations is positive. The calculated of correlation was 0.5706.

### **8. CONCLUSION**

Hence, the relation existed between the marketing problems and expectations is positive. The calculated of correlation was 0.5706, it is clear that if the marketing problems of paddy growers was solved then they will reach their expectations regarding to marketing of paddy.

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**RECENT TRENDS IN HRM**

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**ABSTRACT**

*The goal of this paper is to establish the importance of human resource management and how it emerged, to provide some evidence of its context, to discuss its potential and future development. Many specialists underlined the fact that human resource requires more attention and careful management than any other resource of an organization. The role of the HR manager must parallel the needs of the changing organization. Successful organizations are becoming more adaptable, resilient, quick to change directions, and customer-centred. Within this environment, the HR professional must learn how to manage effectively through planning, organizing, leading and controlling the human resource and be knowledgeable of emerging trends in training and employee development.*

*Keywords: management, human resource, personnel administration, talent management, skills, knowledge, HRM trends, policies, motivation, relation, HR manager*

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**INTRODUCTION**

Human resource management is a process of bringing people and organizations together so that the goals of each other are met. The role of HR manager is shifting from that of a protector and screener to the role of a planner and change agent. Personnel directors are the new corporate "heroes". The today focus in business is *personnel*. Now a days it is not possible to show a good financial or operating report unless your personnel relations are in order. The major purpose of HRM is to increase and improve the productive contribution of personnel to the organization in more ethical, social, and administratively responsible way. This purpose emerged from commonly called industrial relations, personnel administration, industrial psychology and personal management. Research paper shows that its aim is to create a whole organizational culture that binds workers to the company's objectives with full professional commitment, integration, and quality work.

The 21st century brings with it enormous opportunities but also too much pressure, if the companies will not improve the productivity of the people and treat them "human being" which are the vital objects of all the economic activities leading towards industrial development. Now there is worldwide consensus on human resource being one of the major means of increasing efficiency, productivity and prosperity of the organization. Over the years, highly skilled and knowledge based jobs are increasing while low skilled jobs are decreasing. This calls for future skill mapping through proper HRM initiatives.

Organizations are also witnessing a change in systems, management cultures and philosophy due to the global alignment of Indian organizations. There is a need for multi skill development. Role of HRM is becoming all the more important. With the increase in competition, locally or globally, organizations must become more adaptable, resilient, agile, and customer r-focused to succeed. And within this change in environment, the HR professional has to evolve to become a strategic partner, an employee sponsor or advocate, and a change mentor within the organization. In order to succeed, HR must be a business driven function with a thorough understanding of the organization's big picture and be able to influence key decisions and policies. In general, the focus of today's HR Manager is on strategic personnel retention and talents development. HR professionals will be co aches, counsellors, mentors, and succession planners to help motivate organization's members and their loyalty. The HR manager will also promote and fight for values, ethics, beliefs, and spirituality within their organizations, especially in the management of workplace diversity

**RECENT TRENDS IN INTERNATIONAL HRM**

HRM places greater emphasis on a number of responsibilities and functions such as relocation, orientation and translation services to help employees adapt to a new and different environment outside their own country. Selection of employees requires careful evaluation of the personal characteristics of the candidate and his/her spouse. Training and development extends beyond information and orientation training to include sensitivity training and field experiences that will enable the manager to understand cultural differences better. Managers need to be protected from career development risks, re-entry problems and culture shock. To balance the pros and cons of home country and host c country evaluations, performance evaluations should combine the two sources of appraisal information. Compensation systems should support the overall strategic intent of the organization but should be customized for local conditions. In many European countries - Germany for one, law establishes representation. Organizations typically negotiate the agreement with the unions at a national level. In Europe it

is more likely for salaried employees and managers to be unionized. HR Managers should take into account the following aspects to ensure success: Use workforce skills and abilities in order to exploit environmental opportunities and neutralize threats. Employ innovative reward plans that recognize employee contributions. Indulge in continuous quality improvement through TQM and HR contributions like training, development, counselling, etc. Utilize people with distinctive capabilities. Decentralize operations and rely on self-managed teams to deliver goods in difficult times e.g. Motorola is famous for short product development cycles. It has quickly commercialized ideas from its research labs. Lay off workers in a smooth way explaining facts to unions, workers and other affected groups.

#### **HR Managers today are focus attention on the following areas**

1. **Policies** - HR policies based on trust, openness, equity and consensus.
2. **Motivation**- Create conditions in which people are willing to work with zeal, initiative and enthusiasm; make people winner.
3. **Relations**- Fair treatment of people for healthy work-place relations.
4. **Change agent**- Prepare workers to accept technological changes by clarifying doubts.
5. **Quality Consciousness**- Commitment to quality in all aspects of personnel administration will ensure to win. Due to the new trends in HR, the HR manager should treat people as resources, reward them equitably, and integrate their aspirations with corporate goals through suitable HR policies.

#### **CHALLENGES FACED BY HRM AND OTHER TRENDS**

##### **Workplace Diversity**

The dimensions of workplace diversity include e, but are not limited to: age, ethnicity, ancestry, gender, physical abilities/qualities, race, sexual orientation, educational background, geographic location, income, marital status, military experience, religious beliefs, parental status, and work experience. The challenges of workplace diversity refers to the fact that the future success of any organizations relies on the ability to manage a diverse body of talent that can bring innovative ideas, perspectives and views to their work. The challenge and problems faced of workplace diversity can be turned into a strategic organizational asset if an organization is able to capitalize on this melting pot of diverse talents. With the mixture of talents of diverse cultural backgrounds, genders, ages and lifestyles, an organization can respond to business opportunities more rapidly and creatively, especially in the global arena, which must be one of the important organisational goals to be attained. More importantly, if the organizational environment does not support diversity broadly, one risks losing talent to competitors.

This is especially true for multinational companies (MNCs) who have operations on a global scale and employ people of different countries, ethical and cultural backgrounds. Thus, a HR manager needs to be mindful and may employ a 'Think Global, Act Local' approach in most circumstances. Many local HR managers have to undergo cultural-based Human Resource Management training to further their abilities to motivate a group of professional that are highly qualified but culturally diverse. Furthermore, the HR professional must assure the local professionals that these talents are not a threat to their career advancement. In many ways, the effectiveness of workplace diversity management is dependent on the skilful balancing act of the HR manager.

One of the main reasons for ineffective workplace diversity management is the predisposition to pigeonhole employees, placing them in a different silo based on their diversity profile (Thomas, 1992). In the real world, diversity cannot be easily categorized and those organizations that respond to human complexity by leveraging the talents of a broad workforce will be the most effective in growing their businesses and their customer base.

In order to effectively manage workplace diversity, the HR Manager needs to change from an ethnocentric view ("our way is the best way") to a culturally relative perspective ("let's take the best of a variety of ways"). This shift in philosophy has to be ingrained in the managerial framework of the HR Manager in his/her planning, organizing, leading and controlling of organizational resources. There are several best practices that a HR manager can adopt in ensuring effective management of workplace diversity in order to attain organizational goals.

#### **TALENT MANAGEMENT**

Talent management refers to the process of developing and integrating new workers, developing and keeping current workers and attracting highly skilled workers to work for your company. Talent management is a process that emerged in the 1990s and continues to be adopted, as more companies come to realize that their employees' talents and skills drive their business success. These companies develop plans and processes to track and manage their employee talent, including the following

- Attracting and recruiting qualified candidates with competitive backgrounds
- Managing and defining competitive salaries
- Training and development opportunities
- Performance management processes
- Retention programs
- Promotion and transitioning

Talent management is also known as HCM (Human Capital Management), HRIS (HR Information Systems) or HRMS (HR Management Systems), and HR Modules.

Companies that are engaged in talent management ( Human Capital Management ) are strategic and deliberate in how they source, attract, select, train, develop, retain, promote, and move employees through the organization. This term also incorporates how companies drive performance at the individual level (performance management). The term talent management means different things to different people. To some it is about the management of high -worth individuals or "the talented" whilst to others it is about how talent is managed generally - i.e. on the assumption that all people have talent which should be identified and liberated.

This term is usually associated with competency -based human resource management practices. Talent management decisions are often driven by a set of organizational core competencies as well as position -specific competencies. The competency set may include knowledge, skills, experience, and personal traits (demonstrated through defined behaviours) Older competency models might also contain attributes that rarely predict success (e.g. Education, tenure, and diversity factors that are illegal to consider in many countries)

### **ORGANIZING TALENTS STRATEGICALLY**

Many companies are now realizing the advantages of a diverse workplace. As more and more e companies are going global in their market expansions either physically or virtually (for example, E-commerce-related companies), there is a necessity to employ diverse talents to understand the various niches of the market. For example, when China was opening up its markets and exporting their products globally in the late 1980s, the Chinese companies were seeking the marketing expertise of Singaporeans. This is because Singapore's marketing talents were able to understand the local China markets relatively well (almost 75% of Singaporeans are of Chinese descent) and as well as being attuned to the markets in the West due to Singapore's open economic policies and English language abilities. With this trend in place, a HR Manager must be able to organize the pool of diverse talents strategically for the organization. He/she must consider how a diverse workforce can enable the company to attain new markets and other organizational goals in order to harness the full potential of workplace diversity. An organization that sees the existence of a diverse workforce as an organizational asset rather than a liability would indirectly help the organization to positively take in its stride some of the less positive aspects of workforce diversity.

### **CONTROL AND MEASURE RESULTS**

A HR Manager must conduct regular organizational assessments on issues like pay, benefits, work environment, management and promotional opportunities to assess the progress over the long term. There is also a need to develop appropriate measuring tools to measure the impact of diversity initiatives at the organization through organization -wide feedback surveys and other methods. Without proper control and evaluation, some of these diversity initiatives may just fizzle out, without resolving any real problems that may surface due to workplace diversity.

### **MOTIVATIONAL APPROACHES**

Workplace motivation can be defined as the influence that makes us do things to achieve organizational goals: this is a result of our individual needs being satisfied (or met) so that we are motivated to complete organizational tasks effectively. As these needs vary from person to person, an organization must be able to utilize different motivational tools to encourage their employees to put in the required effort and increase productivity for the company. Why do we need motivated employees? The answer is survival (Smith,). In our changing workplace and competitive market environments, motivated employees and their contributions are the necessary currency for an organization's survival and success. Motivational factors in an organizational context include working environment, job characteristics and appropriate organizational reward system and so on.

The development of an appropriate organizational reward system is probably one of the strongest motivational factors. This can influence both job satisfaction and employee motivation. The reward system affects job satisfaction by making the employee more comfortable and contented as a result of the rewards received. The

reward system influences motivation primarily through the perceived value of the rewards and their contingency on performance

To be effective, an organizational reward system should be based on sound understanding of the motivation of people at work. One of the more popular methods of reward systems is gain - sharing. Gain-sharing programs generally refer to incentive plans that involve employees in a common effort to improve organizational performance, and are based on the concept that the resulting incremental economic gains are shared among employees and the company. In most cases, workers voluntarily participate in management to accept responsibility for major reforms. This type of pay is based on factors directly under a worker's control (i.e., productivity or costs). Gains are measured and distributions are made frequently through a predetermined formula. Because this pay is only implemented when gains are achieved, gain -sharing plans do not adversely affect company costs. In order for a gain-sharing program that meets the minimum requirements for success to be in place a few pointers in the effective management of a gain-sharing program. They are as follows:

A HR manager must ensure that the people who will be participating in the plan are influencing the performance measured by the gain -sharing formula in a significant way by changes in their day-to-day behaviour. The main idea of the gain sharing is to motivate members to increase productivity through their behavioural changes and working attitudes. If the increase in the performance measurement was due to external factors, then it would have defeated the purpose of having a gain-sharing program.

An effective manager must ensure that the gain -sharing targets are challenging but legitimate and attainable. In addition, the targets should be specific and challenging but reasonable and justifiable given the historical performance, the business strategy and the competitive environment. If the gain-sharing participants perceive the target as impossibility and are not motivated at all, the whole program will be a disaster.

A manager must provide useful feedback as a guidance to the gain-sharing participants concerning how they need to change their behaviour(s) to realize gain -sharing pay outs. The feedback should be frequent, objective and clearly based on the members' performance in relation to the gain-sharing target.

A manager must have an effective mechanism in place to allow gain -sharing participants to initiate changes in work procedures and methods and/or requesting new or additional resources such as new technology to improve performance and realize gains. Though a manager must have a tight control of company's resources, reasonable and justifiable requests for additional resources and/or changes in work methods from gain -sharing participants should be considered.

### **EXECUTIVE INFORMATION SYSTEMS**

Executive Information System (EIS) is the most common term used for the unified collections of computer hardware and software that track the essential data of a business' daily performance and present it to managers as an aid to their planning and decision -making. With an EIS in place, a company can track inventory, sales, and receivables, compare today's data with historical patterns. In addition, an EIS will aid in spotting significant variations from "normal" trends almost as soon as it develops, giving the company the maximum amount of time to make decisions and implement required changes to put your business back on the right track. This would enable EIS to be a useful tool in an organization's strategic planning, as well as day -to-day management .

### **MANAGING EIS**

As information is the basis of decision -making in an organization, there lies a great need for effective managerial control. A good control system would ensure the communication of the right information at the right time and relayed to the right people to take prompt actions. When managing an Executive Information System, a HR manager must first find out exactly what information decision-makers would like to have available in the field of human resource management, and then to include it in the EIS. This is because having people simply use an EIS that lacks critical information is of no value -add to the organization. In addition, the manager must ensure that the use of information technology has to be brought into alignment with strategic business goals .

### **CONCLUSIONS**

We live in the era of not just change, but an accelerated rate of change. As compared to the past, the twenty-first century corporations are getting to be globally market driven ones with 'invest anywhere and share everywhere' concept. At a practical level, we must anticipate and prepare for the likely HR challenges in general that exists, or may be expected in the coming future - the main purpose and theme of this article. They are consequent to the vastly increased competition for many, and likely in future, due to rapid development of technology, especially, the impact of IT, and internal necessities, and/or resulting from above stated causes. With technology up -gradations, much greater use of it and forthcoming e - commerce etc. new breed of 'knowledge workers' in

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'learning organizations' will make the differentiation. This intellectual capital will demand much nurturing from the enterprise, in order to give back in the shape of superior results.

It goes without saying that the effective management of Industrial relations will continue to demand a very high priority - not just to 'do well', but now for the very survival of both the organization as well as employee jobs. They will need far greater support and involvement from the top management and other functions towards maintaining and ensuring the future success of the 21st century organizations.

In conclusion, still there is a strong contention and race of struggle to take the lead in the academic and professional field but obviously only time will fill which of these and other possible rival scenarios will offer more accurate description of the reality in future. The new technological change, downsizing, right sizing and privatization management can also play role for future developments/trends and accepts the challenges of the future.

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**IMPACT OF SWACHH BHARATH ON THE BEHAVIOURAL CHANGES OF KEEPING  
CLEANLINESS OF INDIA – A STUDY OF SOCIAL MARKETING**

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**ABSTRACT**

*Social marketing had a profound positive impact on social issues in the areas of public health, injury, prevention, community involvement and governance. It is a process that uses marketing principles and techniques to influence target audience behaviors that will benefit society as well as the individual..*

*Social marketing typically want to influence target audience to do one of four thing*

- a) *Accept a new behaviour*
- b) *Reject a potentially undesirable behaviour*
- c) *Modify a current behaviour*
- d) *Abandon an old undesirable behaviour*

*At present our government has taken a huge step to keep our city clean, in order to maintain the cleanliness of India. So we are going to study a background study of social marketing, whether there was any impact of a government policy on the cleanliness of India , Whether it had any impact on the tourism sector in our country, Reasons behind the change policy etc.*

*Keywords: Social Marketing, Target audience, behavioral change, Swachh Bharath abhiyan/ mission*

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**INTRODUCTION**

**Swachh Bharat or Swachh Bharat Abhiyan** is a national level campaign by the Government of India covering 4041 statutory towns to clean the streets, roads and infrastructure of the country. This campaign was officially launched on 2 October 2014 at Rajghat, New Delhi, where Prime Minister Narendra Modi himself wielded broom and cleaned a road. The campaign is India's biggest ever cleanliness drive and 3 million government employees and schools and colleges students of India participated in this event. The mission was started by Narendra Modi, the Prime Minister of India, nominating nine famous personalities for this campaign, and they take up the challenge and nominate nine more people and so on(like the branching of a tree). It has been carried forward since then with famous people from all walks of life joining it.

**THE RELEVANCE OF THE SWACHH BHARAT MISSION**

Sanitation has emerged as a key issue since the 2011 Census highlighted e glaring data on lack of toilets in the country by stating that over 26 million people in India defecate in the open. Launched with an estimated cost of around Rs 62,009 crore, Swachh Bharat Mission aims to achieve the elimination of open defecation in the country. Among its other objectives are conversion of insanitary toilets to pour flush toilets, putting an end to the inhuman practice of manual scavenging and carrying out Municipal Solid Waste Management (MSWM).

**INVOLVEMENT OF EMINENT PERSONALITIES**

Launching the mission, Prime Minister had nominated nine famous personalities for the campaign. They joined the campaign and nominated nine more people. Thus, the momentum has been built with people from all walks of life joining it. Eminent personalities such as Aamir Khan, Amitabh Bachchan, Kailash Kher, Priyanka Chopra and leading sportspersons like Sachin Tendulkar, Sania Mirza, Saina Nehwal and Mary Kom are part of the SBM.

**REVIEW OF LITERATURE**

**Rao and Subbarao, (2015)** studied the issues and concerns of Swachh Bharat Abhiyan. The study also focused on Gandhian concept of sanitation. The study concluded that it is the opportunity and responsibility of the citizens, media, social media, civil society, organizations, professionals, youths, students, and teachers to declare their ownership of the campaign by simply reporting the instances of manual scavenging.

**De, L.C., Singh, D.R., SumanThapa and Gurun, R.C. (2016)** studied the swachhbharat abhiyan-an overview based on the geographical basis. They have studied the impact of mission based on the urban and rural and the ranks of cities which has been given by the ministry

**Thakkar, (2015)** studied the objective, merits and importance of Swachh Bharat Mission. The study also focused on impact of Swachh Bharat Mission on health and education sectors. The study concluded that the mission of Clean India or Green India is an appreciable step of Modi Government.

**Alka, (2017)** Motilal studied the need, objective and impact of Swachh Bharath Abhiyan on different sectors like Tourism, Health, Foreign Direct Investment, Clean Technology and Individual productivity.

### **STATEMENT OF THE PROBLEM**

The reviews has been done on the Over view of the Swachh Bharath Abhiyan where the exact usage and allotted money has not been considered. In this study we are going to analyse the usage of fund and the usage of mission and the impact of mission on different sector.

### **OBJECTIVES**

- To study the objective and mission of Swachh Bharath Abhiyan
- To study the fund allocation and usage of funds of the mission.
- To study the present scenario of Swachh Bharath Abhiyan.

### **LIMITATION OF THE STUDY**

- Secondary data has been used by the government website.
- Time constraint.
- Few of the data was kept confidential by government.

### **RESEARCH METHODOLOGY**

#### **DATA COLLECTION**

Secondary data has been collected from the government websites, journals, articles, newspaper etc. The further research has been done based on the secondary data.

#### **RESEARCH METHODOLOGY**

Used few of the statistical techniques for analyzing the data like: Mean, Average, Charts, descriptive statistics etc

### **ANALYSIS**

#### **OBJECTIVES OF SWACHH BHARAT ABHIYAN**

- Construction of individual, cluster and community toilets.
- To eliminate or reduce open defecation. Open defecation is one of the main causes of deaths of thousands of children each year.
- Not only latrine construction, the Swachh Bharat Mission will also make an initiative of establishing an accountable mechanism of monitoring latrine use.
- Public awareness will also be provided about the drawbacks of open defecation and promotion of latrine use.
- Proper, dedicated ground staff will be recruited to bring about behavioural change and promotion of latrine use.
- For proper sanitation use, the mission will aim at changing people's attitudes, mindsets and behaviours.
- Villages to be kept clean with Solid and Liquid Waste Management.
- Solid and liquid waste management through gram panchayats.
- To lay water pipelines in all villages, ensuring water supply to all households by 2019.
- To make India Open Defecation Free (ODF) India by 2019, by providing access to toilet facilities to all.
- To provide toilets, separately for Boys and Girls in all schools by 15.8.2015.
- To provide toilets to all Anganwadis

### **MISSION**

SWACHH aims to make the Swachh Bharat Mission a true Jan Andolon, by ensuring people's actual ownership/stake in sanitation and cleanliness projects, through voluntary financial contributions, either as individuals or as corporates entities.

**MISSION FUNDING**

The estimated cost of implementation of SBM (Urban) based on unit and per capita costs for its various components is Rs. 62,009 Crore. The Government of India share as per approved funding pattern amounts to Rs. 14,623 Crore. In addition, a minimum additional amount equivalent to 25% of GoI funding, amounting to Rs. 4,874 Crore shall be contributed by the States as State/ULB share. The balance funds is proposed to be generated through various other sources of fund which are, but not limited to:

- a) Private Sector Participation
- b) Additional Resources from State Government/ULB
- c) Beneficiary Share
- d) User Charges
- e) Land Leveraging
- f) Innovative revenue streams
- g) Swachh Bharat Kosh
- h) Corporate Social Responsibility
- i) Market Borrowing
- j) External Assistance

**FUNDING PATTERN**

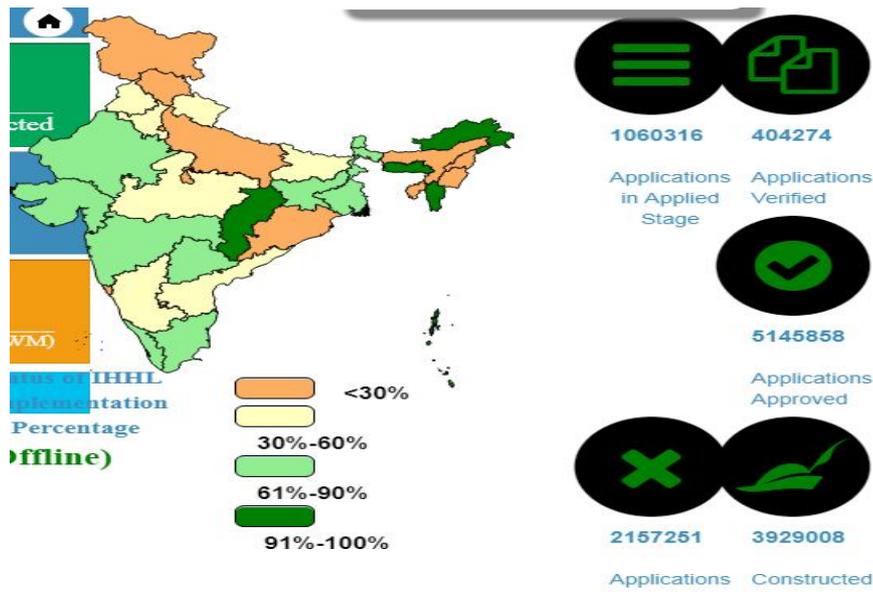
## Guiding principles

- a) First instalment will be released to states on receipt and acceptance of proposal containing the brief concept state sanitation strategy as given.
- b) For Household Toilets, funds in the first instalment will be released as per number of beneficiary household identified, in the concept sanitation plan, at the rate of Rs. 2000/-Central assistance.
- c) For Community and Public Toilets and Solid Waste Management Projects, adequate funds will be released on the proposal of the State Government for SWM and Community toilet projects. It will be ensured that funds do not remain parked with the state governments GoI share of grant / VGF may be drawn from this pool fund maintained at state level. This will be replenished on demand by states based on progress.
- d) For IEC, Capacity Building and Administrative expenditure, appropriate percentages of (a) and (b) above shall be added to the first instalment.
- e) States will contribute a minimum of 25% funds towards all components to match 75% Central Share. This will be 10% in the case of North East and special category States.
- f) Subsequent instalments shall be released based on utilization certificates of previous grants, physical and financial progress and other indicators as approved and desired by the National Advisory & Review Committee (NARC).

**PRESENT SCENARIO**

As on March 2018 data, The following is the construction information

<b>Purpose</b>	<b>Numbers</b>
Household toilets constructed	43,22,776
Community and public toilet constructed	2,80,347
Swachhagrahi identified	21,536
Wards with door to door collection	57,475

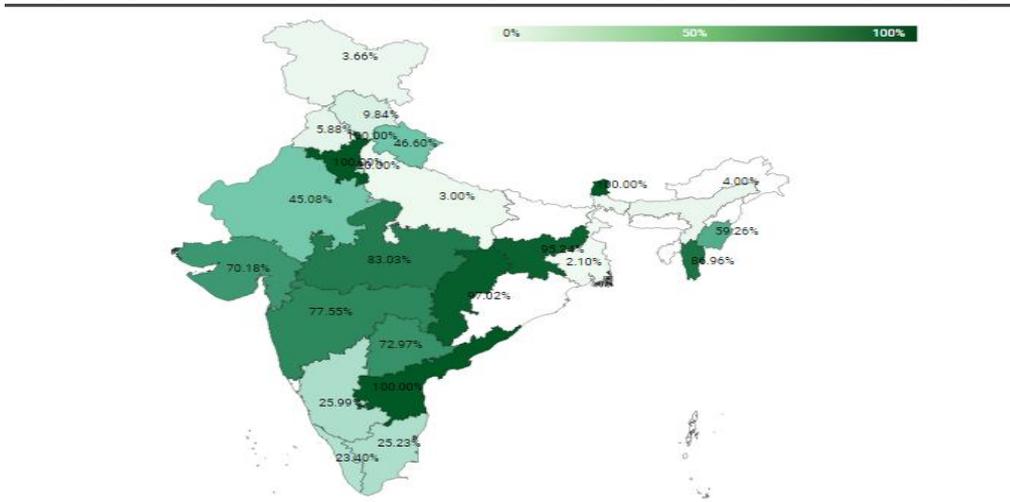


From the above we can analyse that,  
 Karnataka state has implemented this policy between 30-60%..  
 Nearly 7 states has been implemented less than 30%.  
 Nearly 7 states has been implemented between 30%-60%.  
 Nearly 10 states has been implemented between 61%-90%.  
 Nearly 5 states has been implemented between 91%-100%.

**Karnataka State-wise Status of Implementation of Various Components under SBM**

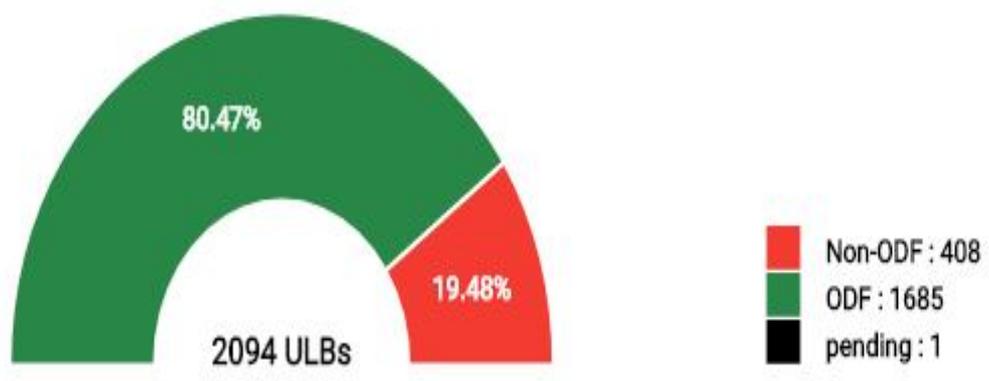
Karnataka State-wise Status of Implementation of Various Components under SBM upto December 2017													
State	Individual Household Toilets, Nos.			Community toilets (No. of seats)		Public toilets (No. of seats)		Community and Public Toilets, Total (No. of seats)		Municipal Solid Waste Management			
	Application received	Under Construction	Completed	Under Construction	Completed	Under Construction	Completed	Under Construction	Completed	Ward with 100% door to door collection, Nos.	Total Wards (Nos.)	Total waste generation (MT/D)	Total waste processing (%)
Karnataka	384,330	31,983	132,151	1,136	3,261	376	2,695	1,512	5,956	3,962	6,464	10,000	22%

**SWACHH CERTIFICATE FOR OPEN DEFECACTION FREE STATUS**



- Our Karnataka has been rated at 25.99%.
- 6 states has been rated 100% those are Sikkim, Haryana,daman & diu,dadra , chandigarh & Andra pradesh
- The least is Jammu and Kashmir which has been rated 3.66%

**Status Report Of Applied ULBs - INDIA**



**HOW FAR WE HAVE COME**

Sikkim, Himachal Pradesh and Kerala are the three states that have been declared Open Defecation Free (ODF) this year. As per government data, as of December 16, over 58% of Indian households have become open defecation free. According to the Union Ministry of Drinking Water and Sanitation, Haryana, Uttarakhand, Gujarat and Punjab will achieve the ODF status by March 31, 2017.

**SWACHH SURVEKSHAN**

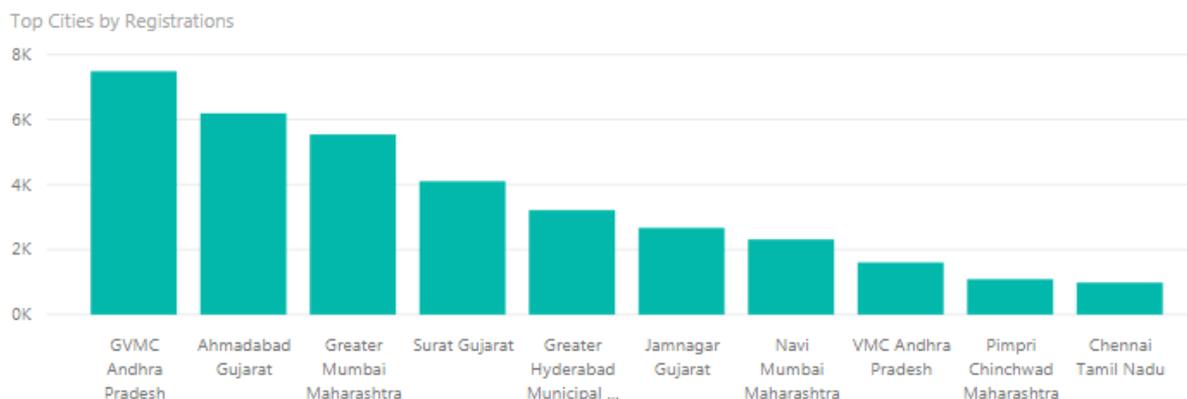
In order to encourage cities to be a part of the Clean India initiative, the Swachh Survekshan was launched in 2015. Under the Swachh Survekshan 2016, 73 cities were evaluated and Mysore was ranked on top followed by Chandigarh. In a bid to scale up the coverage of this ranking exercise, the Swachh Survekshan 2017 has been launched. The survey, which will rank 500 cities/towns with a population of 100,000 and above, will be conducted in January 2017.

- Our mysore stands first in swachh survekshai.e 1749 .
- At the end danbad sate ranks i.e.464
- Our bengaluru atands at 38<sup>th</sup> by having a score of 1182.

**TOP STATES REGISTRATION BY DIFFERENT STATES**



### TOP CITIES BY REGISTRATIONS



### MONITORING & EVALUATION (M&E)

- States / UTs will be required to send in Monthly Progress Reports (MPRs) / Quarterly Progress Reports (QPRs) in prescribed formats with regard to targets and achievements. Apart from these, the Mission Directorate may prescribe other reports that may be considered appropriate from time to time. Given the scale of the mission, a comprehensive and robust IT enabled MIS will be established for tracking of targets and achievements. States / UTs will be required to submit progress reports online once this MIS is operational.
- Monitoring activities will include, but not be limited to, third party evaluation, impact evaluation studies, etc. The evaluation of the mission will be undertaken during the course of its implementation to effect mid-term correction and align the mission to achieve its objectives.
- ULBs will be required to follow the ODF protocol provided in Annexure V for self-declaration, certification and recertification of ODF status .
- A District Level Review and Monitoring Committee (DLRMC) will be constituted with a view to fulfill the objective of ensuring satisfactory monitoring of projects under the Chairpersonship of a Member of Parliament. Detailed guidelines for this purpose will be issued separately by the SBM National Mission Directorate.

### FINDINGS

- The estimated cost of implementation of SBM (Urban) based on unit and per capita costs for its various components is Rs. 62,009 Crore.
- The household toilets constructed are 4322776
- Community and public toilet constructed are 2,80,347.
- Swachhagrahi identified are 21536
- Waards with door to door collection are 57,475.
- Our Karnataka has been rated at 25.99% in Open defecation free status.
- 6 states has been rated 100% those are Sikkim, Haryana,daman & diu,dadra , chandigarh & Andra pradesh in Open defecation free status
- The least is Jammu and Kashmir which has been rated 3.66% in Open defecation free status
- Our mysore stands first in swachh survekshai.e 1749 .
- At the end danbad sate ranks i.e.464
- Our bengaluru atands at 38<sup>th</sup> by having a score of 1182.
- Methods of evaluating the data has been analysed.

### CONCLUSION

The social marketing activity related to government policies should be uplifted more as it will be towards the welfare of the society. Swachh Bharat Abhiyan is a cleanliness drive aimed to cover 4,041 statutory cities and towns all over India in order to clean the streets, roads and other infrastructure. Swachh Bharat Abhiyan is a

cleanliness campaign run by the government of India and initiated by the Honourable Prime Minister, Narendra Modi. It is a most important topic which our kids and students must know and be aware of this mission.

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ASSESSMENT OF QUALITY ATTRIBUTES OF EGOVERNANCE PROJECTS

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**ABSTRACT**

*eGovernance provides tremendous prospective to increase standards of living and broaden opportunities for individuals, communities, countries and regions. eGovernance can explore the conditions for information and knowledge exchange, dissimulation and utilization. The initiation of the information society is creating unparalleled conditions for exercising these functions. By using e-government applications, communication between administrations, citizens and businesses can be improved governance and public sector management, access economic and social opportunities and overpass the digital divide within a the social order . eGovernance can transform the existing government system and consolidate the inclusive governance system through digital form that is capable of exercising its powers and functions with optimistic way. A government system that is dedicated to working with civil society in a transparent and accountable manner to trim down poverty, safeguard the environment, redress inequality, increase security and fulfil social, economic, cultural, civic and political rights. Citizen is increasingly seen as the main engine to bridge the digital divide at country level. Public agencies can start acting as model users of eGovernance system and be catalysts for others to follow. Local Government is providing number of eGovernance services to common citizen. It is necessity to assess impact of various eGov projects and its impact on society with social, economical, cultural and technical dimensions. Objective of this paper is to throws lights on various projects of local government, various challenges faced in eGovernance projects and assessing its impact on society.*

*Keywords: ICT, eGovernance, Local Government, digital divide*

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**I. INTRODUCTION**

The prefix ‘e’ indicates that an activity is ‘electronic’ or digital in nature. e-government simply refer to the use of electronic information and communication technologies in undertaking various government activities, in public , education, health, agriculture, customs sector. E-governance should be regarded as an alternative and complementary approach to government administration and service delivery, as well as a means to redefine the way it interacts with citizens and the private sector. In this sense: ‘E’ means : **Efficiency**: Governments should use ICT to minimize transaction costs and streamline their bureaucratic procedures, making their operations more efficient, freeing up resources that enable them to deliver services in a better organized and economical manner.

**Effectiveness**: Governments can achieve better results and meet development goals by using ICTs to increase the relevancy of the policy formulation process through increased participation, improve the process of resource allocation, respond timely to citizen’s needs and increase coverage and quality of their services.

**Empowerment**: eGovernance can support increased interaction between citizens and governments, for citizens both to participate in the decision-making process and to become more aware of their personal and community development.

**Economic and social development**: Beyond the economic benefits that accrue to government due to efficiency and effectiveness gains, the use of ICTs in government and in its interaction with the business community and citizens can create new businesses, attract investments and generate employment. eGovernance is used “to prepare India for a knowledge future”, “to make technology central to enabling change”

II. RECENT eGOVERNANCE INITIATIVES

Mission Mode Projects		
Central MMPs	State MMPs	Integrated MMPs
<ul style="list-style-type: none"> <li>e-Office</li> <li>UID</li> <li>Pension</li> <li>Banking</li> <li>Central Excise &amp; Customs</li> <li>Income Tax (IT)</li> <li>Insurance</li> <li>MCA21</li> <li>Passport</li> <li>Immigration, Visa and</li> <li>Foreigners Reg.&amp; Tracking</li> <li>Posts</li> </ul>	<ul style="list-style-type: none"> <li>Municipalities</li> <li>e-Panchayats</li> <li>e-District</li> <li>Land Records(NLRMP)</li> <li>PDS</li> <li>Agriculture</li> <li>Commercial Taxes</li> <li>Employment Exchange</li> <li>Police(CCTNS)</li> <li>Road Transport</li> <li>Treasuries</li> <li>Computerization</li> <li>Education</li> <li>Health</li> </ul>	<ul style="list-style-type: none"> <li>CSC</li> <li>Service Delivery Gateway</li> <li>National e-governance</li> <li>India Portal</li> <li>e-Biz</li> <li>e-Courts</li> <li>e-Procurement</li> <li>EDI For eTrade</li> </ul>

Table-1: List eGov MMP Projects

**Common Services Centres** - A highlight of the CSCs is that it will offer web-enabled e-governance services in rural areas, including application forms, certificates, and utility payments such as electricity, telephone and water bills. CSCs provide high quality and cost-effective video, voice and data content and services, in the areas of e-governance, education, health, telemedicine, entertainment as well as other private services.

**Direct Cash transfer** - It facilitate disbursements of Government entitlements like LPG gas subsidy , student scholarship ,NREGA, Social Security pension, Handicapped Old Age Pension etc. of Central or State Government bodies, using Aadhaar and authentication thereof as supported by UIDAI.

**Aadhar Enabled Payment system (AEPS)** – It is a bank led model which allows online interoperable financial inclusion transaction through the Business correspondent of any bank using the Aadhaar authentication. This has helped in financial inclusion.

**Digital India Program** - Digital India aims to transform the country into a digitally empowered society and knowledge economy. It would also bring in public accountability through mandated delivery of government’s services electronically. The program aims at providing digital infrastructure as a utility to every citizen as well as high-speed internet as a core utility in all local self-governments.

**e-Kranti** - project for linking the internet with remote villages in the country. Program will broaden the reach of internet services to the rural areas in the country. It includes Expansion of internet and commencement of IT-based jobs in rural areas. It will also boost the use of mobile phones and computers in rural areas and expand the use of IT in agriculture.

**Digital Cloud for every Indian** – Various certificates issued by the government to citizens eg. Birth certificate , education, residential, medical records etc. are to be stored in individual ‘digital lockers’ and a communication protocol established for government departments to access them without physically having to see the hard copy.

**m-Governance** – Mgov is the use of mobile or wireless to improve Governance service and information “anytime, anywhere”. Mobile applications rely on good back office ICT infrastructure and work processes. Various services are mostly SMS based: Banking, Media, Airlines, Telecom, Entertainment, News, Sports, Astrology, and Movie Tickets Etc.

III. REASONS FOR eGOVERNANCE IMPLEMENTATION

**Speed** - Technology makes communication speedier. Internet, Phones, Cell Phones have reduced the time taken in normal communication.

**Cost Reduction** - Most of the Government expenditure is appropriated towards the cost of stationary. Paper-based communication needs lots of stationary, printers, computers, etc. which calls for continuous heavy expenditure. Internet and Phones makes communication cheaper saving valuable money for the Government

**Transparency** - Use of e-governance makes governing process transparent. All the information of the Government would be made available on the internet. The citizens can see the information whenever they want to see. But this is only possible when every piece of information of the Government is uploaded on the internet and is available for the public to peruse.

**Accountability**- Once the governing process is made transparent the Government is automatically made accountable. Accountability is answerability of the Government to the people. It is the answerability for the deeds of the Government. An accountable Government is a responsible Government.

**Improved Customer Service and Convenience** - eGovernance allows redeploying resources from back-end processing to the front line of citizen service at their own convenience.

**Increased access to information** - eGovernance improves the accessibility of government information to citizens allowing it become an important resource in the making the decisions that affect daily life and so it helps in empowerment of citizens.

#### IV. NEED OF ASSESSMENT OF eGOVERNANCE PROJECTS

Government have initiated various e-governance projects but it is necessary to assess these project which provides various services. Assessment should be carried out with various dimensions like: Understanding impact of projects on society, efficiency, security, performance utility, sustainability, scalability and replicability of these projects.

#### V. HURDLES IN eGOVERNANCE IMPLEMENTATION

There are large numbers of hurdles in the implementation of e-Governance. Some hindrance in the path of implementation, like access to the various application systems by the citizen, , information security and high initial cost for setting up the e government solutions and resistance to change. Following are various identified challenges:

**Digital Divide** - The digital divide means to the gap that exists between individuals, communities, and businesses that have access ICT and those that do not have such access due to various economical, geographical reason. India is a country using various languages in day to day life due to its integrity in diversity nature but applications are not available all regional languages..

**Trust** - The transmission of various citizen services via e-government requires the presence of two levels of trust. The first is that the user must be confident on applications, comfortable and authentication of the tool or technology with which they will interact. Another dimension of trust pertains to trust of the government.

**Resistance to change** - The resistant to change phenomenon can explain much of the vacillation that occurs on the part of constituents in moving from a paper based to a Web-based system for interacting with government. Citizens, employees and businesses can all have their biases with respect to how transactions should be processed.

**Cost** - Cost is one of the attribute that comes in the way of e-governance implementation particularly countries like India where in proportion of population, most of the people living below the poverty line.

**Privacy and Security** - There are various levels of access exist for stakeholders of e-governance: null access to a Web service; average access to a Web-service or complete access to a Web service, however when certain citizen's personal sensitive data exists in e-governance application. Various e-governance applications have missing clear security standards. e.g recently ADHAR data was available with minor cost.

#### VI. CONCLUSION

This paper throws lights on concept of e-governance, various initiatives taken by Indian government with reference central, state and local self government in Indian. Paper also highlights various benefits e-governance to citizen with reference to transparency, accountability, corruption and cost of service. Government have initiated various projects but it is necessary to study impact of these projects on society with various dimensions. Government should take into consideration of direct participation of citizens while making e-governance policy and designing e-governance services. The innovation in ICT services in India has enlarged in the last decade and can play very vital role in decreasing corruption, poverty by providing various government services with minimum cost to citizens, can reduce mediators role in getting services from government. But at the same time, it is necessary to assess e-governance project with various technological, social attributes for getting desired result from e-governance applications.

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**INNOVATIVE HR PRACTICES OF INDIAN INDUSTRIES FOR MANAGING HUMAN CAPITAL  
AT WORKPLACE**

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**ABSTRACT**

*An organization is often said to be as good as its people. Directors, employees and leaders that make up an organization's human capital are critical to its success. A great business leader is someone who can motivate their team and follow business management best practices for success. The companies feel that Human Capital is also important equally with external customers, so every company try to devise best HR practices to attract best talent. Modern best practice does more than just improve efficiency, it renovates an entire HR operations. This paper try to extract the facts to find out how the companies in India facing HR problems and what kind of innovative practices they are following to recruit and retain their employees and made them feel best place to work and enjoy work.*

*Keywords: Business leaders, Human Capital and HR practices.*

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**INTRODUCTION**

In today's business world, the only constant is change -- especially when it comes to HR. The human resources department of yesterday, largely focused on mitigating compliance and employee-related issues, is long gone. Jason Averbrook, CEO of the Marcus Buckingham Company says-

“A hundred years later, a lot of organizations are still running HR that same way; focusing on risk, focusing on compliance, focusing on the transactional side of it, but there's a whole new era, and things like unions and pensions and transparency of the workplace have changed.”

The key challenges of any HR department are employee acquisition, retention, developing employees, performance management, and talent-management according to (Ramlall, 2009). Seeking, developing and engaging and keeping talent is a big challenge for today's organizations

because of innumerable options available outside (Ramlall, 2009). This is especially true for the

Indian companies. Hence, (Ramlall, 2009) argues that if companies continue to implement or use the traditional ways of Human Resource practices, is it quite doubtful whether the HR manager would be able to sustain the organization during an economic downturn. Human resource practices have, evolved over the period of time due to globalization, changing needs and requirements, privatization/deregulation, competition. These external forces have exerted companies to implement newer HR practices for sustained and improved organizational and employee performance. HR practices influence employee behavior, productivity, and consequently affect the organizational effectiveness.

**NEED FOR THE STUDY**

The quest for Best HR Practices is important for corporate India today precisely because it offers a way to vault into the global league. ‘Good HR practices do make a difference on many counts. They enhance internal capabilities of an organization to deal with current or future challenges to be faced by an organization. The process of globalization has put heavy pressure on industry to be competitive. The impact of these pressures is all pervasive and long term survival of business is dependent on its ability to improve continuously. Organizations have to gear up with new and innovative HR Practices to survive and flourish in today's hyper competitive business environment. In this scenario, HR is expected to play a vital role in helping organizations to overcome these challenges. Ultimately, an organization's goal is to generate a profit. Companies that utilize human capital initiatives outperform their peers.

**OBJECTIVES OF THE STUDY**

The objectives of the study are to understand:

1. The extent to which HR managers believe that best HR practices are important for achieving goals of the organization.
2. The critical dimensions of best practices.
3. The trends that are becoming best practices
4. The extent to which Indian companies have succeeded in inculcating best HR practices.

## METHODOLOGY

The study is primarily based upon the secondary data. It involves the summary and collation of existing research on the best practices followed by the companies. For this literature related to the topic from different databases, websites and other available sources were collected.

## GROWING HR NORMS AND ITS EFFECT ON HR PRACTICES

As today's workplace becomes increasingly transparent, more technologically advanced and less confined to titles and cubicle walls, HR will have to do the same. The following are some of the growing HR norms which signify the role of best HR practices in order to grow and succeed as a department and as a company.

### 1. A new business partner

Human resources professionals no longer function behind the scenes. In fact, their in-depth knowledge of the workforce has made them invaluable members of the team, especially when it comes to the decision-making process.

Business leaders are beginning to realize the unique insight that comes from HR and the role it plays in strategic business planning. Human resource leaders make ideal business partners because they have insight that no one else in the company has: insight into individual employees and the workforce as a whole.

### 2. A new way of looking at things

To provide business leaders with insight they can apply toward overall strategy, HR professionals need to effectively and efficiently assess employees. To do that, they need to embrace the big data trend with open arms.

### 3. A new helping hand

Human resources software is on the rise. So much so that 53 percent of companies with more than 1,000 employees plan to invest in HR software this year, according to a 2015 study by The Starr Conspiracy Intelligence Unit.

The automation of everyday processes has made headache-inducing tasks much less painful. Where HR is concerned, automation has literally put the human back in human resources by freeing up more time to spend strategizing with the company's leadership, finding and securing top talent and working with employees.

## FOUR CRITICAL DIMENSIONS OF BEST PRACTICES

- 1. Attract and Access:** Attracting and retaining talent is becoming a big problem for every organization; they are following every trick and strategy to recruit and retain the employees.
- 2. Develop and Grow:** Nowadays organizations try to recognize the aspirations of employees and focus on their growth and development. India provides job rotation opportunities to high performing employees from operations division. This gives them broader understanding of the business.
- 3. Engage and Align:** Employee engagement has retained the focus of organizational leadership and many companies keep launching new practices to woo employees. They are using innovative practices like loyalty Interview to find out what is it that makes its employees stay on, the feedback from loyal employees often reflects on the leadership style and is seen to work as a great motivation.
- 4. Transition:** Movement of talent within the organization and outside of the organization sends strong signals to the employees about the organizations care and concern. Right from the induction, which is often the first impression the employees carries, to the exit interview, the sensitivity displayed by the organization has a lasting impact on all employees.

## INNOVATIVE HR PRACTICES IN INDIAN INDUSTRIES

India now becomes a player in the global stage. Everyone wants to do business with us, this change has given lot of opportunities to our country to grow further but it posed lot of challenges also. Indian companies are striving hard to face this tough competition and gain a competitive advantage over the foreign companies. The following are the various innovative practices in HR areas that are followed by the Indian industries:

### 1. Recruitment and selection

- Diversity among employees.
- Recruitment of the person comfortable with technology and optimistic about the future.
- Employee referrals by employees.
- Companies compile short stories about themselves and use it to orient new recruits.
- Company goes beyond its employees and connects with their support group: the family, when an employee joins, his parents or spouse get a welcome letter.

**2. Learning and development**

- SMEs (Subject Matter Experts) to train the employees in domain knowledge.
- The E Welcome gateway lists certain universal systems of the company and helps new employees to interact with functionaries get familiar with the internal system.
- GOLD (Godrej Organization for Learning and Development) is a Web-based learning tied up with UK based Net G to distribute e- learning modules among the workforce.

**3. Rewards and recognition**

- MAD (Mutual Admiration) is an event where every employee scribbles a message of appreciation and pin them on MAD tree in the cafeteria.
- Smart Work and Smart Reward initiative rewards those employees who complete tasks in fewer working hours than stipulated.

**4. Career planning**

- Career Success Centre: An online portal and a one stop shop for all career related resources. The portal helps employees plan and develop their careers according to business needs.

**5. Compensation and benefits**

- Paternity leave
- Extra three months maternity leave at half the salary leave
- No attendance monitoring
- Equal privileges for employees across levels: employees at all levels travel in the same class, stay in similar hotels, work out of standard cubicles, log in their own leave.

**6. Performance management**

- 360 degree feedback system
- Performance Task Force which keeps track of what needs to be plugged and what seems to be working.

**7. Leadership and development**

- Food for thought: Inviting employees in groups to chat with Managing director over lunch in an informal environment on various issues and topics.
- Succession planning
- Employee empowerment
- Reach out: An initiative to keep a direct link of communication to its employees, the president of the company meets the employees.

**8. Organization structure**

- Flexi and Part time
- Employees allowed shifting jobs if they wish to, across its different functions.
- Employees to devise skits to dramatize companies values, design screensavers and even create mascots themed on the values.
- Employee Engagement Manager to energize the workplace with fun filled events and effective communication.
- People Champions who takes care of any administrative need a project might have, leaving the project members free to concentrate on their work.
- Orientation of the new recruits with the family to know the kind of organization they work for.
- People Movement Management Review Committee to ensure talented employees were retained by reassigning them to other groups.
- Hiring consultants to assist those who were asked to leave to find jobs in other organizations.

**SUGGESTIONS**

- HR leaders should be allowed to assist in making internal business decisions by inviting them to offer the “human” perspective -- how changes will affect your company’s employees.

- Use of workforce analytic tools like employee engagement and satisfaction surveys, 360-degree review software, and social media to make it easy to track, analyze and share people data that is crucial to the company's bottom-line.
- Identify which processes or tasks take up the most time and would benefit the most from automation -- maybe its new hire on boarding or payroll. Choose a system that seamlessly integrates with other HR process.
- **Implementing the "right" HR philosophies** that enable employees to thrive both as individuals and as contributors to business success.
- **Reducing administrative work for HR business partners to** improve its credibility across the enterprise, improve working relationships with business leaders.
- **Implementing flexible HR organization design.**
- **Developing internal HR skills** by investing the time and money needed to ensure team members' competence grows in such disciplines as change management and relationship management.
- **Outsourcing only those HR services strategically** that can be improved through economies of scale. This enables internal teams to focus on things that cannot be outsourced, such as building business relationships and developing custom solutions for business managers.

### **CONCLUSION**

In the present competitive world, the companies are facing lot of skill shortage, talent crunch and attrition those reached historically height ever, that made the companies feel the internal customer also more important equally with external customers, so every company try to devise innovative HR practices to attract best talent , giving them nice environment to work with, that enables the company to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India. It is found that convergence of practices of different companies in different HR areas, if any company wants to apply those practices that will benefit for the company to become more competitive in the global market.

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## A STUDY ON IMPACT OF GOODS AND SERVICES TAX (GST) ON HOTEL INDUSTRY IN BENGALURU

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*The Goods and Services Tax has been implemented in India effect from 1st July, 2017 which is based on a concept of one nation, one market and one tax. The GST will remove multiplicity of taxes and reduces cascading effect of tax. It is a destination based tax where in tax burden lies with the ultimate consumers. Service sector contributes more than 60% to the India's GDP. Hotel industries are directly contributing to the GDP of the country. It satisfies the needs of the consumers by providing the better and ideal services which depends up on tourism also. This paper is an attempt to study the effect of GST implementation on hotel industry with reference to consumer's and hotel personnel's perspective. This study reveals that the consumers are of opinion that there is a decrease in the cost of the hotel accommodation, the administration to the government has become easy compared prior GST system, simplified procedures to be followed, the personnel's are opinioned that technological chaos has increased which leads for increase in the cost of compliance, the customers does not aware about the various rates of GST applicable for various classes luxury. Finally the hotel cost to the consumers' is decreased to an extent, hotel owners' feels reduced compliance level than prior system moreover it is generating stable revenue to the government treasury.*

*Keywords: GST, Cascading effect, Administrative Ease, Technological Chaos, GDP.*

**INTRODUCTION**

Goods and Services Tax is a destination based tax aim to eliminate several indirect taxes like VAT, Central Excise Duty, Sales Tax, Service Tax, etc. It is fondly described as one tax for one nation. However, unlike GST of other countries, Indian GST is anything but one tax. It is actually a culmination of three taxes – Central Goods and Service Tax (CGST), Integrated / Interstate Goods and Service Tax (IGST) and State Goods and Service Tax (SGST). GST will eliminate cascading effect of taxes. In certain cases like VAT levied by state governments over Excise Tax (which is levied by central government), double taxation becomes obvious. Goods and Services Tax will mitigate this practice of tax on tax.

**REVIEW OF LITERATURE**

**Tajumulud, A. M. (2015)** quoted that Good and Services Tax (GST) has become a hot topic recently in the mouth of all hotels and some restaurants. The system was introduced to replace the old taxation system of Value-Added Tax (VAT). Three independent variables namely consumer perception, consumer readiness and consumer acceptance have positive relationship with dependent variable of consumption behavior after GST. **Singh, R. P. (2013)** quoted that the hotel market is one of the fastest growing food sectors in recent period all over the world. This study focuses on the impact of health literacy, knowledge and the cost of hotels accommodation and foods of consumer's purchasing decision. **Priyadarshi (2012)** quoted that GST will eradicate 17 indirect taxes and as a result the Indian economy will get a major push as many economists have predicted a 1.5 - 2 per cent boost for the country's GDP. GST will be beneficial to the center, states, industrialists, manufacturers, the common man and the country at large since it will bring more transparency, better compliance, an increase in GDP growth and revenue collections. **Garg, g. (2014)** quoted that GST is the only indirect tax that directly affects all sectors and sections of our economy. Ignorance of law is no excuse but is liable to panel provisions, hence why not start learning GST and avoid the cost of ignorance. Therefore, we all need to learn it whether willingly or as compulsion. **Himani (2010)** quoted that over 160 countries have implemented GST so far. There was a huge hue and cry against its implementation. The implementation of GST will reduce tax burden on manufacturers and will encourage the higher production. This process will increase the export of India and it will increase the total GNP. **Bansal (2009)** quoted that the roll out of GST will be a revolutionary step in seventy years of independence in the field of indirect taxation reform in India. By amalgamating a large number of Central and state taxes into a single entity. **Cnossen (2012)**. quoted that India considers the introduction of a uniform, comprehensive Goods and Services Tax (GST) extending through the retail stage and levied concurrently, albeit independently, by the Centre and the States. The States could emulate the Centre's model or adopt their own version of a best-practice GST. Finally, an integrated GST to tax transactions between States is not needed. **Kumar, (2010)** quoted that over 159 other countries have adopted the GST Law in some form or other. In a number of countries the system of GST is being used in the name of VAT, but unlike the Indian VAT system, these countries have a single VAT tax which fulfills the same purpose as GST. As APEC was founded with a goal for sustainable economic development, hence recognises the

importance Regional Trading Agreements (RTAs) and Free Trade Agreements (FTAs). It is in need to know that how far the hotel industry has affected by implementation of GST in India.

**OBJECTIVES**

1. To study the mechanism of GST implemented in India.
2. To study the impact of GST on hotel industry in Bengaluru city.

The study is confined only to Bengaluru city and the impact is only based from taxes perspective which are applicable for hotel industry. The data was collected by primary sources and processed data was used for the study. The primary data was collected by the consumers of hotels and Managing personnel’s of the hotel in Bengaluru city. Random sampling technique was adopted in selecting the respondents. 384 respondents were collected and used for analysis. The KMO Bartlett’s test was used, Factor analysis is done to reduce the factors and to know the dimensions of the impact.

**RESULTS AND DISCUSSION**

It has been a few months since GST has been introduced and is in effect. Many industries have experienced an impact of GST either benefitting it or affecting it negatively. Hospitality industry is one such market that has been affected by GST.

There were multiple taxes levied under the previous tax regime including VAT and Luxury Tax that were levied by the State Government and Service Tax which was levied by the Central Government. To make the process more bothersome, the VAT levied was different in different States. The VAT rates were between 12 to 14.5 percent, whereas the average luxury tax, influenced by the room tariff, was around 8 to 10 percent. In addition, if a hotel room tariff exceeded Rs. 1000 you were required to pay Service tax at 9 percent (40 percent abatement). Service tax was 6 percent (60 percent abatement) for foods and beverages in restaurants apart from the VAT amount levied.

Therefore, the effect of VAT, service tax and luxury tax combined was around 20 to 27 percent with the scope of claiming the input tax credit (ITC) against the VAT liability, limited.

**FACTOR ANALYSIS**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.731
Bartlett's Test of Sphericity	Approx. Chi-Square	3748.800
	Df	21
	Sig.	.000

**Analysis and Interpretation:** The result of KMO is 0.731 which is higher than 0.5 which is meritious. Bartlett test is to test the null hypothesis that correlation matrix is an identity matrix. Chi square value is 3748.80 and sig value is less than 0.05.

Therefore, the test outcome suggest reject null hypothesis and conclude that correlation matrix is not an identity matrix. Given these two results above, the correlation matrix appears to be factorable.

**PRINCIPAL COMPONENT METHOD**

Principal Component Method for factor extraction is used, wherein the number of factors necessary to represent the data and the method of calculating them to be determined.

Component	Total Variance Explained						Rotation Sums of Squared Loadings		
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.578	65.402	65.402	4.578	65.402	65.402	3.227	46.104	46.104
2	1.214	17.349	82.751	1.214	17.349	82.751	2.565	36.647	82.751
3	.745	10.640	93.391						
4	.348	4.972	98.363						
5	.067	.964	99.327						
6	.028	.405	99.732						
7	.019	.268	100.000						

Extraction Method: Principal Component Analysis.

**Analysis:** At this step, how well the chosen model fits the data is also ascertained. Eigen value is kept closer or greater than 1 to extract factors from the given variables. This step is to determine the method of factor

extraction, number of initial factors and the estimates of factors. Here Principal Components Analysis (PCA) is used to extract factors to represent the data.

**Interpretation:** For our study, we have 7 variables. As per the above table, the 7 parameters in the data were reduced to 2 factor models.

<b>Rotated Component Matrix<sup>a</sup></b>		
	Component	
	1	2
Administrative ease	.944	
Clarity to Consumers about class of taxes	.566	
Quality of Services		.830
Technological burden	.920	
Lacks in Parity	.958	.
Decreased Cost		.902
Unaware		.870
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. <sup>a</sup>		
a. Rotation converged in 3 iterations.		

**Analysis:** Using Principal component analysis in Varimax rotation we could derive variables having common attributes.

**IMPACT OF GST ON TARIFF COST OF HOTEL ROOMS**

<b>Hotel room</b>	<b>Before GST</b>	<b>After GST</b>
Tariff	2500	2500
Luxury tax (8%)	200	----
Service tax (9%)	225	----
GST (12%)	----	300
Total	2925	2800

From the above table it can be inferred that the tariff cost of hotel room is reduced after implementation of GST by Rs. 125 in a well sophisticated room in a star hotel in Bengaluru city.

**FINDINGS**

1. It has been found that most of the respondents felt that the GST implementation has increased administrative ease.
2. It gives better clarity than many confusing erstwhile taxes.
3. Administrative ease and clarity results in rendering better quality of service.
4. The cost of boarding has reduced compared to the prices before GST.
5. GST has resulted in decreased cost of service
6. Still many respondents are unaware of different slab rate of taxes for different rates quality of hotel rooms.
7. GST has resulted in technological burden like uploading details to GST servers.
8. Indian GST lacks parity and is high compared to other Asian countries.

**CONCLUSION**

From the analysis made in this paper we can come to the conclusion that even though GST might have reduced the cost of hotel services, simplified the administrative procedure and tax structure, it is still a technological mayhem for many hotel owners and is costly compared to other countries in Asia. Thus Government should take steps to educate the hotel owners about the technological aspect of GST and reduce the GST rates in the long run. The government should take initiative to educate the personnel's by conducting seminars, development programs to make them familiar in executing the mechanism of GST system implemented in India.

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**FDI AND ITS COLLISION ON RETAIL ZONE WITHIN INDIA: ISSUES AND CHALLENGES**

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**1.1 INTRODUCTION**

Retail in India is generally divided into two major segments – Organised retailing and unorganised retailing. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate backed hypermarkets and retail chains and also the privately owned large businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local Kirana shops, owner manned general stores, convenience stores, hand cart and pavement vendors, etc.

Retail has played an important role in various countries due to increasing productivity across a wide range of consumer goods and services. The impact can be best seen in countries like U.S.A., U.K., Mexico, Thailand and more recently China and India also. Economies of countries like Singapore, Malaysia, Hong Kong, Sri Lanka and Dubai are also largely assisted by the retail sector. Retail is the second – largest industry in the United States both in number of establishments and number of employees. It is also one of the largest worldwide.

**1.2 BACK GROUND OF RETAIL SECTOR IN INDIA**

Retail Sector is one of the most important pillars of Indian economy and it is growing at a very rapid pace. Retail trade assumes significance not just because of its contribution to national economy, but because it has evolved gradually. Retail Sector in India contributes 15% towards GDP and 8% towards employment. It is said that India is a land of Retail democracy.

**1.3 THE PRESENT STATUS OF UNORGANIZED RETAIL SECTOR IN INDIA**

India's retail market is expected to double to US\$ 1 trillion by 2020 from US\$600 billion in 2015 driven by income growth, urbanisation and attitudinal shifts'. Food and Grocery is the largest category within the retail sector with 60 percent share followed by Apparel and Mobile segment. Within the organized retail sector, apparel is the largest segment. "Food and Grocery" and "Mobile and telecom" are the other major contributors to this segment. Retail in India is essentially "unorganized", 96% of the retail industry is made up of mom-pop stores, street markets, hole-in-the-wall shops and roadside peddlers. These stores are conveniently located and hence they are easily accessible to customers.

These are generally traditional type of outlets where importance on ambience, store layout is generally not considered as important. These stores are generally family operated stores where apart from family members managing the store, very few employees are employed who generally act as helpers at the store.

These stores generally offer a wide variety of both branded and local products. Prices of products are generally reasonably priced and many of the times the small retailer also advises the customer on various products. Unorganised retailers lay great emphasis on maintain good relations with customers which they consider as a prime factor which helps them to retain customers. Convenient working hours of the store and home delivery to customers is another important practice adopted by them. Good return policies are generally offered by unorganised retailers to customers. Unorganised retailers generally do not follow any systematic inventory control methods nor do they follow any efficient supply chain management techniques. Unorganised retailers generally do use any accounting software or professional to maintain their books of accounts. Promotional tools such as advertisement in news papers, magazines, and radio are generally not used. Employees are generally appointed on ad-hoc basis and they are provided on the job training.

**1.4 FDI POLICY AND RETAIL TRADE IN INDIA**

Foreign Investments in India is governed by sub-section (3) of section 6 of the Foreign exchange Management Act, 1999. The Ministry of Commerce and Industry, Government of India is the nodal agency for monitoring and reviewing the FDI policy on continued basis and prevails in its sectoral investment policy/sectoral quality cap. The FDI policy is notified through Press Notes by the Secretariat for Industrial Assistance (SIA), Department of Industrial Policy and Promotion (DIOO). The foreign investors are free to invest in India. Except few sectors/activates, no prior approval from the RBI or Foreign Investment Promotion Board (FIPB) would be required.

There are arguments that support and question FDI reforms in the retail sector. However the following benefits are being increasingly acknowledged as a function of introducing FDI reforms in retail. 1) Increased speed of

development in modern formats. 2) Improved productivity and efficiency of the retail sector. 3) Enhanced sourcing. 4) Improved quality of employment –no negative impact on employment if the economy is growing. 5) Encouraged investment in supply chain. 6) Led to integration of suppliers, logistic service providers and retailers-reduction in the number of intermediaries. 7) Linked local suppliers, farmers, manufactures to global markets. 8) Low cost global retailers likely to low prices. 9) Consumers are assured of product quality, better service & shopping experience.

### **1.5 ORIGIN PROBLEM OF UNORGANISED SECTOR RETAIL TRADE IN INDIA AND BANGALORE CITY**

An economic policy of the country is becoming liberal hence attracting FDI in various sectors. For the Organised retailers Indian market is considered as a large market. Infrastructure facilities are improving in Indian economy which is proven to be beneficial to organised retailers. Income of average Indian is increasing and this has a proportional impact on the purchasing power on the household. The present Indian customers which comprises more of the younger generation (below 30 years) prefer both national and internal brands. Technological revolution enables the organised retailers to influence Indian customers and is able lure away from the unorganised retailers. They are able to build their brand name in the minds of customers. Hence a need was felt to conduct a study on the impact of Organised retailers on unorganised retailers.

### **1.6 OBJECTIVES**

1. To study the profile of unorganised retailers.
2. To study the business practices adopted by unorganised retailers in Bangalore City
3. To study the FDI policy Impact on Unorganised Sector in Retail trade.
4. To find the Measures and suggestions

### **1.7 METHODOLOGY**

To study considered both primary and secondary data. The study was from unorganised food and grocery retailers located in Bangalore city. A sample size of 50 unorganised retailers considered for the study is foreign retailers such as Wal-Mart and Carrefour. A questionnaire was administered to collect data. The data collected was tabulated and analysed using measures of central tendency.

### **1.8 RESULT DISCUSSION AND FINDINGS**

The findings of the study are mentioned below:

#### **A. Profile of unorganised retailers**

1. Majority of the unorganised retailers are men (97%) in the average group of 35 years (47.6%). Most of them are educated up to 12<sup>th</sup> standard (60.6%).
2. Over 50% of the respondents have started the store themselves (50.4%) or the store was set up by their fathers (49.6%).
3. Over 65% of the respondents operate their business through their own stores (68%) and very few of them are operating in a rental store (32%).
4. Majority of unorganised retailers operate in a store size of less than 500 square feet.
5. These stores are generally traditional stores (90.5%) where ambience is not given much importance.
6. A very small percentage of unorganised retailers operate their store through a Franchise Agreement (2.4%) as most of them have their own business (97.6%).

#### **B. Challenges**

1. Unorganised retail stores are generally conveniently located.
2. Unorganised retailers respondents stated to offer a variety of branded and local products.
3. Unorganised retailers generally price their products at a reasonable level.
4. Majority of the unorganised retailers offer credit to regular customers only.
5. Unorganised retailer respondents offer home delivery to all their customers and they also replace damage goods and offer exchange of goods as per customer's preference.
6. As a general practice unorganised retailers do not offer mechanized billing and most of them do not accept debit, credit cards, vouchers and coupons.
7. Most of the unorganised retailers do not adopt accounting software's to maintain inventory or for preparation financial statements and techniques for supply chain management.

8. They do not employ or consult professionals to maintain their accounts, for investment guidance and financial assistance.
9. Majority of the respondents have opened a bank in the name of the retailers and not in the name of the store.
10. Majority of the respondents stated to have taken a loan from family, friends or relatives. A very small percentage of unorganised retailers have taken a bank loan. A very small percentage of unorganised retailers have taken a bank loan. Loan has been taken by unorganised retailers for the purposing of starting their business or for operating their business.
11. Majority of the respondent mention that they have not insured their store.
12. The study reveals that these respondents generally employ family members or relatives in their stores. The employees at the store do not possess authority to make decisions.
13. Many of their respondents were found to employ people with poor educational qualification and they are not provided any formal training.
14. Most of the unorganised retailer respondents do not use any of the promotional tools such as advertising in print media, electronic media or an offer of loyalty programs to their customers.

### **1.9 FDI AND ITS IMPACT ON UNORGANISED RETAIL SECTOR:**

The unorganised retailers under study expressed two distinct opinions about the impact of FDI in multi brand retail on unorganised retailers. These findings have been categorized under two bases.

#### **Limited Impact**

1. Unorganised retailers respondents expressed that the impact of organised retailer entry would be limited because their presence is restricted to a few cities.
2. Unorganised retailers respondents were of the opinion that, if their stores were not located in the vicinity of the organised retailers it would not affect them adversely.
3. The respondents were confident of customer retention because of the facilities offered by them. The facilities include: proximity, reputation, credit sales, and home delivery.
4. The respondents were also the opinion that in response to the competition with organised retailers would increase their variety and brands they offer.
5. The respondents were certain of their customers who belong to the lower income group.
6. Unorganised retailers respondents may not be able to employ qualified individuals in their store. Again unorganised retailers cannot offer higher attractive remuneration.

#### **Greater Impact**

1. All unorganised retailers stores located in the vicinity of the organised retailers would affect them adversely.
2. Organised retailers have economies of scale in cost cutting by providing the customers the best product at the lowest price.
3. Organised retailers carry a high value brand name and offer branded products.
4. Organised retailers are highly advanced in the usage of technology.
5. Organised retailers attract skilled employees as they offer a attractive remuneration policy.
6. Organised retailers offer a good shopping experience to customers.
7. Organised retailers have better infrastructure facilities in terms, storage, display, and ambience.
8. Majority of the unorganised retailers are of the opinion that FDI in multi brand retail will benefit them in very few aspects but it will cause more problems to them as they expect a decline in their sales and profit.
9. Unorganised retailers are of the opinion that they are benefited due to the entry of foreign retailers because they can buy variety of products from them at cheaper rates.
10. They further are worried that over a period of time due to decline in sales and profit their business will have a negative impact. Thus, their chances of growth in the business operations will be stunted.
11. Organised retailers adopt aggressive promotional strategies.

### **1.10 SUGGESTIONS**

1. Based on the findings of the study following suggestions have been made.
2. Unorganised retailers need to take maintain better relations with customers to attract and retain a large number of customers.
3. Unorganised retailers need to upgrade their store ambience, redesign their store layout and offer self service to customers.
4. Customers increase the frequency to the store in they are offered a wide variety and good quality products. Hence, measures should be taken improve both.
5. Customers today are aware of the number of national and international branded products and therefore unorganised retailer should take efforts to introduce them.
6. Reasonable price of all products, bulk discounts, festival discounts, and free gifts on purchase of specified products or specified fill amount should be offered to customers.
7. Unorganised retailers should accept Debit cards, credit cards, vouchers and coupons.
8. Home delivery should be offered to all customers irrespective of the distance from the store.
9. Unorganised retailers should use technology to improve overall efficiency of the store. Accounting software, bar coding, other techniques for supply chain management are some of the measures which could be introduced.
10. Help of professionals and consultants could be taken for guidance on finance, accounting, human resource management, use of various promotional tools etc.
11. Qualified and trained employees could be appointed so as to improve their interactions with customers.
12. FDI in multi brand retail should be introduced in a phased manner.
13. Trade restrictions, granting licenses, zoning should be strictly followed.
14. New laws should be enforced to prevent organised retailers such as Wal-Mart to dominate the business in the country.
15. A national commission should be set up to study the problems faced by unorganised retailers.

### **1.11 CONCLUSION**

The study conducted revealed that unorganised retailer located in the vicinity of organised retailers will have a negative impact on their sales, profit and growth. Thus unorganised retailers will be able to survive and co-exist only if they need to gear up by upgrading the various business practices adopted if they intend to grow their business.

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## BEST PRACTICES IN MANAGING HUMAN CAPITAL

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### ABSTRACT

The word “Human Capital” was introduced by A. W. Lewis in “Economic Development with Unlimited Supplies of Labour”. Human capital plays a crucial role in increasing the productivity and output of an organization.

Employees are like heart of an organization. An organization can't survive if there are no employees. Employees spend maximum part of their day in offices and strive hard to achieve the goals and objectives of the organization.

Human Capital management (HCM) refers to managing an organization's employees for them to contribute significantly in the overall productivity of organization. In a general managing workforce of an organization refers to human capital management. It refers to the management of an organization's employees for them to contribute significantly in the overall productivity of organization.

HCM helps in upgrading the existing skills of an employee and extracting the best out of him/her. The key objective of every organization should be to train its employees so that they become efficient resources in future for them. In HCM, organizations treat their employees as important resources that play an instrumental role in productivity of the organization.

This study is based on secondary data research, where the objective is to understand the drivers of HCM, importance of HCM and best practices followed by various organizations in managing human capital.

**Keywords:** Human Capital Management (HCM), Best Practices, HCM Drivers

### INTRODUCTION

The changing global business dynamics have changed the way organizations set their goals. This highlights the need for ‘Human Resource Planning’ and ‘Management’ at different stages of an employee's corporate life cycle. Proficient recruitment and retention practices become the key drivers for employee growth and satisfaction. Human Resources (HR) is at the center of this global revolution—involved in both acquiring and deploying talent necessary to achieve global expansion goals. Running a successful HR organization is hard enough, but running a successful global HR organization adds multiple levels of complexities.

Historically, satisfied employees are more likely to produce good quality work and optimized performance while demonstrating more creativity. Thus, organizations globally need to emphasize on creating a highly conducive work environment to improve employee engagement, employee satisfaction, and profit maximization. This has led to greater emphasis on talent management, strengthening of performance improvement tools, and managing work-life balance. Thus, the HR function has transformed from an operational function to a business enabler.

HCM is often used as an umbrella term to capture many distinct procedural processes within a business, such as recruitment, training, scheduling, payroll, performance management and benefits planning.

### HUMAN CAPITAL MANAGEMENT DRIVERS

Human capital management drivers fall into five major categories:



### 1. HCM Driver 1 - Leadership Practices

**Communication:** Employees must be treated well for them to develop a feeling of attachment and loyalty towards the organization. They ought to communicate well with their subordinates. Employees must have an easy access to the senior management.

**Inclusiveness:** Management ought to sit with employees on a common platform to invite suggestions and feedbacks from them.

**Supervision:** Senior executives and management must reduce the various levels of hierarchy between them and employees'.

**Leadership:** Senior executives should support, lead and influence the workforce so that they contribute effectively towards the organization.

### 2. HCM Driver 2 - Employee Engagement

**Key Responsibility Areas:** Key responsibility areas of an individual should be designed in line with his education, skills, expertise, experience and also area of interest. This way, work never becomes a burden for him/her.

**Commitment:** Outstanding efforts of employees must be acknowledged and rewarded for them to feel motivated and work harder even next time.

**Time:** Time management ensures that no employee is overburdened. Responsibilities must be equally shared among employees.

**Evaluation:** Employee engagement must be evaluated from time to time by the top management.

### 3. HCM Driver 3 - Knowledge Accessibility

**Information Availability:** Employees must have an easy access to all relevant information required to perform their duties.

**Team Work:** Employees must be motivated to work in teams rather than working alone.

**Information Sharing:** Encourage employees to share information with each other and make best use of the training i.e. imparted by the organization.

### 4. HCM Driver 4 - Workforce Optimization

**Work processes:** Senior management must define work processes of employees well for maximum productivity.

**Working Conditions:** An organization needs to provide excellent working conditions to the employees to expect the best out of them.

**Accountability:** Individuals must be held accountable for their work. Get a commitment from employees and nothing like it, if everything is in writing.

**Hiring:** Individuals responsible for talent acquisition must ensure that they hire the right candidate for the right role.

**Performance Management:** Employee's performance needs to be strongly monitored and managed.

### 5. HCM driver 5 - Learning Capacity

**Innovation:** New ideas should be welcomed from the employees.

**Training:** Trainings must be practical/relevant and designed to sharpen the skills of employees.

**Career Development:** Employees must be aware of their growth plan in the organization.

**Learnings:** New learnings should be valued by all in the organization.

### IMPORTANCE OF HCM IN ORGANIZATIONS

Human Capital management (HCM) refers to managing an organization's employees for them to contribute significantly in the overall productivity of organization. Following are the importance of HCM:

1. Human capital management helps in extracting the best out of employees.
2. Human Capital Management enables the human resource professionals to hire the right candidate for the right role.

3. Human Capital management plays an important role in orienting a new employee to the system.
4. It is essential for employees to upgrade their knowledge with time to cope up with the changing situations.
5. Human Capital management enables free flow of information between superiors and subordinates.
6. Trainings and skill development activities are essential for upgrading the existing knowledge of employees.
7. Human Capital Management highlights the importance of soft skills and personality development for employees.
8. Human Capital management helps the employees to improve in areas where they feel they are lacking.

### BEST PRACTICES IN MANAGING HUMAN CAPITAL

Following are some of the companies which cater to HR IT solutions at Global platform and helps in HCM. These are:

- **CedarCrestone** has, for several years, published research on the best practices of “going global” with HR technologies. The following are 10 global HR best practices followed by the company in collaboration with **Oracle HCM** 1. Standardize complex global processes while providing flexibility for local requirements 2. Transform service delivery 3. Manage the workforce in multiple countries efficiently 4. Move technology solutions to the Cloud 5. Engage in meaningful global talent management 6. Create an appealing globalized workplace while ensuring employee engagement 7. Invest in reporting/analytics 8. Make knowledge and people easily accessible 9. Leverage diversity as a business tool 10. Include change management as a critical success factor.
- **Cognizant** has HCM Change Management best practices as: 1. Develop an employee communication plan that explains the problem that the change will solve 2. Include in the communication plan an explanation of what in it for the message recipient 3. State the desired outcomes and the timeline 4. Modify competency models to reflect employee capabilities required by the change 5. Conduct a training needs assessment 6. Design and implement a training program to bridge knowledge and skill gaps 7. Collect input throughout the change process using focus groups, town hall meeting, surveys, etc. 8. Set performance goals that reflect the behaviour required to meet change evaluations 9. Include measures to access these behaviour changes in performance evaluations 10. Modify recognition and reward and programs to encourage employees to change.
- **Accenture's** ongoing research, “The Future of HR,” has identified 10 key trends that are reshaping the HR function: 1. Tapping Skills Anywhere, Anytime 2. Managing Your People as a Workforce of One 3. The Rise of the Extended Workforce 4. Digital Radically Disrupts HR 5. Reconfiguring the Global Talent Landscape 6. Social Media Drives the Democratization of Work 7. Talent Management Meets the Science of Human Behaviour 8. HR Drives the Agile Organization 9. HR Must Navigate Risk and Privacy in a More Complex World 10. HR Expands Its Reach to Deliver Seamless Employee Experiences.
- Even organization like **Wipro** is looking forward to: 1. Retaining Talent 2. Remove aging HR systems 3. Modern HR is accessible in Cloud 4. Leveraging Social Media and Analytics 5. Mobility a key factor.

### CONCLUSION

Human Capital Management is defined as the process of acquiring, training, managing, retaining employees for them to contribute effectively in the processes of the organization. From this research study we may understand that, the capital of the organization or to be precise the investment of the organization which they make on the employees should help them in meeting their objectives and goals. The study had focused only on certain IT solution companies for HR and their best practices in managing the human capital. Most of the companies are using Cloud and other software to maintain the records of their employees. HR is now technology driven but still the focus remain same on Talent Management and Retention, managing workforce diversity, employee engagement and employee training etc. The study also discussed about the drivers of HCM which includes leadership practices, employee engagement, knowledge accessibility, workforce optimization and learning capacity. It is clear that without making effort on improving our human capital we may not get productivity and efficiency at its ultimate level in any organization.

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**CREATION & MANAGEMENT OF BRAND EQUITY FOR SUSTAINABLE COMPETITIVE ADVANTAGE**

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**1. INTRODUCTION**

Much attention has been devoted recently to the concept of brand equity (Aaker and Biel 1992; Leuthesser 1988; Maltz 1991). Brand equity has been viewed from a variety of perspectives (Aaker 1991; Farquhar 1989; Srivastava and Shocker 1991; Tauber 1988). In a general sense, brand equity is defined in terms of the marketing effects uniquely attributable to the brand for example, when certain outcomes result from the marketing of a product or service because of its brand name that would not occur if the same product or service did not have that name. There have been two general motivations for studying brand equity. One is a financially based motivation to estimate the value of a brand more precisely for accounting purposes (in terms of asset valuation for the balance sheet) or for merger, acquisition or divestiture purposes. Several different methods of brand valuation have been suggested (Barwise et al. 1989; Wentz 1989). For example, Inter brand Group has used a subjective multiplier of brand profits based on the brand's performance along seven dimensions (leadership, stability, market stability, interationality, trend, support, and protection); Grand Metropolitan has valued newly acquired brands by determining the difference between the acquisition price and fixed assets. Simon and Sullivan (1990) define brand equity in terms of the incremental discounted future cash flows that would result from a product having its brand name in comparison with the proceeds that would accrue if the same product did not have that brand name. Based on the financial market value of the company, their estimation technique extracts the value of brand equity from the value of a firm's other assets. A second reason for studying brand equity arises from a strategy-based motivation to improve marketing productivity. Given higher costs, greater competition, and flattening demand in many markets, firms seek to increase the efficiency of their marketing expenses. As a consequence, marketers need a more thorough understanding of consumer behavior as a basis for making better strategic decisions about target market definition and product positioning, as well as better tactical decisions about specific marketing mix actions. Perhaps a firm's most valuable asset for improving marketing productivity is the knowledge that has been created about the brand in consumers' minds from the firm's investment in previous marketing programs.

**2. BACKGROUND OF THE STUDY**

As competition gets more intense, managers face challenges to adjust their brands with changed expectations of their customers. Among different alternatives that are available to managers, positioning their brands on the attributes that happen to be the customer priorities can help in building superiority of their brands in the minds of their customers. Such attribute positioning or benefit positioning can enable companies to leverage current resources to the extent possible. If existing product configuration/proposition becomes obsolete, the brand has to move to higher or expected levels of performance/benefits to sustain itself in dynamic markets. Companies need to position their brands in the minds of consumers. To achieve desired goals of their communication strategy, companies have to break the clutter by evolving innovative ways to attract the attention of the target audience. Alongside the traditional media channels like newspapers, magazines, television, hoardings, public relations, etc, new media vehicles such as Internet, outdoor communications, sponsoring events, etc. offer opportunities for consumer involvement. Such innovative approaches can enable managers to minimize the impact of competition on their brands. Integrated brand communications and creative repetition through various types of media is a key to success in brand communications. Use of emotions in advertising appeals to the hearts and minds of the consumers. A brand image should be created to establish an emotional relationship with the target audience. The brand managers need to continuously track their brands against the effect of competition and to track the progress as to how their brands are doing in the marketplace. Monitoring the progress of brands in terms of purchasing, consumption, brand recognition, brand recall, advertising awareness, etc. helps the managers to adjust their strategies of marketing to achieve the desired performance of their brands. This performance audit can also enable the company to measure its brand strength vis-a-vis competing brands. The brand loyalty can reduce the vulnerability of the customer base to competitive action and can directly translate into future sales and profits. Brands that have established desired brand equity in the market place can have potential to leverage its equity through line extension, brand extension, ingredient branding, co-branding, brand Alliances, and/or social goodwill. These approaches enable the companies to leverage the parent brand associations to new categories of products and chart a new growth path for their brands.

### 3. NEED FOR THE STUDY

Increased competition has made it compulsory on the part of every Business firm to gear up to reach the expectations of the stakeholders in terms of technology, quality and delivery systems. As the tastes, preferences and priorities of the customers are quickly changing, sustainability with a market edge is a tuff job for any firm. The most commonly used parameter of assessment of corporate success is the Brand loyalty. The upward trend of Brand Loyalty is Brand Equity. Creating, Building & Maintaining Brand Equity is a real challenge for any business house. A Compulsion but challenge is the unique aspect of creating Brand Equity. Therefore it is felt that there is a need for understanding the process and analyzing the creation, and Management of Brand Equity for sustainable Competitive Advantage in a vibrant Business Environment. Hence, an attempt has been made to analyze the entire gamut of Creation and Management of Brand Equity for Sustainable Competitive Advantage in the Indian Marketing Environmental Context.

### 4. REVIEW OF LITERATURE

**Barich and Kotler (1991)** mentioned that the image of the corporation is formed by taking part in mutual activities to develop “good customer” relations.

**Bharadwaj et al. (1993)** proposed sustainable competitive advantage model in service industry. They proposed that firm’s distinctive organizational skills and resources are viewed as the source of competitive advantages in marketplace. The characteristics of services, service industries and firms within an industry are proposed as moderating the skills and resources underlying competitive positional advantages. The sustainability of competitive advantages is viewed as contingent on barriers to imitation of its unique skills and resources. They further suggested that sustainable competitive advantages are a key to sustained and superior long-term performance. Reinvestments in both present and new skills and resources are viewed as critical to strengthening competitive advantages.

**Gatewood et al. (1993)** indicated that a positive corporate image can attract better and more qualified applicants.

**Dowling (1994)** stated that different groups of people perceive an organization in a different manner. It is necessary to customize set of factors and attributes used to describe the company’s image.

**Williams and Moffitt (1997)** argued that corporate image is formed by the corporation’s reputation and the experiences of consumers. Tillman and Lorpatrick (1998) defined the corporate image as perceived character and personality of a corporate.

**Lemmink et al. (2003)** considered corporate image is influenced by seven factors such as ability to attract, develop and keep talented people, community and environmental responsibility, financial soundness, innovative communications, quality of management and quality of products/services.

**El-Ansary (2006)** viewed that marketing strategy formulation as an interactive and iterative two-tier process. First, segment the market, select target segments, design the offer to fit target market needs, brand naming the offer to differentiate it from the competitors” and position it in the customers” mind. Second, set product/brand, pricing, distribution, and promotion strategies as a prelude to tactical strategy implementation decisions involving the 4Ps or the marketing mix. He suggested that firms achieving sustainable competitive advantage capitalize on other weapons in the strategy including strategic synergy between marketing and other functional area and organizational strategies. He pointed out the additional productivity gains can be harvested from synergy between marketing and human resource managements.

### 5. STATEMENT OF THE PROBLEM

When the tangible products are similar in characteristics and features and performance, it is the intangible and peripheral features of a product that becomes very crucial. Brand is a powerful intangible product feature which often comes to the rescue of the products to make it acceptable by the market. Creating Brand Equity and maintaining the same in a highly vibrant market to achieve sustainable competitive advantage is a tough task for the corporate brand managers. Brand is considered as an important instrument in the hand of the corporate managers to the sustainable competitive benefit. To meet the stiff competition, and satisfy the various consumers with customized product features with a wide range of products, Brand equity is considered as the best

“Marketing Manthra” by most of the Corporate Brand Management Team. However, It is not an easy task to Build, Maintain a Brand and Create a Strong Brand loyalty and Brand Equity. The task is toughest but very effective. Therefore, an attempt has been made to study, analyse the process of brand creation and management and examine the role and contribution of Brand Equity on achieving the Sustainable Competitive Advantage in

a vibrant business environment. The same is appropriately titled as “Creation and Management of Brand Equity for Sustainable Competitive Advantage”

## 6. OBJECTIVES OF THE STUDY

The primary objective of the proposed research study is to **analyze the contribution of Brand Equity in achieving Sustainable Competitive Advantage**. Also the Study has the following specific objectives:

- To Understand the process of Creation & Management of Brand Equity in a Competitive Environment
- To Examine the Role of Brand Equity in Achieving Sustainable Competitive Advantage.
- To Explore the Alternative Brand Creation and Management Strategies for achieving Sustainable Competitive Advantage.
- To summarise the findings, Conclude and offer valid suggestions.

## 7. SCOPE OF THE STUDY

The Scope of the study is confined to the Analysis of the process of Creation and Management of Brand Equity in a Competitive Business Environment. Further the study also aims at studying the role and contribution of Brand Equity in Achieving the Sustainable Competitive Advantage. The study covers only the particular theme and topic and does not intend to study any other aspect. The geographical area identified for the purpose of conducting survey is limited to Bangalore City.

## 8. OPERATIONAL DEFINITION OF CONCEPTS

**Brand:** A distinguishing symbol, mark, logo, name, word, sentence or a combination of these items that companies use to distinguish their product from others in the market.

**Branding:** The process involved in creating a unique name and image for a product in the consumers' mind, mainly through advertising campaigns with a consistent theme. Branding aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers.

**Brand Equity:** A brand's power derived from the goodwill and name recognition that it has earned over time, which translates into higher sales volume and higher profit margins against competing brands.

**Sustainability:** Continued development or growth, without significant deterioration of the environment and depletion of natural resources on which human well-being depends. This definition measures income as flow of goods and services that an economy can generate indefinitely without reducing its natural productive capacity.

**Competitive Advantage:** A superiority gained by an organization when it can provide the same value as its competitors but at a lower price, or can charge higher prices by providing greater value through differentiation. Competitive advantage results from matching core competencies to the opportunities.

**Management:** is the function that coordinates the efforts of people to accomplish goals and objectives using available resources efficiently and effectively.

**Brand Management:** The process of maintaining, improving, and upholding a brand so that the name is associated with positive results. Brand management involves a number of important aspects such as cost, customer satisfaction, in-store presentation, and competition. Brand management is built on a marketing foundation, but focuses directly on the brand and how that brand can remain favorable to customers.

## 9. METHODOLOGY

It is intended to adopt Exploratory Research method for the purpose of this research study. The researcher would adopt a systematic approach for the purpose of data collection and data analysis. A sound Sampling technique would be adopted for error free results.

### (a) Sampling

**Non-probability Judgement Sampling Technique** has been adopted for the purpose of selecting sample Corporate Units. Most Successful Brands in Consumer Product Range and also in Industrial Product Range has been selected at the rate of 10 each for the purpose of in-depth analysis. The Whole process of Brand Creation, and Management has been analyzed. Further, The Customers' Segment, Retailers' Segment and Brand Managers' segment are considered as major stake holders for the purpose of the study and a Survey of these segments has been taken up as part of this research study. A total Sample size of 600 respondents from each segment has been identified using **Simple Random Sampling** technique. 500 individual customers, from both Consumer product range and Industrial Product range, 50 retailers both organized and un-organized retailers,

and 50 from Brand Managers both domestic and Global Brands are selected for the purpose of the study as sample units.

Sl. No	Type of Respondents	No. of Brands	No. of Respondents	Percentage
I	<b>CUSTOMERS</b>			
01	Consumer Product Range	20	400	67%
02	Industrial Product Range	10	100	17%
II	<b>RETAILERS</b>		50	08%
III	<b>BRAND MANGERS</b>		50	08%
	<b>TOTAL</b>		<b>600</b>	<b>100</b>

Sl.No	Industrial Products	Brands
01	Sanitary Fittings	Hindware
02	Farm Equipments	Mahindra
03	Automobiles Spare and Consumables	MRF/CEAT
04	Oils	2T/Castrol/Servo
05	Lubricants	Shell India Pvt. Ltd.
06	Printing Machineries	Canon/Samsung
07	Computer Hardware	Hp
08	Floor Mill Equipment	Sree Lakshmi Industries (Gujarath)
09	Agarbhati Manufacturing Equipment	Nishan products (Gujarath)
10	Hotel Vessels and Machineries	India Mart



**Product Brand**

Sl. No	Consumer Packaged Goods Brand/FMCG	Sl.No	Consumer Packaged Goods Brand/FMCG
1	Santoor	01	Malai Kesar
2	Lux	02	Patanjali Atta
3	Dove	03	ITC tiger biscuits
4	Medimix	04	Maggi Noodles
5	Colgate	05	Annapoorna Atta
6	Ponds Talc Powder	06	Maza Cold drinks
7	Sunsilk	07	Arun Ice creams
8	Head & shoulder	08	MTR ready mix
9	Meera	09	Maiyyas Badam milk powder
10	Palmolive Shaving Cream		
11	Gillet Ready Shaves		

Small Convenience Retailers: 45

50 Brand Managers From the all the 20 consumer brands and 5 Industrial segment at the rate of 2 brand manager from each brand.

**(b) Sources of Data**

For the present study, both primary and secondary data is used. Basically the study is primary data based. However, the secondary source of information is used by the researcher as supplementary for the primary data. Primary data is collected from all the three stake holders of the issue, i.e., the Individual consumers, the Retailers, and the Brand Managers. The secondary data is derived from Magazines, Journals, Bulletins, Newsletters, and Research Reports etc.

**(c) Tools & Techniques of Data Collection**

For the purpose of Data collection, primarily a pre-tested structured questionnaire has been developed and used. Also, Observation and Interview methods are adopted to gather the primary data from the respondents.

**(d) Tools & Techniques of Data Analysis**

Statistical tools such as Correlation, Regression, Chi-square tests are used for data analysis. Also Factor Analysis has been used for better results. The data analyzed is presented in the form of pictorial diagrams for better understanding.

**(e) Limitations of the Study**

- The Study is confined to the Analysis of the Creation and Management of Brand Equity and its Contribution in achieving the sustainable Competitive Advantage and does not aim at covering any other domain.
- Due to the Constraint of Time and Resources, the study is limited to Analysis of Selected Brands and Selected Organizations and Stake holders, Therefore the findings of the Study has the limitation of Sample size.
- The Authenticity of the Results depends upon the sincerity with which the information was shared by the respondents.

**10. CHAPTER SCHEME**

The proposed study would be presented in **SEVEN** Chapters, as mentioned below:

Chapter: I Introduction:

Chapter: II Review of Literature

Chapter: III Research Design

Chapter: IV Profile of Brands

Chapter: V Brand Equity and Sustainable Competitive Advantage

Chapter: VI Analysis & Interpretation of Data

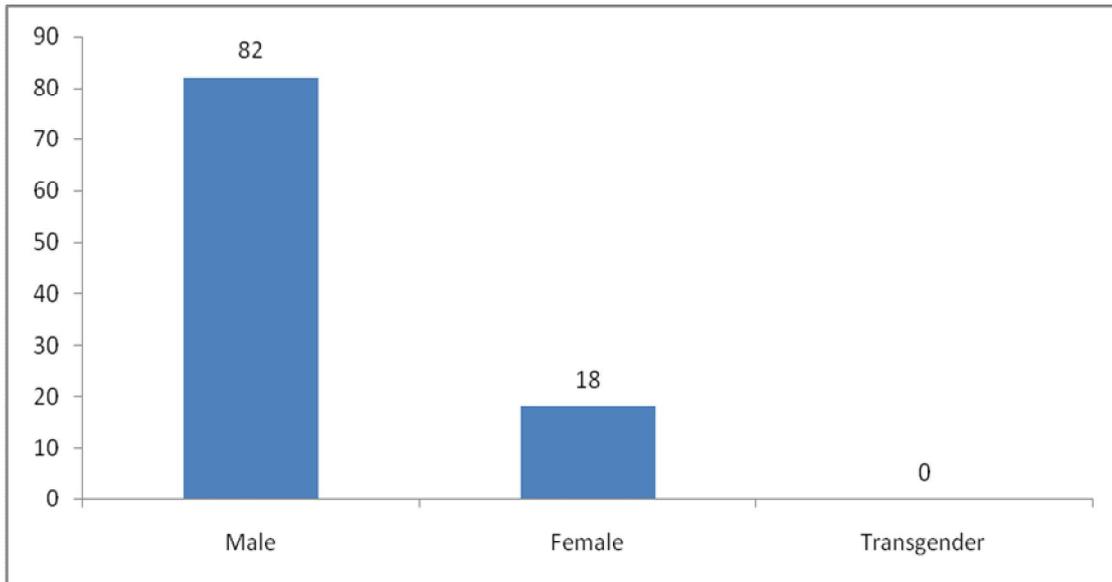
Chapter: VII Summary of Findings, Conclusions, and Suggestions.

**11. ANALYSIS & INTERPRETATION OF DATA**

**Table No-1: Showing gender profile of Respondents**

Gender	No. of Respondents	Percentage
Male	412	82
Female	88	18
Transgender	0	0
<b>Total</b>	<b>500</b>	<b>100</b>

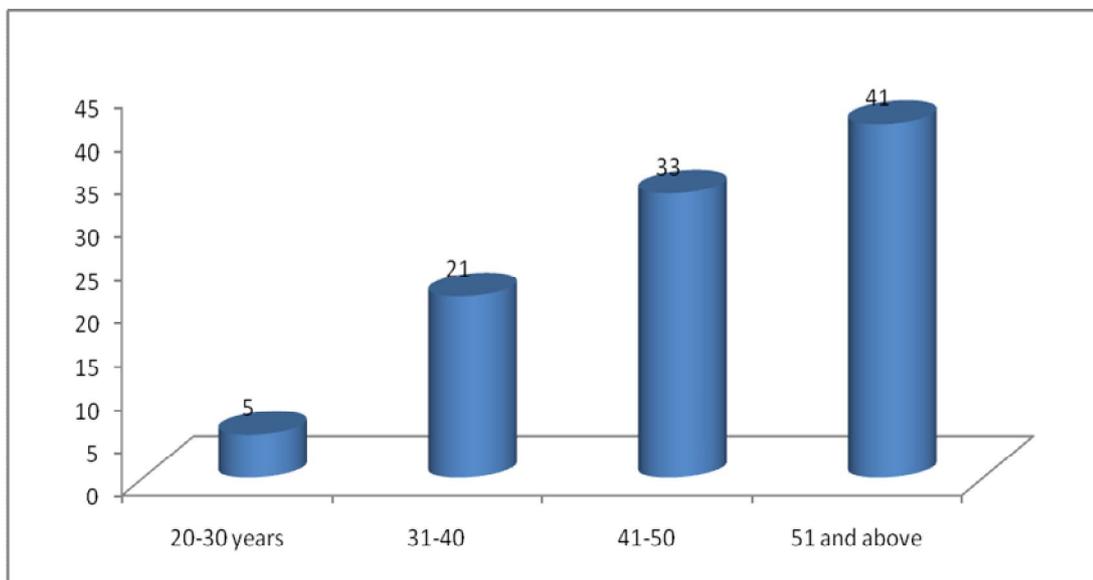
**Analysis and Inference:** From the above table it can be analyzed that 82% of the respondents are male where as 18% of respondents are female. From the above analysis it can be inferred that majority of respondents are male as compared to female.



**Table No-2: Showing age profile of respondents**

Age	No. of Respondents	Percentage
20-30 years	23	5
31-40	107	21
41-50	167	33
51 and above	203	41
<b>Total</b>	<b>500</b>	<b>100</b>

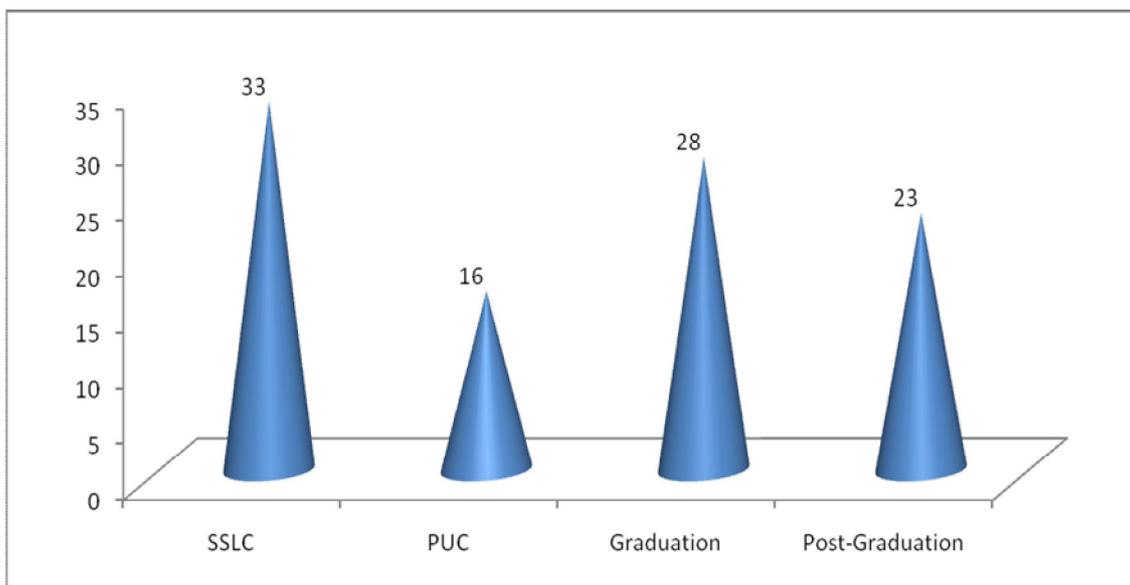
**Analysis and Inference:** From above the table it can be analyzed that 47% of the respondents are above the age of 51 and years. 33% are in the age group of 41-50 years. 21% of respondents are under the age group of 31-40 years and 5% of the respondents belong to the age group of 21-30 years. From the above analysis it can be inferred that majority of the respondents are above the age group of 51 years.



**Table No-3: Showing qualifications of respondents**

Qualification	No. of Respondents	Percentage
SSLC	164	33
PUC	78	16
Graduation	144	28
Post-Graduation	114	23
<b>Total</b>	<b>500</b>	<b>100</b>

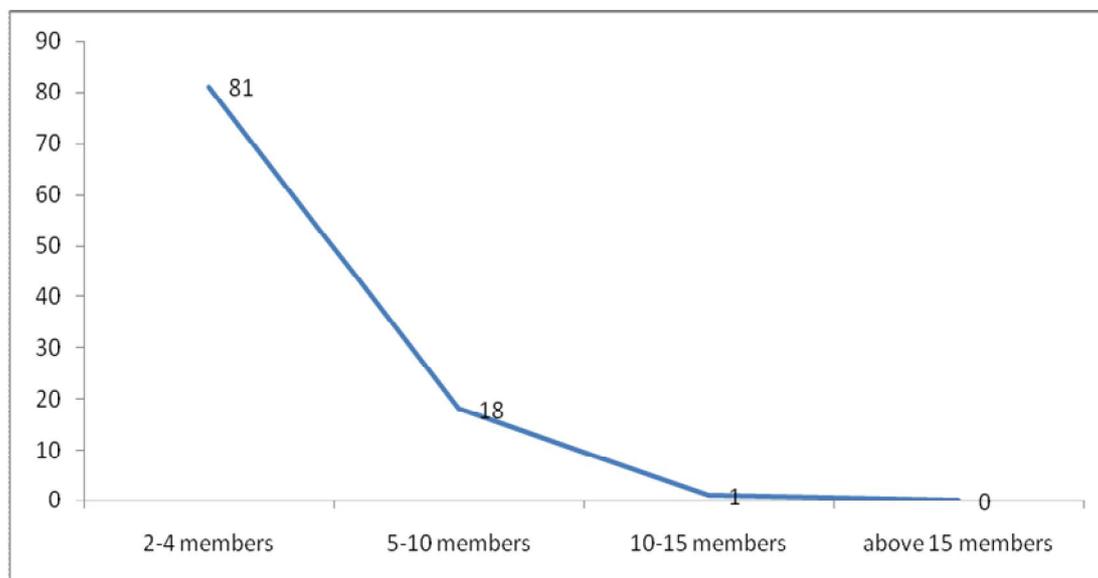
**Analysis and Inference:** From the above table it can be analyzed that 33% of respondents are SSLC certificate holders, 28% of respondents are graduated. 23% are Post-graduated. 16 % are PUC qualified. .



**Table No-4: Showing the family size of Respondents**

Family Size	No. of Respondents	Percentage
2-4 members	403	81
5-10 members	91	18
10-15 members	6	1
above 15 members	0	0
<b>Total</b>	<b>500</b>	<b>100</b>

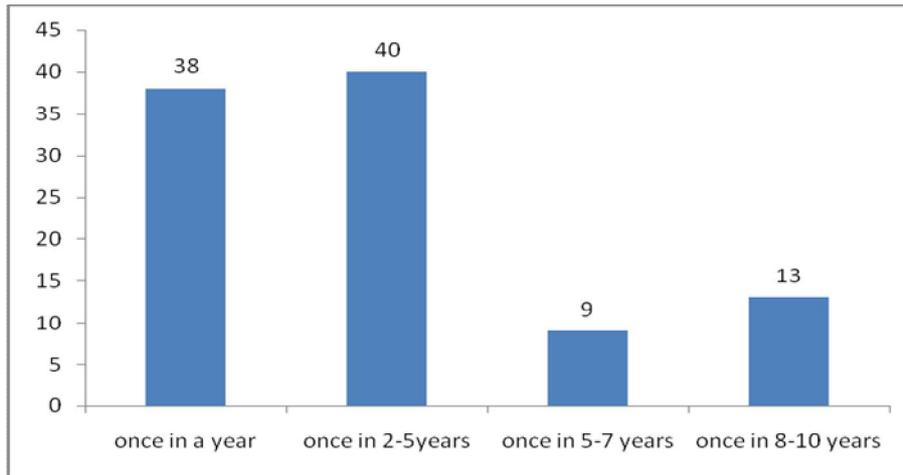
**Analysis and Inference:** From the above table it is evident that 81% of the respondents have family size of 2-4 members, 18% belong to the family size of 5-10 members and 1% belong to family members having 10-15 members.



**Table No-5: Showing how often the Respondents switch to other brands**

Family Size	No. of Respondents	Percentage
once in a year	191	38
once in 2-5years	201	40
once in 5-7 years	45	9
once in 8-10 years	63	13
<b>Total</b>	<b>500</b>	<b>100</b>

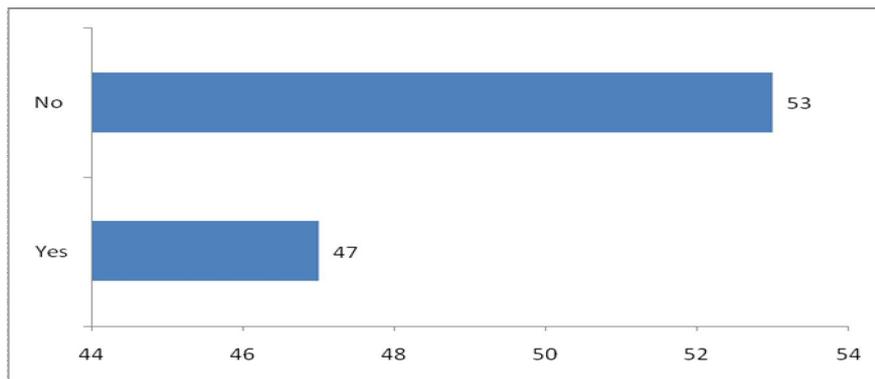
**Analysis and Inference:** From the above table it is clear that 40% of the respondents change / switch over to other brand once in 2-5years, 38% associate it to once in a year, 13% to once in 8-10 years and 9% to once in 5-7 years.



**Table No-6: Showing the whether the Respondents use branded goods**

Response	No. of Respondents	Percentage
Yes	233	47
No	267	53
<b>Total</b>	<b>500</b>	<b>100</b>

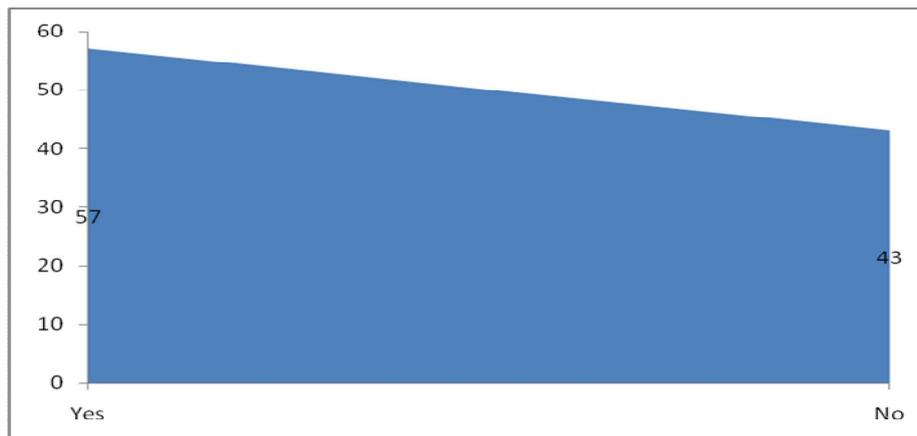
**Analysis and Inference:** From the above it is evident that when respondents were questioned whether they use branded good 47% answered as yes and the remaining 53 % said no when questioned.



**Table No-7: Showing whether the Respondents are very particular Brand and whether they have switched off over to other brand**

Response	No. of Respondents	Percentage
Yes	283	57
No	217	43
<b>Total</b>	<b>500</b>	<b>100</b>

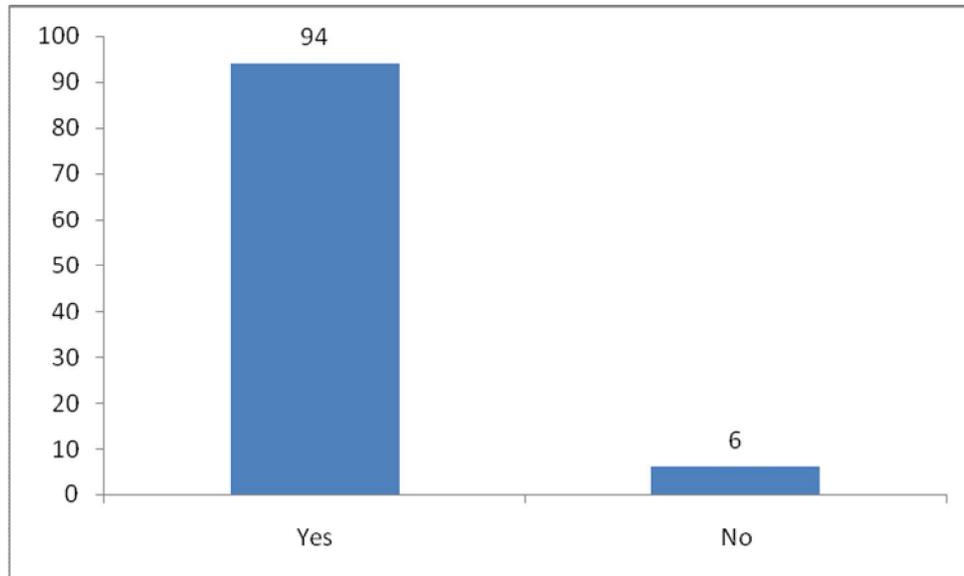
**Analysis and Inference:** When the respondents were questioned whether they were very particular about Brand and whether they have switched off over to other brand 57 respondents have responded as yes while said no to the above



**Table No-8: Showing whether the brand has communicative value**

No of Members	No. of Respondents	Percentage
Yes	469	94
No	31	6
<b>Total</b>	<b>500</b>	<b>100</b>

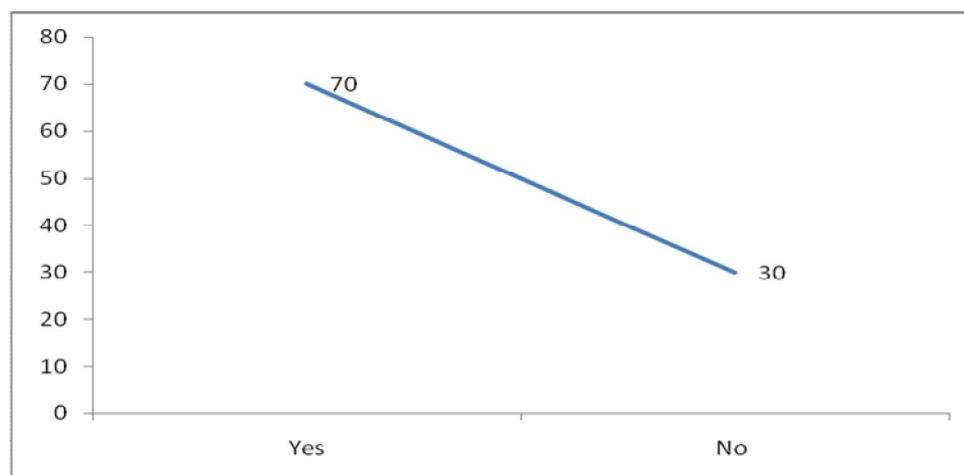
**Analysis and Inference:** From the above table it can be seen that 94% of the respondents felt that brand has communicative value and 6 did not feel the same when questioned.



**Table No-09: Showing the whether the brand loyalty delivered psychological Satisfaction**

Response	No. of Respondents	Percentage
Yes	346	70
No	154	30
<b>Total</b>	<b>500</b>	<b>100</b>

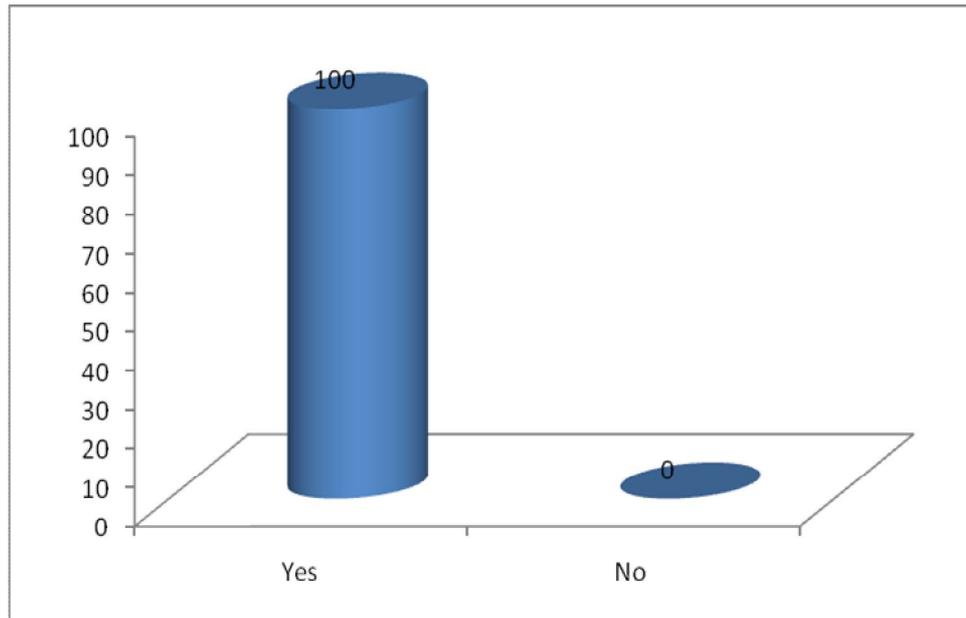
**Analysis and Inference:** From the above it is evident that 70% of the respondents are of the opinion that brand loyalty delivered psychological Satisfaction while 30% did not feel that that brand loyalty delivered psychological Satisfaction



**Table No-10: Showing the whether extra price is paid for brand**

Response	No. of Respondents	Percentage
Yes	500	100
No	0	0
<b>Total</b>	<b>500</b>	<b>100</b>

**Analysis and Inference:** From the above table it is evident that all the respondents that is 100% associate that they pay extra price for the brand while purchasing product or service



## 12. FINDINGS OF THE STUDY

- ✚ The majority of the respondents are male who belong to the age group of 51 and above years who are graduates.
- ✚ The maximum number of respondents belongs to the family size varying between 2-4.
- ✚ Majority of the respondents do not use branded products and if used have the potential to switch over to other brand in 5-7 years as it has an impact on the price.
- ✚ Most of the respondents feel that the brands is always available at a price and they land up paying more when they purchase branded products which is always a part of the price and brand gives psychological satisfaction.

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**CHALLENGES AND TROUBLES FACED BY WOMEN WORKERS IN INDIA**

**Ravi V and Dr. EA Parameshwara Gupta**

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**ABSTRACT**

*India is a traditional country and there is diversity in religions, culture and customs. Role of the women in India mostly is household and limited to domestic issues. In some cases women can find employment as nurses, doctors, teachers the caring and nurturing sectors. But even if well qualified women engineers or managers or geologists are available, preference will be given to a male of equal qualification.*

*The present study investigated to identify the factors preventing women employees from aspiring for higher post and challenges & problems faced by women workers. Further the study try to explain the real condition of Indian working women and also make an effort to clear main problems of working women.*

*Keywords: challenges, problems, traditional, women workers*

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**INTRODUCTION**

In the history of human development, women have been as vital in the history making as men have been. In fact higher status for women vis-à-vis employment and work performed by them in a society is a significant indicator of a nation's overall progress. There are many reasons and problems that forced Indian's women to work. The financial demands on the Indian families are increasing day by day. Cost of living, expenses on education of children, and cost of housing properties in India raised and these reason force every family in India to look for ways and means of increasing the household income. As a result, women in India who were mostly known as homemakers are forced to go for jobs and take up even careers that were considered only suitable for men such as working in night shifts.

Working women i.e., those who are in paid employment, face problems at the workplace just by virtue of their being women. Social attitude to the role of women lags much behind the law. The attitude which considers women fit for certain jobs and not others, causes prejudice in those who recruit employees. Thus women find employment easily as nurses, doctors, teachers, secretaries or on the assembly line. Even when well qualified women are available, preference is given to a male candidate of equal qualifications. A gender bias creates an obstacle at the recruitment stage itself. When it comes to remuneration, though the law proclaims equality, it is not always practiced. The inbuilt conviction that women are incapable of handling arduous jobs and are less efficient than men influences the payment of unequal salaries and wages for the same job. But in most families her salary is handed over to the father, husband or in-laws. So the basic motive for seeking employment in order to gain economic independence is nullified in many women's case. Problems of gender bias beset women in the industrial sector when technological advancement results in retrenchment of employees.

Women workers in India are faced with lot more challenges than their counterparts in the other countries. Besides of so many efforts from past years, female section of society is deprived in compared to male section. They are not given first priority in social and economic decisions in her own family. According to United Nations Development Programmer (UNDP) report, women involved in doing 67% work of world; still they are socially and economically deprived. They are receiving only 10% of the universal income and have 1% part in global assets. This discrimination also persists in their work place in unorganized sector. In informal sector, women workers don't get same wages for same nature of work for same hours done by men. They are exploited at workplace. They are some acts i.e. The Unorganized Workers Social Security Act, 2008, Domestic Workers Welfare and Social Security Act, 2010 etc. but due to their improper implementation, women workers are forced to work and live in miserable conditions in unorganized sector.

In India mostly it is women who have to do household as cook, clean the house, do the dishes, wash clothes, care of children and men do not share on most of the household works. Men do that work that is to be dealt outside the house. Now a day there is increasing need for getting some income for the family then women have to work harder. Women workers have to handle Persecution's at their work place, sometimes just over look things to ensure that their job is not jeopardized in anyway. Many Indian families are still living as joint families along with the parents and in-laws. This adds to their stress further because they have to please all the family members of her husband. Listen to their complaints that they make against her and turn deaf ears towards them and so on. Overall, majority of women in India look towards or live in the hope that things will change.

**EMPLOYMENT TRENDS FOR WOMEN IN INDIA**

The increase in the number of women in the labor market signifies an important trend regarding women's employment. This has been occurring alongside increases in labor force and workforce, especially for urban women, although rural women workers predominate in terms of participation rates and overall magnitude. The increasing share of women's participation in the labor force and its significant contribution to household income as well as GDP require some policy attention be paid to the gender dimensions of employment. The eleventh Five Year Plan document for the first time in the history of Indian planning recognizes women not only as equal citizens but as 'agents of sustained socio-economic growth and change' (GOI, 2008, p. 5). A multi-pronged approach is emphasized to address issues concerning women workers, such as provision of basic entitlements and strengthening of institutional mechanisms.

The increase in the growth of employment appears to be much higher for female workers compared to male workers. Even where the proportion of working women as reflected in the female work participation rate may be low, the absolute numbers have significantly increased, given the rate of population growth over time. The increase in work opportunities during the early years of the new millennium has been to the tune of 9.3 million jobs per annum (from 1999-2000 to 2004-05). This acceleration in employment growth from 1.25 per cent per annum (1993-94 to 1999-2000) to 2.62 per cent per annum in the period 1999-2000 to 2004-05 (GOI, 2008) has been beneficial to women's participation as well. Of the 46 million job opportunities created from 1999-2000 to 2004-05 (compared to 24 million in the earlier period, i.e., 1993-94 to 1999-2000), nearly 15 million women joined the workforce. Urban areas almost doubled their number of women workers, while in rural areas women workers increased from 9 to 12 million. Are these signs of a gradual but definite wind of change with more women entering the labour market? This positive change is noted more forcefully in the urban context where requisite educational inputs and modern thinking vis-à-vis women's work is increasingly becoming noticeable. Rural agriculture is increasingly drawing women's labour supplies, with over four-fifths of the women in rural areas working in agriculture. This gains significance amidst the declining share of male workers (from 74 per cent in 1993-94 to 66 per cent in 2004-05). Thus it seems that women in rural areas are finding it harder to shift away from agriculture. Involvement of women in agriculture is largely as cultivators/farmers as well as agricultural laborers. However, there has been a slight decline in the share of women as agricultural laborers, while their share among cultivators has increased. In urban areas, women have achieved substantially higher growth of employment in manufacturing and have been able to increase their share, especially after 1999-2000 (from 24 per cent to over 28 per cent in 2004-05). Thus, in urban areas, the share of female workers in manufacturing has increased substantially while that of male workers has not. Even in the services sector, women have gained in terms of employment, especially in the domestic and person

India's economy has undergone a substantial transformation since the country's independence in 1947. Agriculture now accounts for only one-third of the gross domestic product (GDP), down from 59 percent in 1950, and a wide range of modern industries and support services now exist. In spite of these changes, agriculture continues to dominate employment, employing two-thirds of all workers. India faced economic problems in the late 1980s and early 1990s that were exacerbated by the Persian Gulf Crisis. Starting in 1992, India began to implement trade liberalization measures. The economy has grown-the GDP growth rate ranged between 5 and 7 percent annually over the period and considerable progress has been made in loosening government regulations, particularly restrictions on private businesses. Different sectors of economy have different experiences about the impact of the reforms. In a country like India, productive employment is central to poverty reduction strategy and to bring about economic equality in the society. But the results of unfettered operation of market forces are not always equitable, especially in India, where some groups are likely to be subjected to disadvantage as a result of globalization. Women constitute one such vulnerable group.

Since globalization is introducing technological inputs, women are being marginalized in economic activities, men traditionally being offered new scopes of learning and training. Consequently, female workers are joining the informal sector or casual labor force more than ever before. For instance, while new rice technology has given rise to higher use of female labor, the increased work-load for women is in operations that are unrecorded, and often unpaid, since these fall within the category of home production activities. The weaker sections, especially the women, are denied the physical care they deserve. There is, thus, hardly any ability for the majority of Indian women to do valuable functioning; the "capability" to choose from alternatives is conspicuous by absence.

Most women in India work and contribute to the economy in one form or another, much of their work is not documented or accounted for in official statistics. Women plow fields and harvest crops while working on farms, women weave and make handicrafts while working in household industries, women sell food and gather

wood while working in the informal sector. Additionally, women are traditionally responsible for the daily household chores (e.g., cooking, fetching water, and looking after children). Although the cultural restrictions women face are changing, women are still not as free as men to participate in the formal economy. In the past, cultural restrictions were the primary impediments to female employment now however; the shortage of jobs throughout the country contributes to low female employment as well. The Indian census divides workers into two categories: "main" and "marginal" workers. Main workers include people who worked for 6 months or more during the year, while marginal workers include those who worked for a shorter period. Many of these workers are agricultural laborers. Unpaid farm and family enterprise workers are supposed to be included in either the main worker or marginal worker category, as appropriate. Women account for a small proportion of the formal Indian labor force, even though the number of female main workers has grown faster in recent years than that of their male counterparts.

### REVIEW OF LITERATURE

The literature review shows that more focus is on married working women than on unmarried working women (Karl, 2009). It is also seen that focus is more on organized sector rather than unorganized sector of working women (Shalz, 2011). Eggins (1997) advocates for more facilities to women in the workplace, suggesting that "...it is an important part of developmental strategy as well as an act of social justice" The World Bank (1991) estimates that Indian Women make up one-third of the labor force. Singhal (1995) is of the opinion that, "Participation of women in workforce is essential for economic development and population planning."

Somjee (1989) has some very strong critical comments. She has said that "in the history of women's studies, which is not very long, a variety of approaches have been adopted in order to understand women's problems and find solutions to them. such approaches range from how women are perceived in various cultures and historical settings, given their biological functions and what nature 'intended' them to do, to their decline in power and status vis-à-vis men in the complex social evolution, to a widely shared emphasis on the need to make women equal through the economic on the need to make women equal through the economic and legal route which treats them as individuals rather than those having the sole responsibility for looking after the family."

Mitra (1997) analyses the causes and comes to some important conclusions: "Relationship between women and professions could be perceived as one of women in full-fledged professions, medicine, law, academics, etc and another in the semi-professions-like nursing, teaching, clerks etc." Okolo (1989) studied that another obstacle is the lack of role models of executive women due to their scarce presence in top managerial positions. Likewise, this study found out that there is no gender difference in organizational hierarchies when a woman has already gained access to them. "The lack of impact in women can occur because executive and managerial women have developed survival features becoming immune to the effects of men's hierarchies. A hierarchy composed by men solely may have an effect upon the election of a managerial board, and then its further influence is not very strong."

Ronald J. Burke, Mustafa Koyuncu and Lisa Fiksenbaum (2010) examined the relationship of the perceived presence of organizational practices designed to support women's career advancement and their work attitudes and satisfaction and their psychological well-being. Data were collected from 286 women in managerial and professional jobs working in a large Turkish bank, a 72 percent response rate. Five organizational experiences were considered: negative attitudes towards women, equal treatment, support, career barriers and male standards. Women reporting more supportive organizational experiences and practices were more engaged in their work, more job and career satisfied, and indicated greater levels of psychological well-being."

Wentling (2003) showed that the twin roles of women cause tension and conflict due to her social structure which is still more dominant. In her study on working women in Delhi, she has shown that "traditional authoritarian set up of Hindu social structure continues to be the same basically and hence women face problem of role conflict change in attitudes of men and women according to the situation can help to overcome their problem."

Sophia J. Ali (2011) "investigated the challenges facing women in career development. She found that most of the women employees were dissatisfied with career development programmers and women were discriminated against in career development opportunities. The study recommended that organizations should strive to ensure that career development programmers were set to enhance career development among-st women employees. Top management should also be committed to the career development of women, and organizations should also introduce affirmative action to urgently address career development of women."

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**OBJECTIVE OF THE STUDY**

1. To identify the factors preventing women employees from aspiring for higher post and challenges & problems faced by women workers.
2. To clear main problems of working women

**INDIA'S FEMALE POPULATION**

At the 2001 census, India had a female population of 496million. India accounts 15% of World's women characterized by vast regional differences and a variety of cultures. But, social discrimination and economic deprivation on the basis of gender is common to all, irrespective of religion, cast, community, and State.

Empowerment of women, gender discrimination, and violence against women, which have become serious subjects of sociological research in contemporary times, was hitherto neglected. While contemporary social changes have exposed women to unprotected socio-economic, cultural and political environment, there are no corresponding protective social systems and institutions of social justice to safeguard their interests. There are many who are skeptical about women's ability to exercise equal rights with men and about their capacity to play equal role with men. But such apprehensions are ill-founded in the context of the broader opportunities available for women following mechanization of industry and agriculture, enabling women to compete with men successfully.

Innovations in science and technology have removed the disparity between men and women attributed to physical strength alone. Women are able to handle modern appliances which require intelligence and training and not merely physical strength. Thus, India has now several women working as pilots, driving locomotives, buses, tractors and machinery in workshops. Sex as maternal factor in the area of legal rights has practically disappeared. It is not therefore fair to relegate women as a group to an inferior position in society. The Constitution does not regard sex as a permitted classification and prohibits sex as a basis of differential treatment in all areas of legal rights. Modernity has resulted in a growing flexibility and changes in the gender roles of men and women. The earlier conception that man was the provider of basic necessities for family and women the child bearer and care taker of home, is no longer valid in the changing social structure and economic compulsions.

Therefore, any attempt to assess the status and problem of women in a society should start from the social framework. Social structure, cultural norms, and value systems are crucial determinants of women's role and their position in society. In respect of the status there is a gap between the theoretical possibilities and their actual realization.

**PROBLEMS FACED BY WORKING WOMEN IN INDIA****Occupational problems as stress**

In women Occupational stress is stress involving work. Work and family are the two most important aspects in women's lives. Balancing work and family roles has become a key personal and family issue for many societies. There are many facets in working mother's lives that subject to stresses. They deal with home and family issues as well as job stress on a daily basis.

**World Health Organization's (WHO) definition**

Occupational or work-related stress "is the response people may have when presented with work demands and pressures that are not matched to their knowledge and abilities and which challenge their ability to cope."

**Reasons of occupational stress**

Imbalance between work and family leads to occupational stress. Imbalance between work and family life arises due to a number of factors. Various factors are following.

**1. Mental harassment**

It is an age old convention that women are less capable and inefficient in working as compared to men. The attitude which considers women unfit for certain jobs holds back women. In spite of the constitutional provisions, gender bias creates obstacles in their recruitment. In addition to this, the same attitude governs injustice of unequal salaries for the same job. The true equality has not been achieved even after 61 years of independence. Working in such conditions inevitably puts strain on women to greater extent as compared to men, thus making them less eager in their career.

**2. Sexual harassment:**

Today, almost all working women are prone to sexual harassment irrespective of their status, personal characteristics and the types of their employment. They face sexual harassment on way on transports, at working places, educational institutions and hospitals, at home and even in police stations when they go to file

complaints. It is shocking that the law protectors are violating and outraging modesty of women. Most of the women tend to be concentrated in the poor service jobs whereas men are in an immediate supervisory position, which gives them an opportunity to exploit their subordinate women.

### **3. Discrimination at Workplace:**

However, Indian women still face blatant discrimination at their workplaces. They are often deprived of promotions and growth opportunities at work places but this doesn't apply to all women. A majority of working women continue to be denied their right to equal pay, under the Equal Remuneration Act, 1976 and are underpaid in comparison to their male colleagues. This is usually the case in factories and labor-oriented industries.

### **4. No Safety of Working Women While Traveling**

Typically, the orthodox mindset in the Indian society makes it difficult for a working woman to balance her domestic environment with the professional life. In some families, it may not be acceptable to work after six o'clock. Those families that do accept these working hours may experience considerable anxiety every day about a woman's safety while traveling. So many issues affect a working woman because she is closely protected or watched by her family and the society.

### **5. Lack of Family Support**

Lack of proper family support is another issue that working women suffers from. At times, the family doesn't support women to leave the household work and go to office. They also resist for women working till late in office which also hampers the performance of the women and this also affects their promotion.

### **6. Insufficient Maternity Leaves**

Insufficient maternity leave is another major issue that is faced by a working mother. This not only affects the performance of women employees at work, but is also detrimental to their personal lives.

### **7. Job insecurity**

Unrealistic expectations, especially in the time of corporate reorganizations, which sometimes puts unhealthy and unreasonable pressures on the employee, can be a tremendous source of stress and suffering. Increased workload extremely long work hours and intense pressures to perform at peak levels all the time for the same pay, can actually leave an employee physically and emotionally drained. Excessive travel and too much time away from family also contribute to an employee's stressors.

### **8. Workplace Adjustment**

Adjusting to the workplace culture, whether in a new company or not, can be intensely stressful. Making oneself adapt to the various aspects of workplace culture such as communication patterns of the boss as well as the co-workers, can be lesson of life. Maladjustments to workplace cultures may lead to subtle conflicts with colleagues or even with superiors. In many cases office politics or gossips can be major stress inducers.

### **9. Other reasons**

It include Personal demographics like age, level of education, marital status, number of children, personal income and number of jobs currently had where you work for pay and Work situation characteristics like job tenure, size of employing organization, hours worked per week.

### **CONCLUSION**

Now a day's women workers are improved and promote in their workplace and in technological work. Trade Union should try to improve the conditions for woman's workers in many parts for example maternity leave is easily give to women and help the woman for achieve higher post actually women's nature is promotion to gain high quality in every field but if the condition is not ready then the reduction of promotion and optimization in work will be occur and etc...

Women workers are often subject to sexual harassment then the Government should put strict rules for these types of crimes , also public transport system sometimes danger for woman and Government should put more Inspection. Traditionally people think that men should only work and gain money and women should work as house hold, but The financial demands on the Indian families are increasing that's why women also should company in gaining income for families. Therefore a fundamental change is required in attitudes of employees, family members and public.

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**CRM PRACTICES AND ITS IMPACT OF ON THE PERFORMANCE OF PRIVATE AND PUBLIC BANKS IN INDIA**

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**ABSTRACT**

*Indian Economy in the recent past has reported a phenomenal development, which has been observed from various facets each being major contributors to the reported growth and has acted as a catalysts for growth in its GDP (being the lead indicators of economic prosperity of any Country); be it agriculture, industry or service sector (being one of the key contributors to the GDP creating prospective employment opportunity for the major resource of Indian Economy i.e. Human Resources). These factors supporting this growth would be the catalyst for the banking sector and demands more and more for establishment of banks. Hence, it resulted in the establishment and growth of public sector banks, private sector banks, multinational banks, and other indigenous banks in India. The financial aspects of private sector banks are also regulated by the Reserve bank of India but they are independent in adoption of CRM practices. The CRM Practices of banks are not statutory obligations but functional strategy. This leads to adoption of CRM practices in the banking sector in India. The performance of banks, inter alia, depends on CRM practices. This research paper is an attempt has been made to measure and examine the performance in quantitative term.*

*Keywords: CRM, Public Sector Banks, Private Sector Banks, Performance of banks, Profit per employee, and Business per employee.*

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**I. INTRODUCTION**

Customer is the key to unlock business opportunities. Banks survive and thrive only on the relationship with existing customers and induction of new customers in to banker's portfolio of customers. Bank's performance depends upon large number of factors from the quality of management of a bank to the national and international economic conditions. Banks adopt various quantitative and qualitative measures to improve the performance. CRM is one of the prominent factors that influences on the performance of the banks. CRM encompasses adoption of latest technology for standardization and simplified customer friendly process for delivery of service and connecting the customer through relationship management to the process to meet the customer needs. Hence, the banks have adopted latest technology and qualitative behavioral practices to maintain a good relationship with customers.

The present study has selected only a few measures to assess the performance of a bank. They are: Number of branches and its growth; Number of employees and its growth; Business per employee and its growth; and profit per employee and its growth. Based on the these parameters, impact of CRM on the performance of bank, keeping the influence of other factors constant, is examined for each of the banks selected for the study.

**II. CRM PRACTICES IN COMMERCIAL BANKS**

CRM is being more and more used to recognize, attract and retain most priceless customers that help business to uphold profitable growth. The successful banking companies are being practicing customer relationship management helps in achieving long term performance and attain deep insights about their customers which help them design product/ service offerings. CRM is the key to adopt a truly Customer-Centric approach that touches every point and more importantly every person in the bank. CRM has already made a big authority in the world of customer service and will continue to do so.

As more and more companies become customer-centric; and those companies fail to do so will lose competitive advantage. The real value of CRM lies in connecting the potential people to create a greater customer experience, using technology of CRM enables customer render greater service at their door steps, the banks playing pivotal role in economic development of any nation. There has been a great deal of attention on CRM technology and practices in recent times, but the market is in a very early stage of evolution. Most respondents felt that the Indian firms were either unaware, or unconvinced about the benefits and applicability of CRM. This paper analyzes and compares the CRM Practice in public sector banks and private sector banks in India.

**III. REVIEW OF SELECTED LITERATURE**

**Ernst & Young (1999)** observed that the enterprises investing on CRM solutions predominantly focus on technology. The challenge lies in combining people, processes and technologies while implementing CRM solutions.

Amita Nayyar (1992) stated that profitability and profit planning in commercial banks and also ways to improve the profitability and funds management. The optimum use of human resources is to improve in productivity and expenditure through CRM applications.

**IV. OBJECTIVES OF THE STUDY**

- i. To analyse the CRM practices adopted by Private and Private Banks on secondary data
- ii. To study the impact of Customer Relationship Management on the performance of banks;

**V. IMPACT OF CRM ON THE PERFORMANCE OF KARNATAKA BANK**

Karnataka bank is one of the premier private banks in the state of Karnataka. The bank has developed a comprehensive range of products and services for different kind of customers. The bank has understood that all customers are unique and aspirations of the customers are varied. The bank has deployed modern technology to build a long term relationship. The bank provides products/services according to the choice of the customers. The bank has undertaken CRM initiatives to make the customer delighted. The performance of the bank has been assessed by selecting a few parameters.

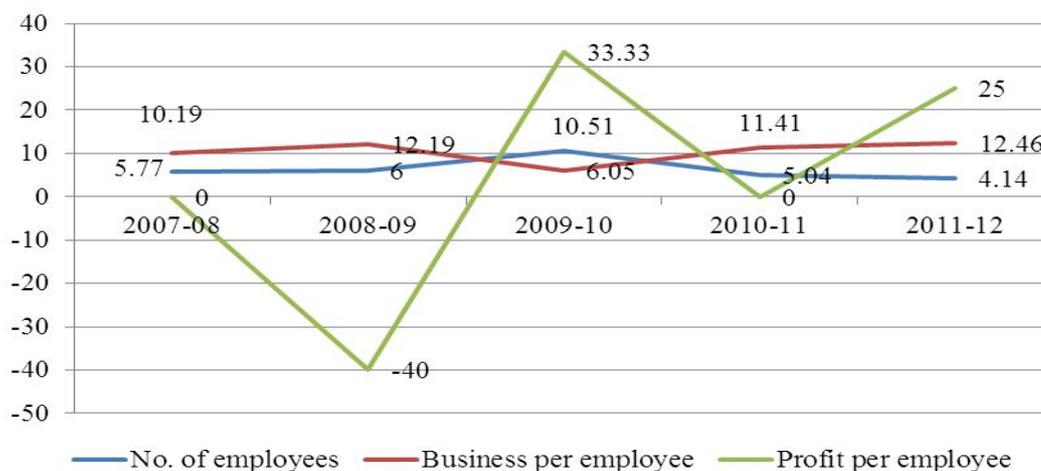
**Table-1.1: Performance of Karnataka Bank from 2007-08 to 2012-13**

Factors	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
No. of branches	453	469	486	501	527	574
Growth rate (in %)	-	3.53	3.62	3.09	5.19	8.92
No. of employees	4677	4947	5244	5795	6087	6339
Growth rate (in %)	-	5.77	6.00	10.51	5.04	4.14
Business per employee	58.90	64.90	72.70	77.10	85.90	96.60
Growth rate (in %)	-	10.19	12.19	6.05	11.41	12.46
Profit per employee	0.50	0.50	0.30	0.40	0.40	0.50
Growth rate (in %)	-	0	-40	33.33	0	25

Source: RBI annual report

Amount: Rupees in millions

**Chart-1.1: Growth Rate of Karnataka Bank from 2007-08 to 2012-13**



**On the basis of data compiled in the above table, the following analysis has been carried out**

- The Karnataka bank has steadily increased the number of branches from 2007-08 to 2012-13. The maximum growth rate of the bank in terms of number of branches is 8.92 per cent in the year 2012-13. The bank’s lowest growth rate is 3.09 per cent in 2010-11. The data shows that the bank is using CRM as a strategy to increase its customer base by opening up new branches in remote and sub-urban areas.
- The number of employees of Karnataka bank has also increased constantly from 2007-08 to 2012-13. The bank has understood that the customer requirements are unique. In order to meet the expectation, there is a need to recruit more number of employees. The bank in the year 2010-11 has a growth rate in terms of number of employees is 10.51 per cent. The bank has increased number of employees to improvement CRM initiatives effectively and to maximize he wealth of the bank.
- The bank is able to generate positive business per employee from 2007-08 to 2012-13. In all the years selected for the research the bank has improved its business per employee. The employees of the bank have maintained a consistent growth rate in all the years except during the year 2010-11.

- In terms of profit per employee the bank is able to obtain positive growth only from 2010-11 periods with 33.33 per cent. Though in the next year itself there is zero growth rate in 2011-12. The bank with the implementation of effective CRM practices has increased the growth rate of profit per employee from zero to 25 per cent in 2012-13. The CRM is a very important fact for the earning profit per employee.

**VI. IMPACT OF CRM ON THE PERFORMANCE OF SYNDICATE BANK**

Syndicate bank is one of the fastest growing banks in both rural and urban areas. The bank has offered various forms of schemes on regular basis in order to retain existing customers and attract the new customers from the competitors. The bank has identified the value of customer for its growth and has introduced customer relationship initiatives such as online trading, SMS banking, temporary overdraft, global debit cards, mobile banking, free fund transfer etc. The bank performance has been evaluated by considering few important parameters which are analysed below.

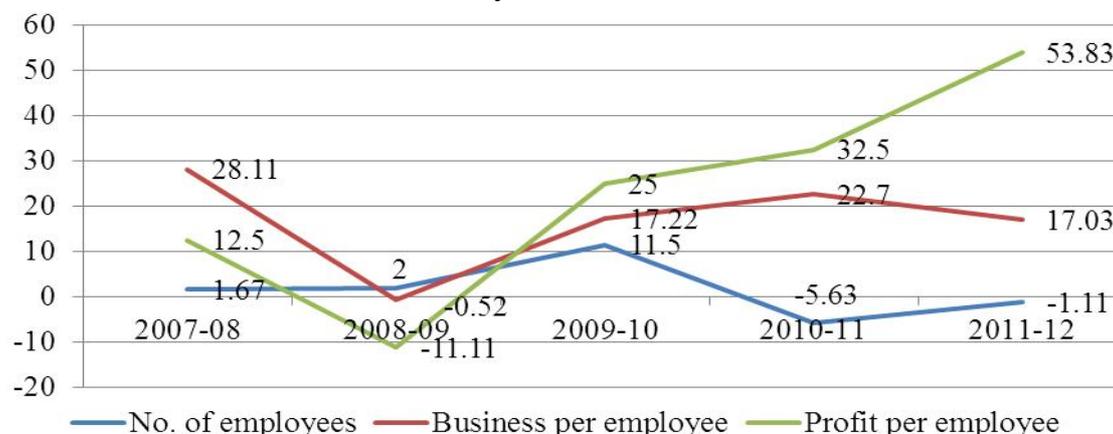
**Table-1.2: Performance of Syndicate bank from 2007-08 to 2012-13**

Factors	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
No. of branches	2282	2343	2429	2620	2707	3041
Growth rate (in %)	-	2.67	3.67	7.86	3.32	12.34
No. of employees	24656	25068	25569	28509	26904	26606
Growth rate (in %)	-	1.67	2.00	11.50	-5.63	-1.11
Business per employee	58.60	75.07	74.68	87.54	107.41	125.70
Growth rate (in %)	-	28.11	-0.52	17.22	22.70	17.03
Profit per employee	0.32	0.36	0.32	0.40	0.53	0.81
Growth rate (in %)	-	12.5	-11.11	25	32.5	53.83

Source: RBI annual report

Amount: Rupees in millions

**Chart-1.2: Growth Rate of Syndicate Bank from 2007-08 to 2012-13**



**From the above table the following has been observed**

- The number of branches have increased over the years. In the year 2007-08, there were only 2282 branches which have increased to 3041 in the year 2012-13. The bank has opened new branches at a constant rate in all the years between 2007-12, but during the year 2012-13 the bank increased their branches by a greater margin compared to other years under the study. This shows that the bank is able to attract more customers towards it and it is developing at a greater pace.
- In terms of number of employees the bank has 24656 employees in 2007-08 and 26,606 employees in 2012-13. The above data shows that there are some ups and downs in number of employees. The number of bank employees is increased to 28,509 in the year 2010-11 which is 11.50 per cent. The number of employees has come down to 26,909 in 2011-12 and 26,606 in 2012-13. There was downward movement from the past three years. The bank should try to improve the number of employees because it is increasing the number of branches.
- The business per employee is showing the positive sign. It is observed that the amount of business per employee is constantly improving in all the years except in 2009-10. There was a negative growth rate (-0.52%) business per employee, but in the rest of the years considered for the research, the bank has registered a good amount of business per employee. The highest business per employee was reported in the year 2011-12. It was 22.7 per cent.

- The growth in terms of profit per employee is consistent over the years. In 2009-10 there was negative profit of -11.11 per cent which was converted into positive profit in the next year itself. After 2009-10, the PPE growth rate changed drastically in all the years. The bank was able to earn good profit and in the 2012-13 it earned highest profit per employee of 53.83 per cent. These figures shows that they were able meet the expectations of the customers and enlarged their market share and profit.

## **VII. MAJOR FINDINGS**

### **1. Performance of Karnataka Bank**

The Karnataka bank steadily increased the number of branches from 2007-08 to 2012-13. The maximum growth rate of the bank in terms of number of branches was 8.92 per cent in the year 2012-13. The bank's lowest growth rate was 3.09 per cent in 2010-11. The data shows that the bank is using CRM as a strategy to increase its customer base by opening up new branches in remote and sub-urban areas.

- The number of employees of Karnataka bank increased constantly from 2007-08 to 2012-13. The bank understood that the customer requirements are unique. As a result, it recruited more number of employees to meet the customer needs. The bank in the year 2010-11 had a growth rate in terms of number of employees at 10.51 per cent.
- The bank was able to generate positive business per employee from 2007-08 to 2012-13. In all the years selected for the research, the bank improved its business per employee. The employees of the bank maintained a consistent growth rate in all the years except during the year 2010-11.
- In terms of profit per employee the bank was able to achieve positive growth from 2010-11 with 33.33 per cent. There was no growth in 2011-12. The bank, by implementing CRM practices effectively, increased the growth rate of profit per employee from zero to 25 per cent in 2012-13.

### **2. Performance of Syndicate Bank**

- The number of branches has increased over the years. In the year 2007-08, there were only 2,282 branches which were increased to 3,041 in the year 2012-13. The bank opened new branches almost at a constant rate in all the years during 2007-12, but during the year 2012-13 the bank increased its branches by a greater margin compared to other years under the study. This shows that the bank is able to attract more customers towards it and it is developing at a greater pace.
- In terms of number of employees the bank had 24,656 employees in 2007-08 and 26,606 employees in 2012-13. The above data shows that there are some ups and downs in number of employees. The number of bank employees was increased to 28,509 in the year 2010-11 at the growth rate of 11.50 per cent. The number of employees came down to 26,909 in 2011-12 and 26,606 in 2012-13. There was a downward movement from the past three years. The bank should try to improve the number of employees because it is increasing the number of branches.
- The business per employee is showing the positive sign. It is observed that the amount of business per employee was constantly improved in all the years except in 2009-10. There was a negative growth rate (-0.52%) business per employee, but in the rest of the years considered for the research, the bank registered a good amount of business per employee. The highest business per employee (22.7 per cent) was reported in the year 2011-12.
- The growth in terms of profit per employee was consistent over the years. In 2009-10 there was a negative profit of 11.11 per cent and that was converted into positive in the next year itself. After 2009-10, the PPE growth rate changed drastically in all the years. The bank was able to earn good profit and in the 2012-13 it earned highest profit per employee at 53.83 per cent. These figures show that they were able meet the expectations of the customers and enlarged their market share and profit.

## **VIII. SUGGESTIONS**

It is noticed that average business per employee of private sector banks is low. Whereas, average profit per employee of private sector banks is higher. It is very simple that the private banks levying higher interest or transaction costs. Private banks may claim that they work efficiently and effectively. Leave it apart, high cost business costs the relationship. It is a gentle advice to the private banks that if you care customers, they reciprocate it.

## **IX. CONCLUSION**

The success, failure and growth of public sector banks and private sector depend upon the management, the management depends upon the employees, the employee depends upon the operational, functional and customer

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relationships practices in public and Private sector banks. This would lead to increased flow of savings to the banking and demand for retail and personal banking services in spite of a severe competition among the banks to attract new and potential customers and retain existing customers.

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## IMPACT OF DIGITAL MARKETING TOWARDS CUSTOMER LOYALTY

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### ABSTRACT

*It takes a certain degree of vulnerability to thrive in today's digital culture. We see evidence of this each day through social media. For much of the history of modern business, brands have stood behind a curtain of sorts; operating as separate, non-human entities from the consumers they target. This is still the case, as it should be to a degree. But, part of what enables a brand to exhibit a social consciousness, or a personality in general is in the brand's transparency and open communication with reflects in customer loyalty.*

*Keywords: Digital marketing, Digital Marketing Communication, Customers*

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### INTRODUCTION

Marketers are learning how regular contacting affects the building and sustaining of customer relationships. The dominant logic of marketing is shifting from the exchange of goods towards service, interactivity, connectivity and ongoing relationship. Technological innovations, new channels, and changing media environment facilitate this shift, and the question of how firms should interact with their customers is gaining in importance, especially as the firm considers the cost difference between traditional communications media such as sales forces, and electronic media, such as web and email.

Marketers can now be in touch with their customers on more frequent basis and increase the level of personalization and interactivity with low or non excessive cost, our main claim is that being frequently in touch with the customers, should help achieve positive effects on customer loyalty.

Customers can be offered additional information and brands communication when buying products or when using them. This can include newsletter, maintenance and repurchase reminders, help for keeping their products up-to-date, and tool for interacting with friends and peers,

### For example

Lensmart sends their customers email reminders when they expect customers to start running out of their supply of contact lenses. Lensmart uses database and purchase information to predict the repurchase moment and produce the personalized email. This way lensmart can sell cost-effectively to their existing customers, and automate the re-selling process.

With such prospects in mind, it is not surprising that the use of digital channels in marketing is becoming an essential part of strategy in many companies. Car manufacturing use the Internet and email to launch new models, as well as engaging their customers into interaction on their web sites and with emails.

### For examples

- BMW uses mobile portal to distinguish itself from its competitors, providing customer pictures new models, games and services.
- L'Oreal brand Lancôme uses email newsletters to keep in touch with the customers and hence strengthens their brand loyalty.

Interactivity in digital media offers customers better options to search for information, work as initiators, and gets help. Interactivity also offers customers new ways to spend time with a brand.

Interactivity also provides marketers with more information about customer's needs, preferences and interests.

Despite the growing use of digital channels in marketing and the evolving research around it, there are few models for explaining the mechanism of how digital marketing communication works from a relationship marketing perspective, especially for enhancing customer loyalty. Ideas have been suggested in many areas of marketing.

The objective of this paper is to draw together previous research into an integrative conceptual model for understanding how digital marketing communication affects customer loyalty.

### DEFINITION OF DIGITAL MARKETING COMMUNICATION

The use of digital channels to strengthen customer loyalty has received surprising little attention, despite the obvious opportunities for using these channels to keep in touch and serve customers cost-effectively. It seems like the concept of "digital marketing" has been used more operationally, while the theoretical understanding and comprehensive models of how and why to use different digital channels are still developing.

“Digital marketing uses the internet and information technology to extend and improve traditional marketing functions.” This is a broad definition, concerning all of the traditional 4 P’s, and both customer acquisition and retention. We also acknowledge that terms like “interactive marketing,” “one-to-one marketing,” and “e-marketing” are close to digital marketing, but neither are they defined very precisely. Coviello, Milley and Marcolin have defined e-marketing as “using the Internet and other interact technologies to create and mediate dialogue between the firm and identified customers.”

In this paper we refer to digital marketing communication (DMC) as communication and interaction between a company or brand and its customers using digital channels (e.g.: the internet, email, mobile phones, and digital TV) and information technology.

## **BENEFITS OF BEING IN TOUCH WITH CUSTOMERS**

### **• Frequency**

The frequency of market communication and its effects on customer relationships has gained interest in recent studies. Results imply that the strategies focus of ongoing brand communication via digital channels should be in creating meaningful brand encounters and deepening consumer-brand relationships, not just in seeking additional sales. This proportion is, not a new one in marketing as the frequency of marketing communication has been a central research topic. The findings on the effect of frequency thus provide one established base for building the theory of DMC.

### **• Information processing**

Customers engage in brand relationships to simplify buying and consuming tasks, to process information, and to maintain cognitive consistency and a state of psychological comfort and gratification. It has been found that previously presented stimuli are easier to encode and process than are novel or unfamiliar stimuli, which is interpreted by the individual as liking (Bornstein and D’Agostino 1994). This is, increased frequency helps consumers to process brand communication. Repetition also has effects on customer loyalty. It has been found that learning and increased positive experiences with certain brand decrease the search for information about alternative brands.

### **• Personalized brand communication**

Personalization is expected to be an element that can work to boost customer loyalty by creating more personal, interesting and relevant brand communication, and better service. The goal is to difference customers individually and customize marketing messages to each customer’s needs. This is also the basic idea of personalized brand communication. Thus, the marketing communication would have the potential for a stronger effect on boosting sales customer loyalty because of using personalization based on a known situation. The rationale for personalization is already recognized in earlier studies on advertising and consumers information processing, which show that when the personal relevance of a message is high, people spend more time processing it, generate more product-relevant thoughts, and spontaneously draws more conclusions. This way personalization also builds continuance commitment by creating customer exit barriers.

### **• Interactive brand communication**

The digital environment offers cost effective and convenient opportunities to convert communication from one-way into interactive and give customers access to information and communication. When customers can easily search and find desired services or support, and filter out the information they need, they see this as a convenience and as better service.

Interactivity can be studied from different perspective. Functional view concerns the function of an interface (e.g.: feedback form, chats, downloads), features (e.g.: audio, videos, games), attributes (e.g.: presence and choice of control), processes (e.g.: reciprocal communication), and outcomes (e.g.: user satisfaction). These functional elements may be different, depending on the channel and media being used.

### **• Mediating factors**

Although the main independent variables of our model are brand communication, personalization, and interactivity, there is mediating variables which affects how customer loyalty effects of DMC are created

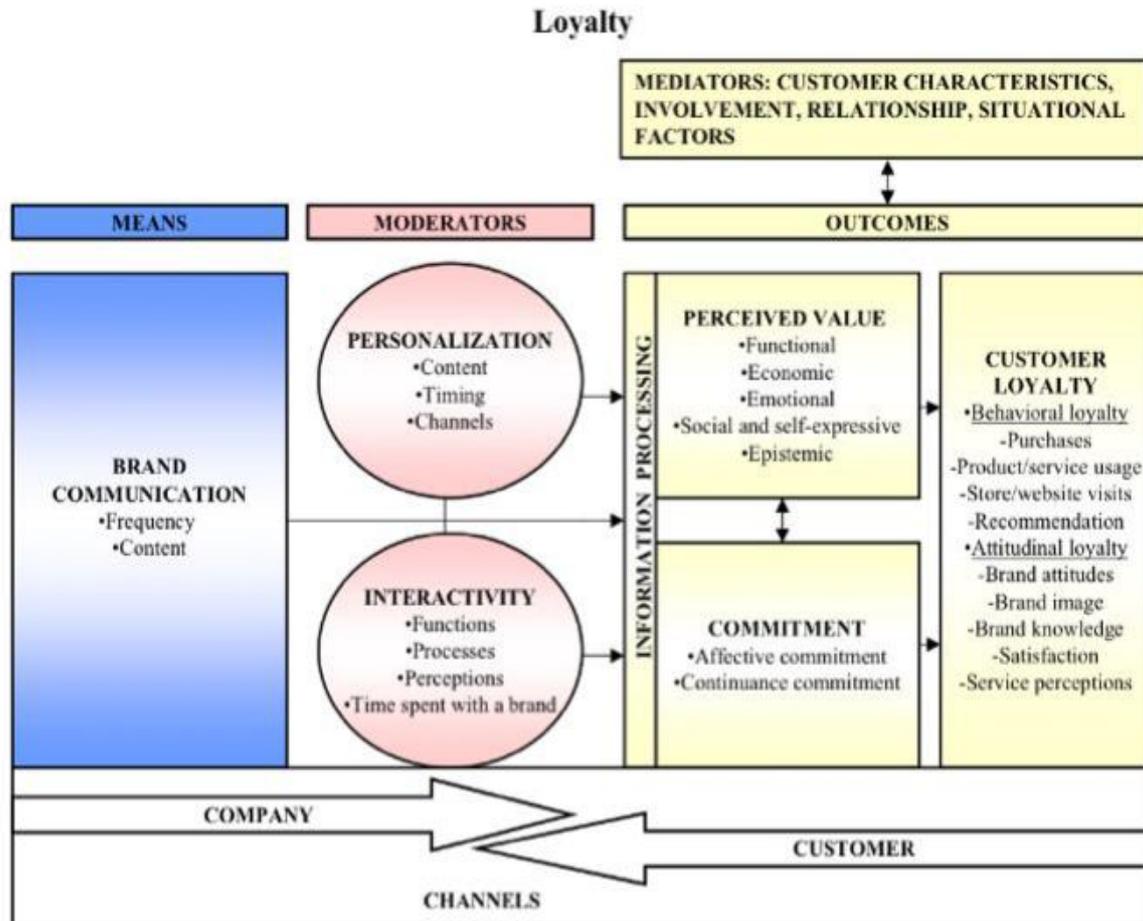
### **• Customer characteristics**

All customers are not equally responsive to DMC or willing to engage in it. It is useful for a company to know which customers have the most future potential, and which are more likely worth the investment in extensive communication and relationship building.

**DISCUSSION**

When the dominant logic of marketing is shifting from exchange of goods towards service, digital marketing communication (DMC) can help marketers improve their returns on marketing and profitability. Digital channels offer cost efficient opportunities for markers to keep frequently in touch with the customers and improve customer loyalty. With such prospective mind, it is not surprising that the use of digital channels in marketing is becoming an essential part of strategy in many companies.

**An Integrative Model of the Effects of Digital Marketing Communication on Customer**



We suggest that brand communication builds customer loyalty mainly through frequency and relational content. Information processing triggered by regular brand communication generates customer value and commitment. Increases in these improve customer loyalty, both attitudinal and behavioral. Personalization and interactive moderate the effects of brand communication on customer loyalty. Finally, we propose that customer characteristics involvement, relationship, and situational factors act as mediators.

The proposed model needs more empirical support. Because of the number of constructs and the complex relationship among them, it could be best to test it in two or more parts before testing the entire model.

**APPLICATION OF DIGITAL MARKETING**

The applications of digital marketing are as follows:

1. An advertising medium is must for digital marketing.
2. A direct response medium is also necessary for digital marketing.
3. A lead-generation method is implemented.
4. A distribution channel is constructed.
5. A platform for sales transactions.
6. A customer service mechanism is developed
7. A relationship building medium.

**DIFFERENTIATING BETWEEN TRADITIONAL MARKETING AND DIGITAL MARKETING**

	<b>Traditional</b>	<b>Digital</b>
<i>Billboards</i>	Paper-panel	LED
<i>Direct Mail</i>	Post mail	Electronic mail
<i>User reviews</i>	User reviews through postal surveys	User reviews on forums
<i>Magazines/Newspapers</i>	Print magazines and newspapers	Digital magazines and newspapers
<i>TV/Radio</i>	Regular TV and Radio	Digital TV and Radio
<i>Books/Newsletters</i>	Print books and newsletters	E-books, digital newsletters

**WHERE IS DIGITAL MARKETING USED?**

Digital marketing is used in social media marketing, public relations, display advertising, mobile marketing, email marketing, seo, ppc, content marketing.

- The good new thing about digital marketing is that you can begin at a very small scale. An internet connection, a computer and a small amount of money is all you need to become a digital marketing expert.
- By applying the concepts in your own mini project, you can learn digital marketing. On the other hand, there are MBA program specializations in digital marketing.
- **SEO- SEARCH ENGINE OPTIMISATION.** A technology which focuses on improving search visibility of websites. In simple words SEO is the online marketing. SEO can be done for any kind of small and large scale business.
- **PPC- PAY PER CLICK** is also known as cost per click.

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## CHANGING THE PATH OF INDIAN SYSTEM IS GST

Divya CV

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### ABSTRACT

*As the previous tax system in India was very complex or difficult to handle because of its involvement of cascading effects of the tax. But, after implementation of GST as it's a single indirect tax system or scheme for the whole nation is up to in making a common market in India. GST is namely, explained as goods and service tax is a indirect taxation proposed a system in India combining various existing taxes into a single taxation system new change in taxation system or for making our country towards a better growth in economic and raise in revenue.*

*Goods and service tax was first introduced in 1980 and then in 2000, it was initiated by Vajpayee government. The amendment to the constitution is passed by Lok Sabha in 2015 may, later in Rajya Sabha also. This was mainly implemented to overcome the value-added tax complexity in shortcomings. GST formation in India was on 2004 by the Task Force on the implement of the Budget Management Act 200316(Kelkar committee) and Fiscal Responsibility while examination of current indirect tax system both at Central and State level. They thought were tax system of whole nation dual GST would comprehensively tax the consumption of almost all goods and services in the economy would lead to achievement of 'A common market for whole citizens, expand the base of tax, enrich the revenue productivity of domestic indirect taxes by not overlapping and enhance welfare through efficient resource allocation'.*

*Keywords: goods and service tax (GST), indirect tax, traders, and simple system of tax*

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### INTRODUCTION

The mixture of original based and destination based taxation.

Goods and service tax is like a backbone of a human body for our economy. It is a marked step taken by our Indian government to raise the GDP and to introduce an effective regime of tax.

GST is a win-win situation for the entire nation. As the name suggests, it will be levied on both goods and services. It brings in huge revenue to stakeholders of industry, government and special to consumers. It reduces the cost of goods and services to provide a boost to the economy and to make products and services competitive all over the world. By including of central and state into a single tax form and allowing a set-off to exist taxes for the transaction of the value chain, it might lessen the effect of cascading by improving competitiveness and liquidity in businesses. "It aims to make India a common market with affordable tax rates and procedures and removable economic barriers thus, paving a way for an integrated economy at the national level".

Through the introduction of GST, it has brought in game-changing for INDIAN reform towards developing economy and a common market or a seamless markets foster. And not only improvement also impacting the tax structure, tax incidence, tax computation, tax payment and reporting leading a complete overhaul of the current indirect tax system.

### COMPANY PROFILE

"BANASANKARI SUPER BAZAAR is a Partnership Firm". The Partner of BANASANKARI SUPER BAZAAR is Sri. D. R SHIVARAMA having rich experience in Online Trading and Retail Industry Business. It was established in 2000 and running successfully since incorporation. "The main nature of the business is trading in Retail Products".

With having much experience, the unit has made a good reputation in the market and enjoying with good orders of different customers E-Commerce Operators, Private sectors, and other good customers. "With prompt delivery and good quality, the customers are fully satisfied and interested to give more orders". They are confident in increase the turnover substantially and also provide employment opportunity.

### REVIEW OF LITERATURE

Dr. R. Vasanthagopal concluded in "GST in India: A Big Leap in the Indirect Taxation System" in International Journal of Trade, Economics and Finance, Vol. 2, No. 2, April 2011 that GST will be booming Indian economy. According to him India is suffering from complicated tax system. GST will give a boost to the Indian economy.

Rathod. M (2017) in his paper "An Overview of Goods and Service Tax (GST) in India" concludes that GST will be a step towards a developed India benefiting to Many parties and the entire nation.

Garg summarizes in the article “Basic Concepts and Features of Good and Services Tax in India” published in International Journal of scientific research and Management, 2(2), 542-549 about impact of GST on Indian Tax structure and find out that GST will strengthen nation’s economy and development.

Sunitha, G. & Sathischandra, P. 2017. “Goods and Services Tax (GST)”: As a new path in Tax reforms in Indian economy. International Journal of Research in Finance and Marketing. 7(3): 55-66.

Nitin Kumar write a research paper named “Goods and Service Tax in India-A Way Forward” in “Global Journal of Multidisciplinary Studies”, Vol. 3, Issue6, May 2014 and he noted that implementation of GST in India will be a great move and it will be remove all the problems of current tax structure in India.

**OBJECTIVES OF THE STUDY**

**The following are the objective of the study**

1. To study the opinions expressed among the traders about the Goods and Services Tax (GST).
2. To study about the difficult of Introduction of Goods and Service Tax (GST in India).
3. To Study on gaining through the Implementation of Goods and Services Tax (GST) in trading sector.

**RESEARCH METHODOLOGY**

The experiment was done through targeting the “BANASANKARI SUPER BAZAAR” firm (on the bases of their transactions annually).The data were analyzed on the trades based on questionnaires and on the bases of percentage and means with considering objective of study, the research design is of descriptive nature. Available primary data was extensively used for the study.

Do traders need to register under GST?

YES, they need to register under it but if the goods are exempted and the annual turnover is below 2000000 then no need.

T1-Amazon trader

T2-Paytm trader

The questionnaire was set in two forms

1. on the basis of traders before implementation of GST,
2. on the basis of after implementation of GST,
3. on the bases of sales, profit increase or decrease and purchases

**RESULTS AND DISCUSSION**

**1. Traders sales before implementation of GST**

Where it was found that all the two selected traders in the experimental setup were an online traders in the large enterprises, in which Amazon trader have a sales of Rs.19, 51, 413 plus VAT @ 5.5% which is Rs. 1, 07, 328 plus VAT @ 14.5% Rs. 1, 74, 196 with exemption of Rs. 1,96, 807. And in case of pay tm sales Rs. 1, 57,148 plus VAT @5.5% and VAT @ 14.5% plus exemption Rs. 1,88,049.

	5.5 % Sales	5.5	14.5 % sales	14.5	Exempted	Column7	total
AMAZON ONLINE SALES	1951413.48	107327.7414	1201352.84	174196.1618	196806.93		3631097.15
COUNTER SALES		0		0			0
PAYTM SALES	157147.94	8643.1367	18908.31	2741.70495	608		188049.092
	2108561.42	115970.8781	1220261.15	176937.8668	197414.93		3819146.24

**2. Traders sales after GST implementation**

After the implementation of GST, the taxes which were extra like CST and the excise duty taxes are no more taken and a trading unit can sale or purchase within or outside countries

PARTICULARS	SALES @ 0%	SALES @ 5%	SALES @ 12%	SALES @ 18%	SALES @ 28%	IGST @ 0%	IGST @ 5%	IGST @ 18%	IGST @ 28%
AMAZON	25937	10,049	14,62,951	8,27,933	1,99,385	463	5,856	1,93,571	1,04,608
PAYTM	0	0	67,856	59,506	0	0	0	6,389	
<b>TOTAL SALES</b>	25,937	10,049	15,30,807	8,87,439	1,99,385	463	5,856	1,99,960	1,04,608
CGST	0	251	91,848	79,870	27,914	0	0	0	0
SGST	0	251	91,848	79,870	27,914	0	0	0	0
IGST	0	0	0	0	0	0	293	35,993	29,290
<b>OUTPUT GST</b>	0	502	1,83,697	1,59,739	55,828	0	293	35,993	29,290

### CONCLUSION

After the discussion about GST it can be said that, a trader is entitled to avail input tax credit on their domestic purchase of goods and service not like the previous tax regime. Before, a significant part of indirect taxes like central excise and service tax form part of the cost component to traders but now the case under GST is different as he will be able to take credit of all paid taxes. The landed cost is expected to reduce significantly under GST in case of import “traders will gain significantly in terms of input tax credit on their operating expenses thereby decreasing their operating costs”.

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**A STUDY ON IMPLEMENTATION OF GST IN INDIA: ON COMMON MAN'S PROSPECT**

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HOD, Department of Commerce & Management, Srushti Degree College, Bangalore

**ABSTRACT**

*GST is one of the key tax transformations in India. Its objective is to levy a single uniform tax across India on goods and services. GST, when implemented, replaced a number of Central and State taxes, making India more of a national integrated market and brought more producers into the tax net. GST significantly contribute to the buoyancy of the tax revenues, acceleration of growth, and generation of many positive externalities. It explains in simple, layperson parlance the complex structure of indirect taxation in India-both in the past and in the present and sheds light on the various dimensions of the tax system and how it affects all our lives. This thought provoking as assessment of GST presents the ideas and concepts that gave birth to this new system of taxation and discusses its implications on the Indian economy. Just as GST is meant to empower consumers, this research paper is designed to empower common man. This research paper presents an overview of GST concept, explains its impact on common man after its implementation. The paper is more focused on advantages of GST and challenges faced by common man in execution. Finally, the research paper examines and draws out a conclusion.*

*Keywords: Tax, Goods & Service Tax (GST), Implementation*

**INTRODUCTION**

Goods and Service tax is a noteworthy step in the field of indirect tax reforms in India. Various news organizations from all around the world focused on the bill unifying the country and it being an achievement of the government. As Goods and Service Tax bill was passed in the Rajya Sabha, it also brought India at the center of the global economy.

India has got a well-structured and simplified taxation system, wherein an authoritative segregation has been done among the Central Government, the different State Governments as well as the Local Bodies. The past 15 years have witnessed tremendous reformations of the taxation system in India. Apart from the rationalization of the rates of tax, simplification of the different laws of taxation has even been done during this period.

**OBJECTIVE OF STUDY**

- To cognize the concept of GST
- To study on impact on common man after its implementation
- To identify benefits and challenges faced by common man after implementation

**RESEARCH METHODOLOGY**

Being an explanatory research it is based on past literature from respective journals, articles, newspapers and magazines. Considering the objectives of the study descriptive type research design is adopted to have more accuracy and rigorous analysis of research study. The accessible secondary data is intensively used for research study.

**CONCEPT**

This reform gives equal footing to the big enterprises as well as SMEs. The aim of GST is thus to simplify tax hurdles for the entire economy. There are 3 types of GST,

CGST-Collected by the Centre Government

SGST-Collected by the State Governments for intra-state sales

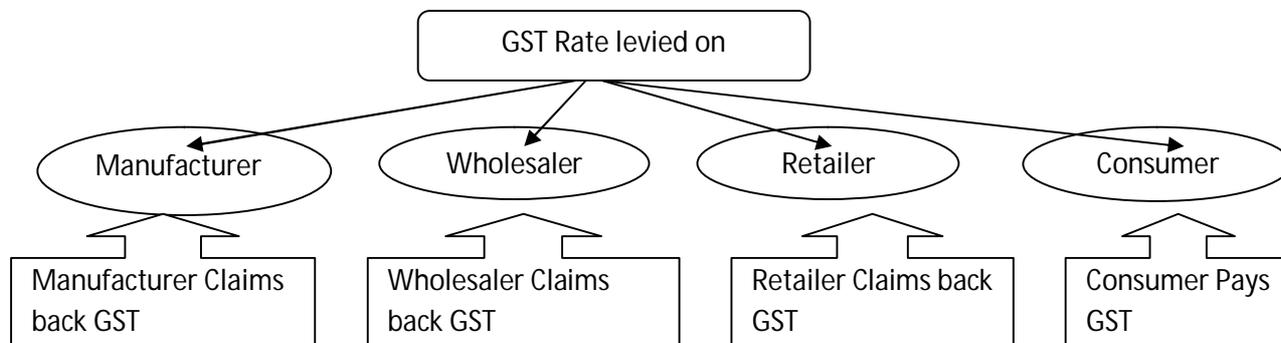
IGST- Collected by the Central Government for inter-state sales

Transaction	New Regime	Old Regime	Comments
Sale within the state	CGST+SGST	VAT+ Central Excise/Service tax	Revenue is now sharing between the Centre and the State
Sale to another State	IGST	Central Sales Tax+ Excise/Service Tax	There is only one type of tax (central) now in case of inter-state sales

For example, a businessman, in Karnataka has purchased goods for Rs. 20,000 and the tax of goods and services at 18%, which include 9% CGST and 9% SGST tax. In such a case, if the dealer has to pay Rs. 3600, then Rs. 1800 will go to Central Government and Rs. 1800 of Karnataka Government.

Now, a dealer from Karnataka sold a dealer in Goa for Rs. 20,000, on which the rate of GST was 18%. In such a case, if the dealer charges Rs.3600 on those goods, then it will be reimbursed to the Central Government as IGST.

The above example is best understood by the following chart



<b>Manufacturer sells to Wholesaler</b>		<b>Wholesaler buys from Manufacturer</b>	
Selling Price	100	Buys at	100
GST rate@5%	5	GST	5
Selling price inclusive price	105	Purchase price	105

Manufacturer hands over the GST collected

Wholesaler claims back GST (05)

<b>Wholesaler sells to Retailer</b>		<b>Retailer buys from Wholesaler</b>	
Selling Price	300	Buys at	300
GST rate	18	GST	18
Selling price inclusive price	318	Purchase price	318

Wholesaler hands over GST to Govt.

Retailer claims back GST (18)

<b>Retailer sells to customer</b>	
Selling Price	500
GST rate	30
Selling price inclusive price	530

Retailer hands over GST to Govt.

Consumer cannot claim back the GST. He will bear the GST.

**IMPACT OF GST AFTER IMPLEMENTATION**

The impact of GST on the prices of goods and services largely depend on the item in question. It also depends upon the respective State Governments and their intervention with respect to controlling prices of essential commodities. Milk, curd, for example, which is likely to see a spike in prices after GST is implemented, can still be sold at cheaper rates, if the State Government offers a subsidy on it. There is huge inflationary impact on telecom, banking and financial services, air and road transport, construction and development of real estate. One common criticism which has been hurled at GST took often is that it has been launched rather hastily, without adequately preparation and without giving its design long enough time to prevent the problems that we are now facing.

Although implementation of GST requires concentrated efforts of all stake holders namely, Central and State Government, trade and industry. Electronic processing of tax returns, refunds and tax payments through ‘GSTNET’ without human intervention, reduce corruption and tax evasion. Built-in check on business transactions through seamless credit and return processing will reduce scope for black money generation leading to productive use of capital.

Therefore it is necessary on the part of the government to educate, conduct proper training, continuous seminars and workshops on GST. Thus necessary steps should be taken. It is to be understood that at this stage, GST is an evolving process and the law and procedures have already been modified substantially, bringing the tax rates on many items much lower than originally envisaged and making the system of compliance much simpler. As

of now, GST is far from what it was envisaged to be, a simple, single rate, unified tax covering all commodities in the country and making India a truly unfragmented common market. It is certainly not a magic pill for all our economic malaises, and stabilizing it will still take a long time before it starts delivering its intended benefits. GST is confusing the common man even large scale businesses, they need to rely on advocates and chartered accountants to make them understand what is GST and how it works. Not only that but using computerized process, online registration and return filing is a hassle for those who are barely in touch with technology.

### **CONCLUSION**

There are various challenges in way of GST implementation as discussed above in research paper. They need more analytical research to resolve the battling interest of various stake holders and accomplish the commitment for a cardinal reform of tax structure in India.

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**E-HRM EFFECTIVENESS IN THE DIGITAL ERA**

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**ABSTRACT**

*Human Resources Management is the practice of recruiting, hiring, deploying and managing an organisation's employees. Human Resources is employee management with an emphasis on those employees as assets of the business. In present era firms increasingly incorporate Information Technologies (ITs) into human resource management (HRM) to cope with technological Challenges. The purpose of this paper is to examine the Electronic Human Resource Management (E-HRM) and its effectiveness in the area of HR Innovations providing purposeful development cycle as innovation implementation which lead to the effective applications of information technology. Realising the changing business requirements to survive in the tough competition and also owing to the evolved employee's expectations from their work has made the organisation to deeply focus on gamification process by applying game design theories to every situation. Electronic Human Resource Management are used to offer recommendation and suggestions for enhancing the effectiveness of electronic human resource systems. Since the emergence of the internet, a new era of HR termed as E-HRM has begun, redesigned the HR practices and processes to operate in highly competitive world. The study explores the relationship of Information Technology (IT) to HR practices to manage Recruitment and Selection which are the key components in every organisation as it generate human capital and has become a challenging role. The main goal of this paper is to analyse whether and to which extent the use of E-HRM leads to HRM effectiveness.*

*Keywords: E-HRM, Gamification in HRM, Digital HR Practices, E-Recruitment.*

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**INTRODUCTION**

**MEANING: E – HRM**

Electronic Human Resources is the planning, implementation, and application of information technology for both networking and supporting at least two individual or collective actors in their shared performing of HR activities.



E HRM is bringing transformations in the way of working and managing the human resource functions in the organisations. HRM has entered into E- HRM Era with the features of self-service and intranet based. Since E-HRM into the working organisation is gaining more attention now-a-days, it is necessary to introduce Electronic Human Resource Management in working organisation. It proposes a framework for identifying, understanding, and co-operating the changes in HRM occurring due to introduction of the IT technologies in HR field. Organisations are adopting the latest technologies to cope up with dynamic environment. Human Resource is playing two way roles in adapting E-HRM in business; on one hand employees of the organization are responsible to actualize electronic ways and operation and on the other hand how it is impacting human resource operations of an organisation. It explores how jobs are being designed and how the ways are being changed to manage the employees in virtual era.E-HRM increasingly gaining importance within working organisation.

E- HRM is the complete integration system and process based on the common HR data and information and on inter-dependent e-HRM could provide the data gathering tools, analysis, capabilities, and decision support resource for HR professionals to hire, pay, promote, terminate, assign, develop, appraise and reward employees in ways that engage them in managing their own outcomes, maximize the contribution the benefit of his or her business.

Electronic Human Resource Management is seen as offering the potential to improve services to HR department, and improve efficiency and cost effectiveness within the HR department, and allow HR to become

a strategic partner in achieving organisational goals. The recruiting aspect there is number of websites for recruiting of employees in companies some of the popular and important web sites in INDIA are

- www.naukri.com,
- jobsahead.com,
- Monsteindia.com
- Careerindia.com
- Placementindia.com
- Jobsearch.rediff.com , jobzing.com, www.gigajob.com bestjobsindia.in etc.,

**SAP:** System Applications Products in Data Processing, SAP HR is a global Human Resource Management System solution covers:

HR, Payroll, Time Manager, Transactions capabilities, and Human Resource Information Systems. The SAP HR module enables customers to effectively manage information about the people in their organization, and to integrate that information with “**Other SAP Modules**” and external systems. From the Organisation Management perspective the companies can:

- Model a business hierarchy,
- The relationships of employees to various business units
- The reporting structure among employees.
- Helps employers to track employee master data,
- Work Schedules,
- Salary and Benefits information.
- Functionality focuses on employees' skills, qualifications and career plans
- Process attendance and absences, gross salary and tax calculations, and payments to employees and third-party vendors.

Earlier IT was only extended to personnel management and payroll processing but with Passage of time and with new innovations in IT sector HRM faced a giant organizational change in terms of human resource function and employee support service. The scope of HRM has been extended from recruitment to career planning from personal information to insurance claim and from training to organizational development. The introduction of E-HRM in HR field as just simplified the tasks and has also reduced the clerical work in the organizations. Electronic HRM is easy to use and employees access the information anywhere at any time just by using internet.

#### LITERATURE REVIEW

**Sriram and Arumugam (2016)** conducted a research on how e-commerce technologies have twisted the place of work; moreover the study focuses on studying the impact of IT on jobs and services. **Globetronics Multimedia Technology Sdn. Bhd. (2003)89** had proclaimed that “install System Manager, HR Manager, Time Manager, Payroll Manager, and Report Manager will lead to success EHRM.” Large organizations use e-HR because it is qualified to collect, store, process and manipulate the large amount of data inputs, reduce cost of maintaining human resource data and provide accurate information about human resources anytime and anywhere. **Li and Maolin (2015)** revealed that many firms have swapped face to face management actions with electronic human resource management. In short E-HRM assists the HR function to generate operational potential and directly affects HRM efficiency. **BondaroakRuel and Vander Hijden (2009)99** found that E-HRM use was positively related to perceptions of general HRM effectiveness in line managers and employees.

“E-HRM can be implemented by organizational democracy where the organization is applying the democracy to design the method of process, support achieving its goals and impact community in positive” as accorded **Sachidanand R. Kulkarni (2012)10**, he concluded that “in organizational democracy, most of employers and employees participate in decision making, equally authorization in respect, opinion expressing, leader in accomplishing objectives, and team up yields better results.

E-HRM resource management is studied by **Hani and Eman (2013)109** in respect of (1) advantages and disadvantages, (2) aligning the e-HRM system with the business requirements, (3) factors for e-HRM

successful, (4) frame organization with e-HRM, (5) e-training, etc. **Size, Industry and Culture** are the 3 factors effect on e-HRM practices.

### OBJECTIVES OF THE STUDY

1. To understand the role of technology in HRM in current era.
2. To gain insights how E-HRM is transforming traditional HR in digital HR Practices.
3. To understand how gamification create an alternative method to make the learning experience more engaging, enjoyable and productive.
4. Benefits of using in E-HRM.

### RESEARCH METHODOLOGY

The purpose of research is to reduce uncertainty. The research methodologies of this research will include a combination of theoretical analysis and an empirical study of E-HRM. The paper is completely a conceptual one whose basic foundation comes from various secondary sources like research articles in Journal, published and unpublished scholarly papers, and books, various international and local journals, newspapers and websites.

### ➤ ELECTRONIC HUMAN RESOURCE MANAGEMENT BENEFITS

#### Electronic Technology in managing HR Practices

Introduction of the electronic technology in the human resource functional task will result in better controlling and cost saving. **Biometrics** is the latest electronic technology design for accurate attendance maintenance for human beings with zero errors or frauds. The time employee remained in office on work can be monitored exactly and hence paid appropriate remuneration to his total working hours.

#### Biometric system leads to reduction in sum paid as overtime

**INDIA, March, 2012:** The amount paid on an average per month as overtime allowance to the employees of Finance Ministry has come down by around one fourth after installation of biometric attendance system, the Ministry has said in response to an RTI query.



The Ministry used to pay an average overtime allowance of Rs 2, 26,978 each month, which after installation of biometric attendance system has reduced to Rs 62,600 approximately, the RTI (The *Right to Information Act* 2005) reply. The application to seek the information on overtime allowance paid by the Ministry was filed by RTI activist Gopal Prasad.



E-HRM is a web-based tool to automate and support HR processes. The implementaiton of E-HRM is an opportunity to delegate the data entry to employee. E-HRM facilitates advance business solution which provides a complete on-line support in management of all processess, activities, daa and information required to manage human resources in a present era.

## GAMIFICATION IN HRM – A NEW APPROACH IN HUMAN RESOURCE

### All Work And No Play Makes Jack A Dull Employees

Gamification is the usage of game-thinking and game mechanics specially in recruitment, training and development, and motivation, in order to engage users and solve problems. According to Gallup research released in April 2012, less than one in 10 employees are 'engaged' in their jobs. The remaining are 'not engaged (60%) or are actively disengaged' (32%) – the most harmful form of disengagement. The objective is to take techniques from game design and implement them in non-game context, so that the overall experience for the Employee or 'user' is more engaging.



Gamification encourage users to stay engaged and interact with each other, building stronger relationships. A number of organizations like Marriott, Cognizant, Deloitte, Aetna and a few others are using gaming to improve workforce alignment, enhance employee skills, solve complicated issues and tap into new talent pools. Typical game design techniques consist of goal setting, competition, real-time feedback and rewards. There are also platforms such as eMee and MindTickle that facilitate Gamification in organizations.

### Rewards... money isn't everything: Employees E Activities

- Involve employees in e-business planning process.
- By promoting transparency and offering them a strategic insight into how the company is being managed.
- Encourage knowledge sharing in a creative way, where every team can present updates on their project and e-learning points.
- Key Happiness: to minimize the risk of turning into a boring mandatory make it fun and creative by having monthly theme like Movies, Motivational talks, presentationsetc.,
- Work Card Game for teams, these cards provide many unique practice opportunities that meet the needs satisfaction and working styles of diverse teams.
- **Make On Boarding Fun:** by implementing internal communication system using e- Games by including older employees in the game.
- Creating internal magazine with fun columns, news, featured stories and opportunities.
- E-Mentoring.

“ Don't GAME the workers, companies need to design game systems that enhance work, and not to exploit their workers”.

## DIGITAL HR PRACTICES AND ITS IMPACT

In the digital age, business practices shift from batch to real-time, retrospective to predictive, desktop to mobile, and corporate-driven to people-centric. It's time to modernize HR.

### What HR needs to do differently in the future?

#### Traditional HR

1. Reactively recruit when jobs open
2. Retroactively review performance
3. Periodically measure employee satisfaction

4. Administer merit increases
5. Provide online “employee self-service”
6. Deliver structured and standardized learning resources.

#### **People and Talent 2020**

1. Become a talent destination
2. Continuously align performance with business outcomes
3. Drive employee engagement
4. Motivate people with bonuses, rewards, and recognition
5. Deliver a digital experience to employees
6. Enable the modern workforce with just-in-time learning.

#### **HR digital innovation opportunities**

1. Candidate experience drives talent acquisition
2. Continuous performance.
3. Employee digital engagement
4. Learning for the modern workforce.

#### **HOW E HRM IS CHANGING HR OPERATIONS?**

Electronic Human Resources has brought a very positive effect in solving the real problems of business. Earlier employees have to do regular meetings in order to solve the business problems, gets ideas and suggestions to accomplish task but now it has been replaced by **e-mails**, and **computerized alert** which in short saves the time and leads to more productivity in the organization. Advancement in technology has just changed the working pattern of HR department.

#### **CHALLENGES FACED BY HR PROFESSIONALS IN APPLICATION OF E- HRM**

Daily new invention in the technology has altered each and everything. The new ways of producing the things, methods for hiring the employees, teaching techniques in the organization is being used. Change in technology has increased the level of complexity in the working patterns of organizations which in short created many problems for the employees

1. Private or secret information of the companies can be wrongly used by the competitors.
2. Growing challenges in the technology is actually creating problems for the managers to get the work done from employees.
3. Advancement in technology has also increased the cost for training the employees in order to get maximum output from them.
4. There is a lack of availability of skilled personnel to handle the different areas like telecommunication, retailing, banking etc. where high technical knowledge is required.

#### **E-RECRUITMENT EFFECTIVENESS**



E- RECRUITING alternatively called online recruiting, E-recruiting is bring widely used these days, surveys show that 70 to 90 per cent of large firms now use e-recruiting systems, and it is anticipative that over 95 per cent of organization plan to use them in near future. E- Recruiting offers several benefits to the firms practicing

it, facility to apply online, wide reach often cutting across national borders, reduced cost, decreased cycle time and reduced burdensome administrative processes are some of the benefits of e-recruiting. The most common practices in e-recruiting are:

1. Adding recruitment to existing organization web sites
2. Using special recruitment websites
3. Developing interactive tools for processing application
4. Using software for screening for applications

The E-Recruitment software and systems are available, through which the entire recruitment process becomes automated. One of the systems is the **Recruitment Management System**, which is a portal that involves hiring the candidates online and each step involved in the recruitment process is automatized.

#### **THE EVOLUTION OF ONLINE RECRUITMENT FROM A TECHNOLOGY PERSPECTIVE**

Recruitment” means recruiting talent through the internet. This phenomenon spread in the early 90s in the United States, mainly thanks to the growing use of the internet. The first examples of e-recruitment were represented by job boards. Then, companies and workers tried to take advantage of technological innovations and new channels (from the company website to social networks, to applications for mobile devices).

#### **FINDINGS**

Firms can achieve sustained competitive advantages by accumulating resources that produce economic value, and can sustain competitive attempts at imitation, acquisition, or substitution. Study results were consistent with Jain, H., Mathew, M. & Bedi, A. (2012) who studied HRM innovations in the context of Indian and foreign MNCs operating in India. Previous empirical works have shown reasonably strong, positive relationships between the extent of a firm’s adoption of high-involvement HRM practices and organizational performance.

#### **CONCLUSION**

Electronic Human Resources refers to the use of internet and related technologies in support of HR activities, E-HRM has the potential to change all the traditional activities. Typically e-enable HR activities include, all these have been converted brief, and from last few years’ latest inventions in technologies are forcing the organizations to change face to face human resource management activities with electronic HRM. Earlier all the HR related work was maintained in piles of books with no data record. But with the change in time use of internet in the organizations has helped in maintaining a proper record, reduced the time and distance constraints which helped the companies to accomplish their task efficiently and effectively. Earlier all HR activities were done manually which were quite time-consuming and costly too. But with the birth of E HRM all HR related activities are now being done through internet which helps in the smooth functioning of all activities which are carried out in companies. Today every firm need to include innovative HR practices which is extremely important especially in the process of attracting and rewarding employees which are two of the largest challenges they face. With the use of social media, virtual media has also become increasingly acceptable to organization if it means that they can retain talent.

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**EMERGING TRENDS AND ISSUES IN DIGITAL ADVERTISING**

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**ABSTRACT**

*These days, digital advertising is emerged as more persuasive and effective mode of promoting a product or service than ever before, than other modes of promotion as I – Population (Indian Population) has transformed itself into I –population (internet population). According to AIMAI and IMRB report, number of internet users in India is about 45 crores. 60% of urban people in India are internet users and in rural India internet penetration is about 48%. Such a big market being exposed to a single medium creates an excellent opportunity for the marketers to reach the masses provided they plan effective advertisements. Marketers are now spending crores of rupees on promotion of products through digital advertising. According to AIMAI and IMRB report, digital advertising spend in India is expected to grow at a CAGR of 33% to touch Rs. 9, 700 crores by the end of December 2017, which is about 14% of total spend on advertisement in India. Online advertising with banner, pop-up and e-mail advertisements, search marketing, rich media, contextual advertising, social marketing and video advertising etc are a few forms to name in digital advertising. In this article an attempt is made to highlight the trends in digital marketing and issues emerging in these trends that have to be addressed by digital advertisers.*

*Keywords: Digital advertising, Forms, Social Marketing, Video Advertising, Trends, Issues*

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**INTRODUCTION**

Emerging Advertisement can inform people about different products and services, their utilities, cost and other requirements, and help us in making better purchases. And these Advertisements create a brand name for the product being promoted. People can recognize the products from the catchy advertisements they see and thus sales are also improved. The Emerged Advertisement is considered important branch of business which impresses the public about the superiority of product. A good advertisement must have certain qualities. First, it should be based on human – psychology & Attractive. People do not like to waste their time on things which do not concern them. So to be successful, advertisement must be brief. So, which company produces an innovative & emerging advertisement? At was the company is earning a more profit.

**THE EMERGENCE OF DIGITAL ADVERTISING AS A MARKET FORCE**

Today, online advertising includes not only evolved banner, pop-up and e-mail ads but also search marketing, pay-per-click, pay-per-action, rich media, contextual advertising, social marketing, video advertising and user-generated online video. Advertising is also appearing in online games, in-line text, social media, blogs and mobile formats. Online advertising, once synonymous with banner, pop-up and e-mail advertising, has developed into a multi-faceted advertising channel with huge growth prospects. In 2016, all forms of online advertising expenditures reached \$1600 billion in the United States and \$600 billion in Europe.

Online advertising growth in the United States is forecasted at 18-19 % and European growth is estimated at 25% per year (Stone, 2017). The healthy growth outlook for online advertising is from the increasing number of online users worldwide. Today, over 1 billion people, 16.6% of the world's population, are online (Internet World Stats, 2007). In the U.S., about 210 million people, 70% of the population, are online. There are 136.1 million people online in the five largest European Union (EU) countries – France, Germany, Italy, Spain, and the United Kingdom (Phillips, 2007).

**DEVELOPMENT OF E-MAIL AND THE COMMERCIAL WEB**

The Internet started out as an academic and government research network that linked government laboratories, universities, and some government contractors. E-mail was first developed in 1972 by Ray Tomlinson who worked at BBN. By the mid 1980's, academic researchers frequently exchanged e-mail (Zakon, 2006). In 1985, Dan Lynch invited vendors from different companies to learn about TCP/IP, a suite of Internet protocols that connect hosts to the Internet (Leiner, 2003). In 1991, the restriction on the commercial use of the Internet was lifted by the United States government, and the World Wide Web using HTML 1.0 and hypertext was released by Tim Berners-Lee. This hyperlink approach made surfing the web appealing to millions of people. In March 1994, Marc Andreessen released a web browser called Mosaic (later Netscape) that could read text and display images in the same browser.

**BANNER ADVERTISING, CLICK-THROUGH RATES (CTR), AND COST-PER-THOUSAND (CPM)**

- “The first simple static banner appeared on Hot Wired in 1994 for AT&T. The advertisement asked, ‘Have you ever clicked your mouse right here?’ and an arrow pointed to a button that stated ‘You will.’ When people clicked on the button, they were taken to the AT&T site (Hollis, 2005 p.255).”
- Other banner ad for Zima, Club Med, and a large number of technology companies would appear measuring 60 pixels by 468 pixels (Bruner, 2005).
- In the late 1990’s banner ads were sold on a cost-per-thousand (CPM) basis. Web sites that had very desirable audiences could charge more for 1000 impressions of an ad than websites that had less affluent, or less consumer-focused audiences. The CPM standard, which is used to purchase traditional print media, was a familiar media buying model applied to a new medium.
- The Interactive Advertising Bureau (IAB) established standards for other advertising formats, including rectangles, pop-ups, half-banners, and buttons.
- Banner ads often were served over networks such as the DART system by Double Click. At first, the measurement of advertisement effectiveness was click-through rates (CTR) or how many users clicked on an ad. Frequently, ads were placed based on the keywords used in the meta tags of web pages.

**POP-UP ADVERTISING**

Where an ad is served in a new window, gained in popularity in the late 1990’s. “Pop-up ads generate a click-through 13 times that of the standard 468 x 60 pixels banner ....The analysis was done over a one-week period with 15 million Internet users served 168 million ad impressions on the Advertising.com network of sites (Morrissey, 2003).”

**SEARCH MARKETING, PAY-PER-CLICK (PPC) AND RICH MEDIA**

In 1998, Overture (Goto.com) offered paid or sponsored searches. Sponsored searches provided the money for the growth of web portals such as MSN and Yahoo. In 2003, Yahoo purchased Overture for 1.7 billion. Search marketing is based on advertisers who place bids for keywords. For example, a car company might pay for keywords such as “buying cars,” “car reviews,” or “automotive awards.” In search marketing, the advertiser pays when a user clicks on an ad. This is called pay-per-click (PPC).

Rich media transformed online advertising from a direct response model to a brand marketing model. Rich media “...allow advertisers to take traditional media assets like video, audio, animation, and photos, and combine them into a multimedia branding experience that streams from an ad server to the client machine (Koegel, 2003).” Rich media technologies include Flash, Unicast, Eyeblaster, Eye-Wonder, and Point Roll. At first, consumers had to download a plug-in to play ads using rich media technology; today, most ads play on operating systems that have Flash and Shockwave software pre-installed.

Online advertising theorists, including Briggs in 1998 and Dre`ze and Hussherr in 2003, stated online advertising builds brands. Because rich media make ads more interactive, the audience becomes more engaged with the brands. Studies by the IAB, Double Click, and others revealed Flash and other rich media produce a lift in brand metrics.

Big brands, including Toyota, Hewlett Packard, American Express, and Sony began to showcase ads using rich media in 2002 and 2003 (Koegel, 2003).

**GOOGLE, CONTEXTUAL ADVERTISING**

Google opened its web site in September 1998. With a new approach to web search-based link analysis, Google grew quickly using the standard keyword advertising approach. Because the consumer audience flocked to Google, advertisers soon followed. Google started Google Ad Words in 2000 to appeal to the small business audience. By filling out a form and supplying a credit card, small firms could advertise on Google in competition with major brands. However, problems with high cost-per-impressions or CPM rates led to an auction-based model by the spring of 2002 using cost-per-click (CPC). In 2003, Google changed online advertising with Ad Sense – contextual targeted ads based on the technology of its new acquisition – Applied Semantics.

Contextual advertising uses the context of an article or story a user is reading and matches it with associated product or service advertising. Someone reading articles on a new baby might receive ads related to baby clothing, baby products, or books on babies. Yahoo, Kanoodle, and ValueClick also offer contextual advertising.

**YOUTUBE, VIDEO ADVERTISING, AND USER-GENERATED ONLINE VIDEO (UGOV)**

YouTube became one of the world's most popular web sites in 2006. As broadband adoption grew, more people were able to download video. In 2006 at the age of 18 months, YouTube was acquired by Google for \$1.65 billion. In January 2007, YouTube claimed to show 70 million videos each day, including those produced by Coca-Cola, Dove, and the National Hockey League. User-generated videos from Alka-Seltzer, Chevrolet, Doritos, and the National Football League will air on television during the premiere advertising showcase in the U.S. – the Super Bowl. Advertisers expect Super Bowl ads to spur viral advertising, as people send e-mails containing the ads to friends and family. Video ads may be in-banner or in-stream. In-banner ads start when a consumer clicks or rolls-over a banner ad with a mouse. In-stream ads usually are shown pre-roll or before other video content that customers want to play. Video ads also can be shown after other content (post-roll) or in the middle of other content (mid-roll). Most video ads are 15 seconds in length.

**DIGITAL ADVERTISING ISSUES AND TRENDS**

No portrait of the emergence of online advertising is complete without noting the issues raised by its increased use. Early and still prevalent concerns are consumer frustration with spam and intrusive pop-up ads. However, there are abundant tactics, including cyber buzz, cyber bashing, and even cyber stalking, that can threaten a company's reputation and personnel.

**CORPORATE REPUTATION**

In classic print and broadcast campaigns, advertisers are reasonably assured their messages are controlled and will be delivered to the target audience as created. In an increasingly interactive online world, messages can be distorted, rumours circulate in seconds, and false information can be hard, if not impossible, to counteract.

People with claims against companies, disgruntled employees, and dissatisfied customers have a First Amendment Freedom of Speech right and a web forum to state their beliefs. Anti-corporate blogs are commonplace. Perhaps no company has received more cyber attention than Wal-Mart Stores, Inc. Many large companies, including eBay, PayPal, and Bank of America, are fighting widespread and troublesome imitative sites. To protect their corporate and brand image, trademarks and copyrights, and credibility with customers, companies are monitoring the web and using legal recourse under defamation laws and copy-right and trademark judicial decisions to protect their reputation and bottom line. A fast-growing web monitoring industry exists to protect companies. Monitoring companies may offer print, broadcast, and Internet monitoring and note any mention of their clients in these media. Internet monitoring extends beyond web pages to include web-generated publications and video.

**E-MAIL ADVERTISING**

The positive and negative sides of e-mail advertising continue to evolve. The average return on every dollar spent on e-mail is \$57.25. The channel seems to be gaining traction on several fronts, and Jupiter Research expects the marketing spend on e-mail to exceed \$1.1 billion by 2010 (Baker, 2006).’ On the negative side, spam continues to proliferate worldwide. ‘Unsolicited junk mail now accounts for more than 9 out of every 10 e-mail messages sent over the Internet. Much of that flood is made up of a nettlesome new breed of junk e-mail called image spam, in which the words of the advertisement are part of a picture, often fooling traditional spam detectors that look for telltale phrases (Stone, 2006).

**POP-UP ADVERTISING**

Pop-up advertising continues despite the use of pop-up blockers by 80% of users. To overcome user-resistance, advertisers are using new formats, such as on-line games and contests. Pop-up ads most frequently appear on sports, news, community, music, financial services, and travel sites (Ryan, 2003).

**IN-GAME ADVERTISING**

‘Massive CEO Mitch Davis said he believes in-game advertising will be a billion-dollar industry by 2010. CEO of Double Fusion Jonathan Epstein predicts seven years from now the in-game advertising will be worth between 5 and 10 billion (FierceGameBiz, 2006).’

**IN-LINE ADVERTISING**

In-line advertising is the latest form of online advertising to generate controversy. In line advertising is described by Vibrant Media: IntelliTXT in-text advertising allows words and word phrases across the Internet to become opportunities to engage. IntelliTXT is delivered in a user-driven format allowing you to engage with your audience while they are reading content that is relevant (Vibrant Media, 2007). Vibrant, one of the fastest growing companies in the tech sector explained the growth of in-line ads: More than 1,200 publishers are now running Vibrant Media's IntelliTXT campaigns in seven languages, and the company serves four billion double-underlines each month. Vibrant Media has the capability to deliver 200 million user-initiated video

commercials for its advertisers, which include Eidos, Microsoft, Sony, Nike, Intel, and Warner Brothers (Vibrant Media, 2006).

### **SOCIAL ADVERTISING**

Advertising on social networks or on social media, such as MySpace, Facebook, Bebo, AIM pages, and Orkut, is starting to surge because Internet users enjoy creating their own pages and looking at their friends' pages. "eMarketer estimates that worldwide social network ad spending will reach 1.1 billion in 2007, up from 445 million in 2006. By 2010, spending is expected to rise to \$2.8 billion (Oser, 2006)."

### **BLOGS**

The presence of advertising on blogs is a growing trend. Blogs are small or large websites that express opinions in user postings arranged in chronological or topical order. With over 40 million blogs on the Internet, advertisers are taking notice (BlogPulse, 2007). Companies, such as Google (AdSense), Federated Media, Reviewme and Blogads, advertise on blogs. Ad rates are based on readership and link popularity. Some bloggers have used an RSS feed, which is a news or topic feed, to drive customers to their blog or podcast.

### **MOBILE ADVERTISING**

Mobile advertisements are placed on cell phones, smart phones and other mobile devices. The ads can be in many formats: banner, games, coupons, text messages, audio or video. Mobile advertising is expanding, accounting for \$360 million in revenue for 2006. It is estimated that it will reach \$720 million in 2007 (Burns, 2007). Some consumers view mobile advertising as too intrusive, a threat to privacy, or as a spamming threat; others regard it in stride as part of the media mix.

### **WORLDWIDE GROWTH IN ONLINE ADVERTISING**

Based on information from Price water house Coopers (2006), online advertising revenues by 2010 will be \$25.5 Billion in the United States, \$14.9 Billion in (EMEA) Europe, the Middle East and Africa, \$9.9 Billion in the Asia Pacific, \$812 million in Canada, and \$512 million in Latin America. Much of this growth is attributed to an increase in broadband access and continued economic growth in Asia and Latin America.

### **CONCLUSION**

Online advertising has grown from static banner ads, intrusive pop-up ads, and e-mails in 1994 to include a variety of rich media formats and pricing models in 2007. Online advertising has expanded with the growth of the online audience and improved technology. Advertisers indicate they plan to spend a greater portion of their media dollar on online advertising in 2017 while decreasing their print and broadcast budgets.

Negative news regarding online advertising is the growing concern about click fraud, which is turning advertisers away from pay-per-click spending. There also are concerns about preserving corporate reputation when ads are misconstrued, poorly conceived, or mocked. The same mechanism that disseminates an ad worldwide in an instant also can have an immediate global impact on a company's public image. Although many believed consumer resistance to banner ads and pop-ups heralded the end of online advertising, the reverse is true. Advertisers are using new formats and technology to make online advertising a medium of choice to reach consumers worldwide.

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**EMPLOYEE MOTIVATION: “A STUDY ON EMPLOYEE MOTIVATION AND ITS EFFECTIVENESS”**

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## **INTRODUCTION**

### **Motivation**

Motivation is an incitement or inducement to act or move. In incentives we generally expect greater output with the same inputs.

While motivation involve some more inputs considered necessary for changing the work, attitude and behavior. Motivation may be through financial or nonfinancial motivators.

Survival and growth of an organization depends considerably on the performance of its employees. Performance of an employee depends on his/her ability to work and his/her willingness to work First one is personal that depends on the employee's qualification, skills, experience, etc. that can be changed through training and development programs. The second factor involves willingness to work that depends on the behavior and attitude of a person that is difficult to change. That means motivating him/her only will give the desired results to give overall better performance.

To attain the organizational objective an optimum productivity is required and to attain an optimum productivity a motivated workforce is essential.

Determinants of motivation are individual, organizational components and external or exogenous variables.

## **PROBLEM DEFINITION**

Basic concept of business is to get maximum output with minimum input. In this regard challenge is to get maximum output from each employee. Factors that motivates an employee to contribute more to the company and how effective is this contribution is the summary of this study.

## **OBJECTIVES OF THE STUDY**

1. Can the employees be motivated by the organization?
2. What are the factors that motivates an employee?
3. Does a motivated employee enhance his/her contribution to the organization?
4. How effective/useful is the contribution from a motivated employee?
5. Does the effective contribution by a motivated employee results in better performance of the company?

## **RESEARCH METHODOLOGY**

This is a DESCRIPTIVE STUDY. It describes the characteristics of people. That is the study describes the effect of motivation on employees of an organization. Effect of motivation defers from person to person and depends on their individual characteristics.

**Sample Size:** Total of 100 samples were selected.

**Sample Type:** Convenient and judgement sample method was used to identify the respondents. Employees working in service sector like telecom, IT, ITES, and other similar industries were selected.

**Sample Unit:** Unit of sample in this study are the employees working in line function and their contribution matters to the company.

## **SCOPE OF THE STUDY**

The study is general in nature and not confined to any level of job or any specific industry.

The study attempts to describe objectively the impact of motivation and its effect on the output.

## **LIMITATIONS OF THE STUDY**

- Study was confined to the urban Bangalore.
- Study was conducted in general for service industry, not specific to any industry.
- It is only a descriptive study that do not conclude anything. However based on the outcome of this study, further study can be taken that will be a conclusive study.

**PRIMARY DATA**

Primary data was conducted with the help of a structured questionnaire with objective questions. Researchers personally met the respondents and collected the data.

**SECONDARY DATA**

Secondary data was collected through HR related books, Motivation related books, related journals and related websites. The investigators had personal discussion with HR executives of few companies.

**DATA INTERPRETATION & ANALYSIS**

Data was interpreted in approximation and percentage by using the wordings like few, more, maximum, etc. Data analysis was carried out with the help of tables, graphs and charts.

**CORPORATES**

From enforcing the discipline on employee's and using coercive methods to get from the employee's today corporates are treating employees as their partners in growth. Today's employees are pampered with incentives to motivate the employees.

**Employees are motivated financially in two ways**

1. Earnings in the form of direct cash. In this category the employees getting bonus, incentives and overtime in earlier days. Now a days, the employees are given ESOP that is employee stock option, they are given cash vouchers, Sudoku coupons, a lump sum cash in certain intervals to entertain themselves and relax with their family.
2. Earning in the form of indirect cash. In this category the employees are given benefits in kind like getting them a vehicle, providing company vehicle to commute between the house and office, costly gifts as performance rewards, lunch/dinner coupons, staff outing to exotic places/resorts, free accommodation and so on.
3. Rewards and awards. In this category the best performing employees are given a medal with cash or without cash. In the some companies the medals will be pure gold, silver, etc. Out of turn promotions for the best performers. They need not wait till they complete a minimum period of service to get a promotion. Very popular among MNCs are posting in foreign country.

Objective of our study is to find out the effectiveness of the above said approaches of the company. Because all the above said motivators will cost heavily to the company.

**FINDINGS**

1. Employees do get motivated by the motivating factors extended by the company.
2. Most of the times it makes the employees to increase their efforts.
3. Many of the employees will not just increase their efforts, they will also see the employers expectations are met in return for motivators.
4. Majority of the employers get motivated when their expectations and aspirations are addressed by the company.
5. Gesture is more important for many employees than the commercial gain.
6. If the offer is well planned and in line with the employees expectation then the employees will definitely increase their productivity.
7. A motivated employee will innovate new ideas that will benefit the company in multiples of what they have spent on motivators.
8. Contribution from the employee will not be effective when the company get arrogant about spending.
9. When the company equates its spending on motivators to the results with immediate effect, it will demotivate the employee rather than motivating them.
10. In spite of spending so much of money on Motivators Company cannot get back an effective reciprocation from the employees when the employees are reprimanded in open.

**RECOMMENDATIONS**

1. Keep motivating the employees more and more as it will increase their efforts.
2. Motivating the employees and do not specify your expectations, they are matured enough to reciprocate.

3. Motivate your employees with what motivates them and not with what works out better to the company.
4. When you extend an extra benefit to the employee, let it be a good gesture than a tradeoff.
5. Motivate your employees with a good intentions of keeping them in good books. Because they are intelligent enough to understand your intentions.
6. Never try a stick and carrot. The genuine motivation will make the employees to innovate for better results.
7. Do not equate the results with your spending. Because once the employee is motivated properly, he/she may give you back more than your expectation.
8. In spite of spending on motivating the employees, employees will get demotivated when they are reprimanded openly. So train your managers to treat the employees in a dignified way.

### **CONCLUSION**

The study wanted to answer two questions that is whether the employees can be motivated? If so what is the return from a motivated employee in terms of results. The study concludes that the employees get motivated by the motivators extended by the company to them and in return contribution from a motivated employee will increase the productivity and also the profit of the company. Motivation should remain as a good gesture and should not be a trade of between the spending and getting returns that is more than their spending.

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**ETHICS FOR HUMAN EXCELLENCE: IN MODERN EDUCATION SYSTEM**

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**ABSTRACT**

*Education enriches a person's knowledge in the area of their specialty. It provides the required technical skills that help the individuals to enhance their status in the society get them good jobs and help them earn money. Education is not only getting degrees that provides platform to help them get jobs or to enhance the individual status in the society and earn more money. Of course Education enhances a person's Human Excellence; Holistic approach to Human Excellence consists of Ethics as component. Aptly many universities have introduced Ethics as a subject of study in higher education.*

*Educational institutions can imbibe the value of ethics in students and clear the dilemma between the right and wrong. Once, the educated youth who are out of the college can believe in themselves and can take up the challenge to trek path of ethics and propagate the same to the society, Ethics through education can pave way for Human Excellence.*

*In my paper, I have discussed the relevance, Need, Benefits of Ethics in Human Excellence. Further the paper will be highlighting today's scenario where the values are down, morale is questioned and there is a dilemma between the right and wrong. Every professional is in a dilemma to approach the path which is giving instant success or to trek the path of sincerity, honesty and values that has no buyers in the society. Same will be quoted with suitable examples.*

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**INTRODUCTION**

Ethics is not empirical, it is just a building a table is not empirical. Indeed makes several trials building a table but over the trials one discovers the proper *principles* of building it. Similarly, ethics is not about measuring the gross domestic product of a society and recording the behaviour of the majority of people living in it. It involves identification of the *principles* of behaviour that lead to the success of an individual and a society. These principles are timeless; they always "work" given their context (that life, choice and happiness are possible).

Since the days of Plato and Aristotle, ethics has been regarded in the general classification of knowledge as a branch of philosophy. It should be remembered, however, that the scope of philosophy has been gradually restricted as special sciences have attained independence of general systems of thought. Yet, great as this restriction has been, ethics has not yet succeeded in establishing itself as an independent science, but remains along with logic, metaphysics, and aesthetics, as one of the parts of philosophy. This fact has determined the place which ethics has held in the general arrangement of college and university studies and its affiliations with other departments of knowledge

Ethics cannot be taught, cannot be enforced upon, and cannot be punished for not practicing ethics. Ethics movement is growing strongly in US because risk of being penalized for being unethical is great there. If ethics cannot be taught what relevance it has in education or in higher education where everything is taught. If it cannot be taught, can it be learnt? Then why should our students learn ethics when it cannot be taught. In this era where people do not follow the rules that are enforced and punishment cannot deter them from doing wrong things. Then what is the relevance of ethics in this scenario. Are the policies and programs of the universities and institutions are clear. The transparency in admissions, process, dealing with the complaints, etc, Will they not put the student in a dilemma? Dilemma between right and wrong. What to choose between instant success v/s path of sincerity, honesty and values. Couple of examples given below will describe their dilemma.

**ETHICS IN HIGHER EDUCATION**

In our department while finalizing the attendance for the students allow them to write the examination, we decided to give concession to those students who had shortage of attendance due to health reasons. This concession would be extended on the basis of a valid medical certificate. For our surprise, most of those students who had attendance shortage came with the medical certificates and claimed the stake for the special consideration. Technically all those students had produced the valid medical certificate. In reality all of them did not deserve to get the concession because at least some of them had obtained the medical certificates falsely though they were not ill. As a student what should be my choice.

1. If the college accepts all the medical certificates on the face value even after sincerely attending all the classes should I be on par with those who have submitted false medical certificates and got away or I shall also produce false medical certificate bunk the classes and enjoy the time in my own way.
2. If the college rejects all the claims – Even if have fallen ill and my case is genuine, why should I be penalized for somebody else's fault.
3. Is there any fool proof method to segregate the genuine and false medical certificates? If so how much practical it is?

For the Research project, Common with Management students in general and MBA students in particular is plagiarism. It is easy, fast and not many rounds to the guide and also fetches very good marks. A student who wants to take up a dissertation independently, the path is not is easy. Plagiarism is rewarding. From the students point of view the option is what suits me best or what else? So there is a need for proper direction for these students. There is a need to learn ethics, understand ethics and practice ethics particularly in higher education. In the society the people look to the highly educated people as a reference whenever they are in ethical dilemma. It is the highly qualified youngsters who can sustain the nitty grit ties of hardship that one has to undergo for practicing ethics and to obtain high moral values. Though it is a tough path to tread once they get the satisfaction of being ethical that changes the person's attitude towards his/her own life and also towards the society. The acknowledgement need not be in the form of materialistic rewards. The satisfaction of being good to oneself and to the society will outweigh all other materialistic and short term rewards.

Ethics does not prescribe every single decision one makes. It does not prescribe the, method to brush one's teeth but it will tell you that your health is a value that needs to be maintained. The details are up to a more specialized or specific study. Ethics won't tell you how to play chess - it will only evaluate the value of thought provoking games for you, and their role in life.

Any flaw in our ethics will reduce our ability to be successful in our endeavors Then ethics is a religion, or is it a philosophy, or is it metaphysics. It is difficult to answer this question. May be one of them, some of them, all of them or none of them The higher education system in India has grown in a remarkable way, particularly in the post-independence period, to become one of the largest system of its kind in the world.

However, the system has many issues of concern at present, like financing and management including access, equity and relevance, reorientation of programmes by laying emphasis on health consciousness, values and ethics and quality of higher education together with the assessment of institutions and their accreditation. These issues are important for the country, as it is now engaged in the use of higher education as a powerful tool to build a knowledge-based information society of the 21st Century UGC In today's world where people are confused, the morality is down, every day we hear about crime, corruption, cheating, etc, where the politicians have become a bad example to the society, the common man is looking up to the educated class to find a direction or watching these educated class for their response to the situation.

People with higher education have the capacity to bring about the change in the society. The ethical value they possess, the moral they have, and their virtues will become a role model to their subordinates, juniors, colleagues and common man. To acquire these virtues one has to learn them from the institution where he/she has acquired the qualification. In this regard the Institution will play an important role in imparting the ethics and attain human excellence. Today, people are identified not only by their qualification, but also by the institution they have studied and the virtues they possess.

It is not only what the institution has taught the students towards human excellence. How much of ethics, moral, values and virtues the institution as a whole, the management, the authorities, the faculty and all those who matters have practiced the same and have imbibed them in to their both professional and personal life is very important. The institution should create an atmosphere where in the student will grow up and groomed in a perfect ethical environment and imbibe the same in his/her person. Once the students imbibe and practice ethics as a part of their routine, it leads to an institutional culture. Once the students become a part of this culture, being ethical becomes a way of life. That is the value of ethics in higher education and that is the excellence one can achieve in their life through higher education.

### **REAL-TIME EXAMPLES OF ETHICS**

I give below couple of examples as to how a common man in the street has placed an educated person and looking forward to a better tomorrow through them. It was eight o'clock in the night and was raining heavily. I was driving my car in small stretch in J.P.Nagar to pick up my daughter from her tuition class. I was tired, driving with my spectacles was difficult and there was a traffic jam. The traffic was moving very slowly and

cautiously I was giving a little space in the front and tailing another car. All of a sudden a motorcycle entered this gap abruptly and could not move ahead because of traffic jam. I crossed all my limits and started abusing the driver of this bike and used a couple of bad words. He did not respond. Then he moved to the side paving way for me to proceed. After a while when I stopped again at a signal light, the boy appeared next to me on the bike and sought one minute time from me and said 'sir I am your barber. I have been keenly watching you and I liked your manners so much and I have been telling my school going children to follow your footsteps. I know that you are a professor and has moulded hundreds of students. Today why are you so angry, if a committed such a wrong thing that deserves bad words from a person like you, please tell me what it is and I will never repeat the same' At that point the signal turned to green and I was in absolute shock and replied in a pale voice 'No no it was not that big mistake you committed, the thing is I was not a good mood' then he said 'I am relieved sir' and disappeared in to the dark.

Now the questions that every individual needs to answer is:

Do I deserve the respect what that boy has towards me?

Do I deserve to be a role model for his children?

Did I learn to empathize fellow citizens of the town?

Let alone the ethics, values and virtues, did I learn the basic manners at my college as a student. If I am recognized as a role model, what are my students in college where I am teaching are following. Even with peoples of considerable civilization, it is usual to find that their established practices are referred back to some early legislator whose personality is largely mythical, or to the revelation of some divinity. All of this goes to show that men have often been more interested in making morals authoritative than in discovering exactly why moral practices are performed

Now I have started talking about human excellence. When I look back at my higher education, either I was too serious about my studies or I was building up a very strong that would increase proportionately to the degrees I acquire and never thought of the fellow human beings. Irrespective of the education in private or government institutions, the tax payers money is spent for education. So if not directly, at least indirectly we are utilizing the public money at the cost of a common man or a poor person. If today's value, morals and ethics have hit a rock bottom and we the educated are feeling the heat of it so much, think of a common man who is hit more and who will console him give him hopes. Is it not the responsibility of the educated or the highly qualified to at least show him a silver lining? Then how to go about, we the highly qualified can change the system overnight, if not what is the way out.

The answer could be the highly qualified can practice the ethics and show the common man that even in this world of reseeding values; still there are people who practice and value the ethics and look forward to and gain hope for a better tomorrow. Then how to inculcate ethics in the institutions? It is good that most of the MBA courses and some of the other courses particularly at PG level has introduced Ethics as a part of curriculum along with corporate governance. I think this alone is not enough because as discussed earlier ethics cannot be taught. So the institutions should create an environment and converge every body's thinking process towards one common aspiration. Ethics, morality, values and virtues should become a part of the culture and way of life. Once these values are imbibed in the students mind deep inside and after the completion of the degree the student will make it a way of life for the self and also spread the same for changing the society for better. Then the HUMAN EXCELLENCE earned through the ethics learnt and imbibed in the college will spread to others in the society and benefit the human beings as a whole. Once the people change for better, the politicians and other scrupulous elements will recede and their role and influence on the society will get shorter and shorter.

## CONCLUSION

Ethical considerations are a very important aspect for each one of us. However, faculty typically are often so concerned with covering all content associated within course structure they may not have sufficient time for class discussion regarding ethical considerations relevant for one's discipline. This is sometimes addressed by designing a specific course with a specific purpose being ethical considerations.

May be I am sounding more optimistic and hoping against the hopes. I will promise you the reforms should start somewhere and by somebody like the origin of a river. The best platform, the best place and the environment is the college in general and at a higher education in particular.

**A COMPARATIVE STUDY ON INDIAN ACCOUNTING STANDARDS (IND AS) AND IFRS AND ITS IMPACT ON COMPANIES FINANCIAL STATEMENT**

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**ABSTRACT**

*Financial statement is a formal record of all the business activities and the position of a business. Financial statement gives an overall view of company's financial position to its shareholders and stakeholders. In order to prepare financial statements company's as to follow the rules and guidelines set by the accounting standard board. In the era of globalization the number of MNC'S are emerging their business in the developing country like India. They are incredibly entering the global markets to accomplish their capital requirements. Such environment demands uniform accounting standard for global business. To be in line with the global accounting standards few companies are presenting financial statements as per IFRS, GAAP, with a view to avoid inconvenience and cost burden in the preparation of financial statement. India is not adopting IFRS completely but we have accepted it. The standards set by the Indian accounting standards board are in convergence with IFRS. Therefore, in this paper we have made an attempt to study the difference between IFRS and IND AS and its impact on domestic (Indian) companies' financial statements. In this paper we have collected financial statements from selected Indian companies like Wipro, Infosys. By focusing on the various aspects of the business like solvency, profitability and liquidity position of the business, we have set objectives and efficient tools are used in proving such objectives. This research concludes with an impression that IFRS gives a fair valuation of financial statements and transparency of standard. This study is also, Imbibed with the close observation on the reasons for the differences under both the standards.*

*Keywords: IFRS, IND AS, GAAP, Convergence*

**INTRODUCTION TO IFRS**

**International Financial Reporting Standards (IFRS):** IFRS stands for International Financial Reporting Standards issued by non-profit body IASB (International Accounting Standards Board). Simply said, it is a set of standards and principles forth preparation and presentation of the financial statements, especially for publicly traded Companies.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)**

Generally accepted accounting principles (GAAP) are the standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice.

**ROUTE MAP OF IFRS IN INDIA**

As per the notification released by the Ministry of Corporate Affairs (MCA) on 16 February 2015, the roadmap for Ind AS implementation is as follows:

Financial Year	Mandatorily Applicable to
2015-16 or later	Entities, not under the mandatory road- map, may later voluntarily adopt Ind AS
2016-17	Companies (listed and unlisted) whose net worth is equal to or greater than 500 crore INR
2017-18	Unlisted companies whose net worth is equal to or greater than 250 crore INR and all listed companies
2018-19 onwards	When a company's net worth becomes Less than 250 crore INR

**IFRS adoption:** a country adopting IFRS is implementing IFRS into its legislation in exact form as issued by IASB. Most of the countries adopted IFRS, rather than converged.

**IFRS convergence:** a country converging to IFRS cooperates with IASB to mutually develop Compatible accounting and financial reporting standards (so, no 100% mere adoptions occur). Atypical example of IFRS convergence is USA, where IASB and FASB (US GAAP setting body) Work together.

**OBJECTIVE**

1. To make comparison between IFRS and IND AS
2. To study impact of IFRS and IND AS on the financial statements of selected companies

**METHODOLOGY**

Data collection: under this study of assessing the effects made by IND AS and IFRS on selected financial statement of selected companies, i.e. Wipro and Infosys were taken, for the purpose.

**Sample size:** since the research is made on the basis of secondary data, the sample size chosen were two Indian companies.

**Statistical tool:** the statistical tool used in order to carry the research is mean. Mean has been calculated to obtain the average of the value of IFRS and Ind AS. Financial ratio's used in this research to estimate the mean calculation form the estimate average value.

**LIMITATIONS**

1. Study is limited to only two companies
2. Time constraints
3. Only secondary data is used
4. The data in the in the financial statements are considered to be accurate and final for the study.

**DATA ANALYSIS AND INTERPRETATIONS****Objective 1: comparison between IFRS and IND AS****1. Accounting Framework:**

**IFRS;** Historical cost however revaluation is permitted on class of assets such as intangible assets, property, plant and equipment, Investment property.

**IND AS;** Similar to IFRS except that revaluation is not permitted in case of investment properties

**2. Balance Sheet**

**IFRS;** IFRS does not prescribe any format, but stipulates minimum line items like PPE, investment property, intangible assets, financial assets, biological assets, inventory receivables etc.,

**IND AS;** Ind As does not prescribe any format but stipulates minimum line items like PPE investment property intangible assets, financial assets, biological assets, Inventory, receivables etc..

**3. Income Statement**

**IFRS;** IFRS does not prescribe any standard format but stipulated minimum disclosure which includes revenue, finance costs, share of post tax result of associated and joint arrangements using Equity method

**IND AS:** Similar to IFRS, However the reporting is in line with schedule III if Companies act 2013. The format suggests disclosure of Expenses by elements.

**4. Inventories (IND AS 2)**

**IFRS:** Inventories should be valued at cost or net realizable value whichever less is. Cost formula: FIFO and Weighted average method. LIFO is not permitted

**IND AS;** Inventories shall be measured at the lower of cost and net Realizable value. Other items may be valued using FIFO or weighted average Method

**5. Cash Flow statement (IND AS 7)**

**IFRS;** Both direct/ indirect methods are allowed. Periods to be presented 2years Interest paid: operating or financing activity Interest received:

**IND AS;** Not applicable to entities having net worth less than Rs.500 crores Direct/ indirect method: Both allowed Periods to be presented: 2years Interest paid: Financing Activity

**Objective 2: To study the impact of Ind AS and IFRS on the financial statements of selected companies.**

**Table-1.1: Current ratio under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	3.9	1.22	2.56
Wipro	2016-17	3.8	1.2	2.52
Infosys	2015-16	2.8	2.82	2.81
Wipro	2016-17	2.91	2.93	2.92

**Table-1.2: Quick ratio under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	3.83	1.22	2.53
Wipro	2016-17	3.73	1.2	2.47
Infosys	2015-16	2.78	2.8	2.79
Wipro	2016-17	2.9	2.91	2.91

**Table-1.3: Profit after tax under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	0.21	0.22	0.21
Wipro	2016-17	0.20	0.20	0.20
Infosys	2015-16	0.17	0.17	0.17
Wipro	2016-17	0.15	0.15	0.15

**Table-1.4: Return on assets under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	0.17	0.17	0.17
Wipro	2016-17	0.17	0.17	0.17
Infosys	2015-16	0.12	0.12	0.12
Wipro	2016-17	0.17	0.17	0.14

**Table-1.5: Inventory turnover ratio under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	71.93	83.9	77.92
Wipro	2016-17	58.88	56.92	57.90
Infosys	2015-16	98	95.07	97.59
Wipro	2016-17	118	140.58	129.44

**Table-1.6: Debt equity ratio under Ind AS and IFRS (Source: balance sheet)**

Company name	Accounting year	IND AS	IFRS	MEAN
Infosys	2015-16	26.38	29.07	27.73
Wipro	2016-17	26.85	22.48	24.67
Infosys	2015-16	15.5	15.8	15.65
Wipro	2016-17	11.83	11.05	11.44

## FINDINGS, SUGGESTIONS AND CONCLUSIONS

### FINDINGS

1. IFRS provides an option either to follow the single statement approach or to follow the two statement approach.
2. IFRS requires recognition of inventories as an expense based on function wise classifications. Whereas under IND AS it is required to present an analysis of expenses recognized in the profit or loss using a classification based on their function within the equity.
3. IFRS requires presentation of tax expense in the separate income statement, where a separate income statement is presented.
4. There has been a significant deviation in the quick ratio of the companies as the assets have been valued differently.
5. There is a diminutive change in the profit before tax margin of the companies. Under IFRS interest income is recognised using the effective interest method.

### CONCLUSIONS

The adoption of IND AS (as it has converged with IFRS) will result in better quality of financial reporting due to consistent application of accounting principles and improvement in reliability of financial statements... However, the EPS remains unchanged. In this study we can come to the conclusion that implementation of IFRS helps our country to have a greater exposure to the global business and it also gives an opportunity to deal with different countries.

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**GST IMPACT ON TELECOM INDUSTRY WITH REFERENCE TO INFRASTRUCTURE  
FACILITIES OF TELCO ANALYSIS**

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**ABSTRACT**

*The Indian Telecom industry growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP), according to report prepared by GSM Association (GSMA) in collaboration with the Boston Consulting Group (BCG). The country is the fourth largest app economy in the world in this scenario the single tax system called GST given a significant impact on telecommunication industry especially for its infrastructure facilities of telecommunication. The infrastructure facility providers for Tele-communication are foreign vendors, in this point of view it is imperative to levy GST at an appropriate rate on telecom services. As to what is an appropriate rate is a matter of debate but affordability will be key for the positive trend of development is required because the demand for the service have been increasing day by day in the country but the 18% GST on it may create a notable hurdle to that industry that will reflect on both the industry revenue as well as on industry budget. here we are analyzing how was the impact take place in numerical values then what is the phenomenon of result. Trai felt that a favorable consideration of the matter would help reduce financial stress of telecom players and enable them to offer affordable and quality services to consumers that goods and services tax (GST) on telecom services be lowered to 12% against the existing 18%.*

*Keywords: Telecom Industry, Infrastructural facilities, GST, Revenue, Cost*

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**INTRODUCTION**

The Indian government was waiting for a decade has finally arrived. The single biggest indirect tax regime has kicked into force, dismantling all the inter-state barriers with respect to trade. The GST rollout, with a single stroke, has converted India into a unified market of 1.3 billion citizens. Fundamentally, the \$2.4-trillion economy is attempting to transform itself by doing away with the internal tariff barriers and subsuming central, state and local taxes into a unified GST. has brought in 'one nation one tax' system, but its effect on various industries is slightly different. The first level of differentiation will come in depending on whether the industry deals with manufacturing, distributing and retailing or is providing a service.

The rollout has renewed the hope of India's fiscal reform program regaining momentum and widening the economy. Then again, there are fears of disruption, embedded in what's perceived as a rushed transition which may not assist the interests of the country. The impact of GST on macroeconomic indicators is likely to be very positive in the medium-term. Inflation would be reduced as the cascading (tax on tax) effect of taxes would be eliminated. The revenue from the taxes for the government is very likely to increase with an extended tax net, and the fiscal deficit is expected to remain under the checks. Moreover, exports would grow, while FDI (Foreign Direct Investment) would also increase. The industry leaders believe that the country would climb several ladders in the ease of doing business with the implementation of the most important tax reform ever in the history of the country.

India is currently the world's second-largest telecommunications market with a subscriber base of 1.05 billion and has registered strong growth in the past decade and half. In the telecom sector, prices will come down after GST. Manufacturers will save on costs through efficient management of inventory and by consolidating their warehouses. Handset manufacturers will find it easier to sell their equipment as GST has negated the need to set up state-specific entities, and transfer stocks. The will also save up on logistics costs.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and a top five employment opportunity generator in the country.

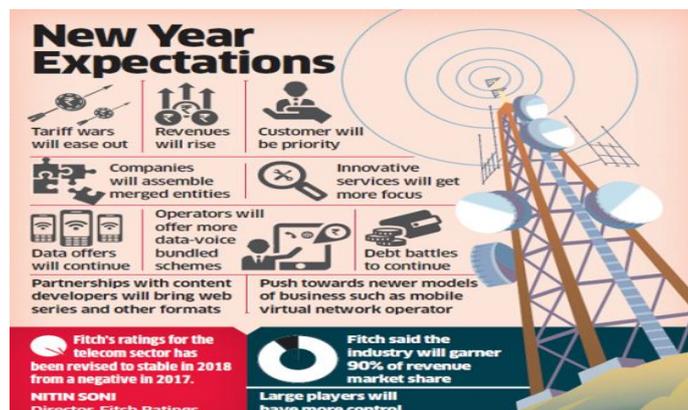
The Indian telecom sector is expected to generate four million direct and indirect jobs over the next five years according to estimates by India. The employment opportunities are expected to be created due to combination of government's efforts to increase penetration in rural areas and the rapid increase in smart phone sales and rising internet usage.

**MARKET SIZE**

The mobile industry is expected to create a total economic value of Rs 14 trillion (US\$ 217.37 billion) by the year 2020. It would generate around 3 million direct job opportunities and 2 million indirect jobs during this period. India has become the second largest smartphone market in the world as shipments increased 23 per cent year-on-year in Q3 2017, to reach more than 40 million units.

Rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India over the next five years creating opportunities for new businesses. The monthly data usage per smart phone in India is expected to increase from 3.9 GB in 2017 to 18 GB by 2023.

Data usage on Indian telecom operators' networks (excluding Reliance Jio), doubled in six months to 359 petabytes or 3.7 million gigabytes per month as 4G data usage share increased to 34 per cent by the end of June 2017. According to a report by leading research firm Market Research Store, the Indian telecommunication services market will likely grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020. By this way the industry will have the certain visionary prospectus in coming year that will show in below diagram



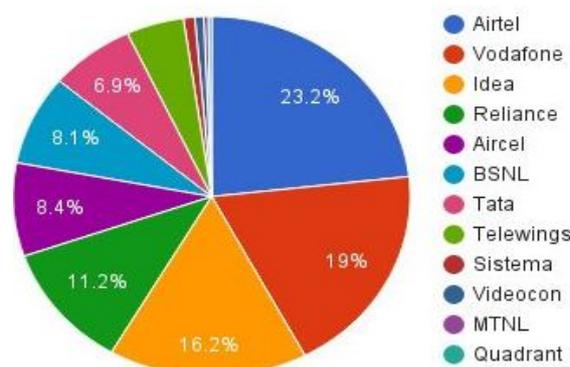
MTNL, BSNL, VSNL are the major Public Players, whereas Airtel, Idea, Hutch, Tata, Reliance, BPL are the leading Private Players in the country. Some of them are entering foreign markets as well. The Bharti Telecom will be launching its services for the NRIs in the US with the help of Airtel CALLHOME service.

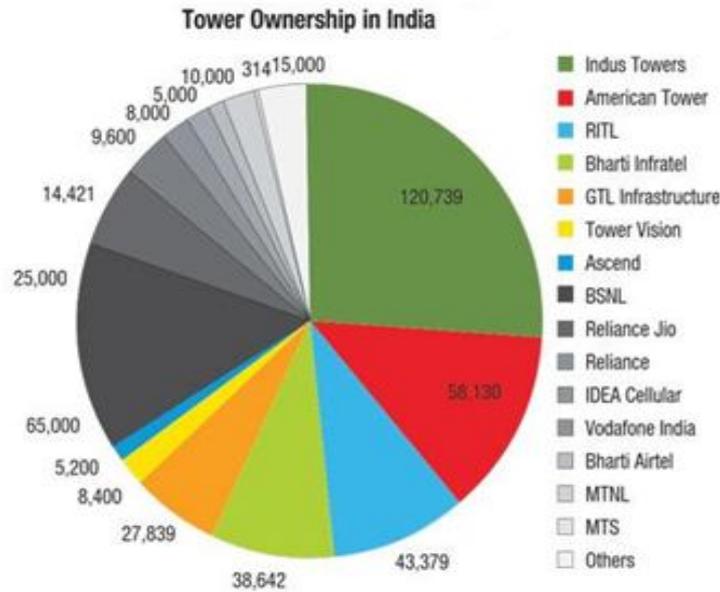
American Tower Corp, Bharti Infratel, Essar Telecom are the top tower companies in India. But within last few years, many mobile tower companies entered into the market. They are giving tough competition to existing players through high quality services. Fundoodata has filtered out the list of top telecom/ mobile tower companies in India. Here is the list of top telecom, mobile tower companies in India. **American Tower Corp, Aster Infrastructure, Bharti Infratel, Essar Telecom, GTL, India Telecom Infra Limited, Indus, Quippo Telecom Infrastructure (QTIL), Reliance Infratel Tower Vision** are some

Telecommunications equipment can be broadly broken down into the following categories

- Public switching equipment
- Transmission equipment
- Customer premises equipment

**Service Provider-wise Market Shares**





Sources: Tower Xchange Research, TAIPA, PWC

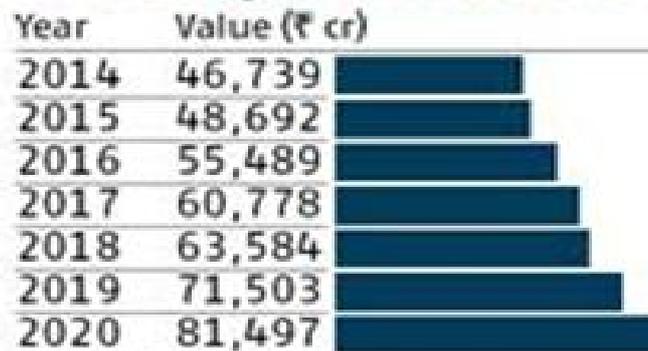
### GST on Telecom Services

Services/Provisions	Taxes Payable/Provisions as of now	GST rate
Telecommunication services	14% Service tax + 0.5% Swachh Bharat Cess + 0.5% Krishi Kalyan Cess	18%
Telecom Service Providers	Not eligible for Credit of VAT paid on goods Special additional duty (SAD) paid on imported goods/equipment	Avail credit of IGST paid on domestically procured goods + imported goods
ITC of Service Tax	To be availed by the telcos over a period of 3 years	Entire credit can be taken in the same year

The telcos require to re-work their costing and credits, and re-jig their prices to ensure that the increased availability of credits are passed on.

## UNTAPPED SPACE

### PROJECTED DEMAND FOR TELECOM EQUIPMENT IN INDIA



Source: Boozé



Financial Year	RS.Lakh-Crore
2013	1.50
2014	1.65
2015	1.83
2016	1.93
2017	1.88
2018	1.84

From all the available information of the above we can understand that the industry developing rapidly as par with the demand of the product and its consumption , the revenue also very much encouraging for positive development of economy .at this kind of situation the GST create a great speed breaker for all this kind of processes ,why because by the observation we come to know that the GST practicing year onwards we can find fall in the revenues as well as increment in the expenditure cost

The increment of expenditure not only because of huge consumption pattern due the tax rate as a customer we enjoy all kinds of services provided by the service providers against to this the service providers have to bear more cost to maintain their activities as per the demand and GST

That means most of the infrastructural providers are foreign vendors and every time they have to pay a huge amount to those people by this reason

Trai felt that a favorable consideration of the matter would help reduce financial stress of telecom players and enable them to offer affordable and quality services to consumers. Trai also found merit in demand of telcos pertaining to reduction in GST rate as well as treating telecom sector as core infrastructure.

**CONCLUSION**

As per my point of concern It is also essential to ensure availability of faultless input tax credits across goods and services for this sector so that the ultimate tax on consumption of such services is kept low. On the second point, of resolving the problem of double taxation etc., one of the challenges in the GST is to determine the situs of taxation for telecom services i.e. the place of supply or use or consumption is difficult to determine. The interconnect usage charges (IUC) and roaming charges are indicative examples of telecom services wherein it is difficult to determine the situs for taxability of such services. Lack of uniformity in the GST rate can cause great difficulties in the recharge coupons for pre-paid customers. It is unfortunate that the problem of inadmissibility of credits which relates to the expenditure of passive infrastructure does not seem to have clearly addressed in the draft model GST law and there still remains a huge amount of credit which blocks the regime which is proposed. It does not make it difficult for the proper flow of credit but also is one of the hallmark principles of the GST regime. It also initiates a fresh round of litigation for the rising sector.

The concept of ‘composite supply’ also needs to be addressed when we talk about the telecom service provider. There is silence existing in the GST law regarding this concept. It just provides us the definition of the term.

Given the above complexity, it is imperative that clear rules be framed in order to determine the situs of supply or the place of consumption, as the case may be, in order to enable the appropriate GST to be paid out in a simple and efficacious manner without subjecting the industry to possible double taxation, as also high compliance costs.

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A STUDY ON “THE EMERGING CHALLENGES AND ISSUES OF PEOPLE MANAGEMENT”

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### ABSTRACT

*Companies that desire to maintain a competitive edge both now and, in the future, require human force that are well equipped to face the ever-increasing pace of technological changes and techniques. This is the accountability of the human resource manager to properly train the workforce to accomplish the competitive advantages of business in the 21<sup>st</sup> century. One has to raise the question here what the priorities for human resource in future should be. Though we believe that human plays a vital role in an organization but due to rapidly transforming business landscape, globalization, changing nature of taste and habits, a new competitive edge should be adopted. HR managers are facing a variety of issues and challenges like retention of the employees, multicultural work force, retrenchment of the employees.*

*Should we not be concerned about ourselves. So, the primary focus of the paper is to explore HR issues and challenges and to provide practical solutions.*

*Keywords: Challenges and Issues, retention, multicultural workforce, Competitive edge*

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### INTRODUCTION



People management is about managing people. People management is a subset of human resource management, which deals with strategic, financial and policy issues, as well as people management. Businesses are beginning to rediscover the need for effective managers. They have tried self-managed teams and unsupervised work groups only to find that the lack of leadership hinders productivity and creates unstable work environments. During the self-management fad, managers became really good at managing projects but lost their ability to manage people.

### OBJECTIVE OF PAPER

- To study the details of emerging challenges with respect to People Management.
- To find out the various methods and techniques through which HR can overcome the challenges of present business scenario.
- To understand the importance of people manager

### NEED OF THE STUDY

#### • Build Relationships

Managing is about people. Great managers build lasting relationships with their people that are based on trust, respect and communication. Building relationships with employees does not mean that you have to become their friend. It means that you have to earn their trust and respect.

#### • Be Accountable

Managers are quick to hold employees accountable for performance failures or bad behaviour. They are quick to deflect fault to upper manager or other department heads. When they fail to hold themselves accountable, they fail to manage their people. Manager's need to realize that *the buck stops here*. They are responsible for the actions of their employees. They are responsible for the performance of their departments. No one else is to blame. The responsibility is theirs, and theirs alone.

#### • Listen

There is more to listening than just opening your door to let employees vent. They are legitimate concerns and you must be willing to hear them out. But listening goes even farther. You must be willing to act on those concerns. Do not shake your head and tell them you understand. Do something about it.

- **Be Transparent**

Never hide anything from your people. It is deceptive and can cost you their respect. This does not mean that you should blab inside information that upper management has deemed confidential. Just keep them informed on what is going on inside the company and inside the department. Let them know why certain decisions were made. While employees are not entitled to this information, keeping them in the loop is part of a trusting relationship.

- **Support Career Development**

Good employees are hard to find and even harder to replace. In an attempt to keep good employees, some manager avoids career development. They do not help their people prepare for future advancement opportunities within the company. As a manager, your primary responsibility is the welfare of your employees. It is in their best interests to be prepared for advancement within the company. It is also in the company's best interests to identify good employees and make sure they are promoted to positions where they can better support the company.

### **RESEARCH METHODOLOGY**

The analysis of this paper is conceptual and totally dependent upon secondary data like journal, books and various website from internet.

### **THE CHALLENGES OF MANAGING PEOPLE**

HR managers are facing many challenges in present business scenario like Globalization workforce diversity, technological advances and changes in political and legal environment change in information technology. All these challenges increase the pressure on HR managers to attract, retain and nurture talented employee. HR professional can't ignore these challenges rather they ought to be line to design and execute innovative mechanisms of developing skills and competencies of human resources to prepare them to accept the emerging challenges. Managing people constitutes at least 80% of the managerial function. It is the most difficult and yet most rewarding functions. Most managers do not want to own up to the fact that they are inadequate as far as managing people are concerned. Even some organisations do not want to accept that all managers need continuous training and support in relation to their function of managing people. It became popular because, in my opinion, organisations and managers began to realise the importance of the skill of managing people.

Increasingly we live in a world where the rate of change is accelerating; goals are becoming more varied and complex and where knowledge as a key strategic asset is contributing to business success. **People are our greatest asset.** Is this hype or reality? For those organisations who genuinely believe in their people, managing people becomes the foremost managerial skill. Managing people is not a matter of manipulation. It is about working with your staff and colleagues on a partnership basis to achieve the strategic goals of the organisation. The success of an organisation depends on managing three sets of expectations. They are:

- Organisational expectations;
- Employee expectations; and
- Customer expectations.

This is a very daunting task but it is imperative to acquire competences in all these aspects to manage effectively. In practice various dimensions of managing people and the importance of people in bringing about organisational success, come together in different forms.

### **GLOBALIZATION**

At a political and economic level, globalization is the process of denationalization of markets, politics and legal systems i.e. the use of the so-called global economy. Globalization refers to an extension beyond national borders of the same market forces that have operated for centuries at all levels of human economic activity (village markets, urban industries, or financial centres). It means that world trade and financial markets are becoming more integrated. Growing internationalization of business has its impact on HRM in terms of problems of unfamiliar laws, languages, practices, competitions, attitudes, management styles, work ethics etc. HR managers have a challenge to deal with more functions, more heterogeneous functions and more involvement in employee's personal life.

### **WORKFORCE DIVERSITY**

According to Thomas (1992), dimensions of workplace diversity include, but are not limited to: age, ethnicity, ancestry, gender, physical abilities/qualities, race, sexual orientation, educational background, geographic location, income, marital status, military experience, religious beliefs, parental status, and work experience.

The future success of any organizations relies on the ability to manage a diverse body of talent that can bring innovative ideas, perspectives and views to their work. The challenge and problems faced of workplace diversity can be turned into a strategic organizational asset if an organization is able to capitalize on this melting pot of diverse talents. With the mixture of talents of diverse cultural backgrounds, genders, ages and lifestyles, an organization can respond to business opportunities more rapidly and creatively, especially in the global arena, which must be one of the important organizational goals to be attained. More importantly, if the organizational environment does not support diversity broadly, one risks losing talent to competitors. This is especially true for multinational companies (MNCs) who have operations on a global scale and employ people of different countries, ethical and cultural backgrounds. Thus, a HR manager needs to be mindful and may employ a Think Global, Act Local approach in most circumstances. With a population of only four million people and the nations strive towards high technology and knowledge-based economy; foreign talents are lured to share their expertise in these areas. Thus, many local HR managers have to undergo cultural-based Human Resource Management training to further their abilities to motivate a group of professional that are highly qualified but culturally diverse. Furthermore, the HR professional must assure the local professionals that these foreign talents are not a threat to their career advancement. In many ways, the effectiveness of workplace diversity management is dependent on the skilful balancing act of the HR manager.

### **TECHNOLOGICAL ADVANCES**

There is a challenging task of adapting workplace to rapid technological changes which influence the nature of work and generate obsolescence. Advanced technology has tended to reduce the number of jobs that require little skill and to increase the number of jobs that require considerable skill, a shift we refer to as moving from touch labour to knowledge work. In an organization there are "hot" sectors which require a high of technical experts like telecommunications, hospitality, retailing, banking, insurance, bio technology etc. Next head which is worth mentioning is the downsizing. Other aspect is telecommuting where the employees started to work remotely from a place other than their primary office. This has become a powerful cost effective tool in the sense that companies have been successful in increasing their applicant pool through this mode and staffs also may live far away from cities and gain considerably due to savings in rents, transportation etc.

### **CHANGES IN POLITICAL AND LEGAL ENVIRONMENT**

Changes in political and legal environment means changes in political parties and rules regulation due to which new laws are come and you have to follow all laws while doing business. Many changes taking place in the legal and political framework within which the industrial relation system in the country is now functioning. It is the duty of human resource and industrial relations executives to fully examine the implication, of these changes and brings about necessary adjustment within the organization so that later utilization of human resource can be achieved. It is the responsibility of Human Resource manager to anticipate the changes and prepare organization to face them without any breakdown in its normal functioning.

### **CHANGES IN THE ECONOMIC ENVIRONMENT**

This includes examination of the impact of a number of factors on production. Some of the key factors are the scarcity of raw materials and other inputs including power and electricity, encouragement of the culture of consumerism, increasing consumer awareness and demand for quality products, continuing upward trend in the inflationary pressures with decrease in the purchasing power of rupee and its spiralling effects in the ever increasing aspirations of workers for higher wages and other material benefits and mounting costs on the employee welfare and other benefits. In an inflationary economy, the resources tend to become scarce and the costs of machine, materials and labour multiply. These push up the capital and running costs.

### **REVOLUTION IN INFORMATION TECHNOLOGY**

Information technology has influenced HRM through human resources information systems (HRIS) that streamline the processing of data and make employee information more readily available to managers. More recently, there has been and in the future there will be impact of revolutionary computerized information system in the management it covers two primary areas Application of computer in the managerial decision making process. Use of electronic computers managerial decision making process. In future computerized information system will have increasing impact at the coordinate and strategic levels of organization.

### **MOBILITY OF PROFESSIONAL PERSONNEL**

One of the interesting facts will be increase in the mobility of various managerial and professional personnel between the organizations. As individual develop greater technical and professional expertise, their services will be greater demand by organization in the environment.

## ETHICS

The discussion about ethics happened during mid-2000s when several companies were found to have engaged in gross unethical and illegal conduct resulting in the loss of billions of dollars from shareholders. Companies are seeing the value of implementing ethics codes within the business. Many human resource departments have the responsibility of designing codes of ethics and developing policies for ethical decision making. Developing policies, monitoring behaviour, and informing people of ethics are necessary to ensure a fair and legal business.

## CONTINUOUS IMPROVEMENT

It is also important to constantly review motivational and leadership factors involved in enhancing organizational effectiveness, irrespective of how successful you are at present. If a successful organization like Dell finds it necessary to do so, so should other organizations.

### MANAGING BY PRINCIPLES-DELL'S WAY

By Sultan Kermally, Freelance writer and Management Author.

In Business week of November 3, 2003, there is a cover story of Dell entitled 'What you don't know about Dell'. In this article the writers highlight the following six management principles. Dell have adopted and presented them as "Management secrets of the best-run company in Technology. These principles are:

#### BE DIRECT

According to the writers, workers are supposed to challenge their bosses and question everything. What lessons can organisations learn from this principle? In practice this has implications in terms of recruitment and development. Organisations at the recruitment stage should look for potential employees who have a challenging attitude. Choosing an expert in the field is fine but testing for interpersonal communication is also important. However, one should aim at selecting individuals with a challenging mind-set. This is all about individual attitude and encouraging such an attitude within the context of corporate culture that facilitates promoting such an attitude.

#### LEAVE THE EGO AT THE DOOR

According to the Business Week article Dell "favours 'two-in-a-box' management in which two executives share responsibility for product, a region, or a company function." This is about working in a team and as a team member. According to Peter Senge, the 'guru' of Learning organisation, collective knowledge is created by working in teams. However, being a team member is not enough. What matters is individual attitude towards the concept of team work? One has to be trained to understand the importance of team dynamics and participate in productive dialogues and discussion. An 'I am important' or 'I am an expert' attitude leads to one's ego preventing team learning and knowledge creation.

#### NO EXCUSES

This is about taking responsibility and being accountable for one's actions. Employees should have the courage to admit their weaknesses and take action to minimise or eliminate them. There should be no 'them syndrome'; it should be about asking the question 'What can I do to resolve the problem at hand?'. Again this requires a particular mindset and empowering culture. This is the true nature of empowerment.

#### NO EASY TARGETS

Employees must contribute to profit and growth. In practice this means incorporating stretch objectives in appraisal plans. S.M.A.R.T objectives in this case should be translated as Specific and stretch; Measurable and meaningful; Attainable and aligned; Realistic and time and Target related.

#### NO VICTORY LAPS

"The founder's mantra: 'Celebrate for a nanosecond, then move on'", say the writers. There are numerous stories of many organisations having won total quality awards or 'Best company to work for' awards who drift into complacency. Achievements should be followed by further achievements and this in practice necessitates implementation of the continuous improvement principle.

#### WORRY ABOUT SAVING MONEY, NOT SAVING FACE

Employees should be trained to 'pull the plug on disappointing new ventures'. Again, this requires a business mind-set and tolerant culture. Face saving in modern organisations stifles innovation and stops what Peter Drucker called 'creative destruction'?

Dell's management principles are a reflection of five disciplines of the learning organisation presented by Peter Senge in his book *'The Fifth Discipline'* (1990). These five disciplines are:

1. Personal mastery (individual growth and learning).
2. Mental models (attitude and behaviour).
3. Shared vision (Direct and honest Communication).
4. Team learning (creating synergy within teams).
5. System thinking (seeing the big picture – organisational core competence).

Senge's five disciplines and Dell's six management principles direct organisations towards formulating talent development strategies focussing on three core components – **personal development, corporate culture and effective leadership.**

Source: Srivastava Ekta & Agarwal Nisha, (2012), "The Emerging Challenges in HRM", International Journal of Scientific & Technology Research Volume 1, Issue 6.

### HOW CAN WE OVERCOME WITH THESE CHALLENGES?

1. Cross cultural training of HR personnel so that they understand other cultural people.
2. Motivate Professional personnel more and more so that do not change organization more frequently financial motivation is not always required you can motivate through non-financial motivation like encouragement, training of employee, job satisfaction
3. HR Manager should develop such a HR system which consistent with other organization elements such as Organization strategies, goals and Organization style, and planning.
4. To cope up with the issue of globalization HR manager should adopt the concept of Globalize Human Resource Management (GHRM) where it prepares the skill people or manager worldwide. This way the trend of globalization can be minimized to some extent.
5. Technical changes in the workplace often require the implementation of additional training for workers. As training and development is generally the realm of the HR department, this creates yet another challenge for human resource managers. HR must first determine what training is necessary and then implement training measures to ensure all workers can keep up with technical changes. Human resource managers must also determine when it may train existing employees, and when it must search for new workers to fill technical positions within the organization.
6. Training of HRIS – Human resource information system should be given to the HR managers or HR professional so that they can overcome Information Technology challenges.
7. Proper performance evaluation system and proper career development plans should be used in the organization to reduce professional mobility.

### RESULT

In present scenario HR is facing various challenges like globalization; workforce diversity etc. HR people can overcome these challenges through cross cultural training, motivation of employee, technological and information technological training Due to all these challenges it is very difficult for HR people to retain, attract and nurture talented employee. But it can be possible from motivational techniques, HR executives cannot motivate employee from only financial techniques but they can motivate from non-financial techniques.

### CONCLUSION

To conclude that it can be said that HR practice is becoming more and more challenging day by day, they have to face lot of problems like retention, attraction of employee, dealing with different cultural people, managing work force diversity, technological and informational changes to overcome with these challenges training (Cross cultural training and technological and informational training) is necessary of HR people. To reduce mobility of professional personnel HR people have to motivate them from monetary and non-monetary techniques. Proper performance evaluation system and proper career development plans should be used in the organization to reduce professional mobility.

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**IMPACT OF CORPORATE (BONUS ISSUE) ACTION ON STOCKS IN INDIA**

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**ABSTRACT**

*Bonus issue is the one of the corporate action where companies issue the stocks to existing shareholders at a free of cost. Bonus announcement or proportion of the bonus may stimulate the investors to buy or sell of the shares before and after of ex-bonus issue date and this may cause the abnormal returns in the stock around ex-bonus issue date. In this paper tries to understand the abnormal returns around ex-bonus issue by using companies which declared ex-bonus issue in the year 2017 in India. Researcher has selected 9 companies randomly from the companies which declared ex-bonus issue in the year 2017 to test the abnormal returns around ex-bonus issue and used event study and t test used to test the significance of bonus issue impact on share price.*

*Keywords: Abnormal returns, Corporate actions, Event study, Stocks, Bonus issue*

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**1. INTRODUCTION**

A bonus shares are an extra free share given to current shareholders in a company without any additional cost based upon the number of shares that the shareholder already owns. The issue of bonus shares increases the total number of shares issued and owned, it does not increase the value of the company, although the total number of issued shares increases, the ratio of number of shares held by each shareholder remains constant. A bonus issue (or scrip issue) is a stock split in which a company issues new shares without charge in order to bring its issued capital in line with its employed capital (the increased capital available to the company after profits). This usually happens after a company has made profits, thus increasing its employed capital. Therefore, a bonus issue can be seen as an alternative to dividends. Unlike a rights issue, a bonus issue does not risk diluting your investment. Although the earnings per share of the stock will drop in proportion to the new issue, this is compensated by the fact that you will own more shares. Therefore the value of your investment should remain the same although the price will adjust accordingly.

The whole idea behind the issue of Bonus shares is to bring the Nominal share Capital in line with the true excess of assets over liabilities Companies issue shares in lieu of consideration. The consideration may be either in the form of cash or kind. Bonus shares are issued by conversion of the reserves and surplus of the company into shares. Bonus shares can be issued only by companies which have accumulated large free reserves i.e. reserves not set apart for any specific purpose and which can be distributed as dividend. However, bonus shares can be issued out of balance in the share premium account.

**1.1 CIRCUMSTANCES FOR ISSUING BONUS SHARES**

If a company wants to avoid showing large amounts of distributable income on the balance sheet and ploughing back its profits to capital, which it has to distribute otherwise, it can use bonus shares. Dividend payment is not obligatory for the company but if the company has huge accumulated profits investors may demand for dividend. Dividend payment entails cash outflow also dividends must be kept stable and should increase gradually.

Hence in case of heavy profits to avoid heavy dividend payments company can convert its accumulated profits into share capital by issuing bonus shares. This also perk up market image of the company. If a company can earn more returns than market rate of return, which investors will earn if dividends are distributed to them, then it is advisable to retain the profits by the company itself instead of paying heavy dividends, which will enhance the national income of the country

**1.2 BONUS SHARES ISSUED IN THE RATIO**

When the bonus shares are issued in a ratio of 1: 1, it means that one share would be allotted for every share already held in the company. Similarly when a ratio of 2:1 is allocated it means that two shares are allotted for one existing share in the company. As the date is announced then the investors wait for the required date to get the useful benefits. This date is important because the holders of the shares on this particular day will be entitled to the bonus shares. There is another date which should be known by the investors, which is the date when the shares go 'ex-bonus'. On this day, the share prices adjust in the bonus ratio so that it reflects the actual situation on the ground. Once the price reflects the situation on the ground then the investors will be ineligible for the actual bonus shares. Due to this the ex-bonus date has to be noted carefully.

### 1.3 HOW DOES BONUS SHARE AFFECT INVESTORS?

Immediately, it doesn't affect your investments anyway. Post the bonus, the share price should fall in proportion to the bonus issue, thereby making no difference to the personal wealth of the shareholder. However, more often than not, a bonus is perceived to be a strong signal given out by the company and the consequent demand push for the shares causes the price to move up. So, when stock prices move up in the long run, there will be a dramatic increase in the wealth you're holding.

### 1.4 WILL THE SHARE PRICE CHANGE AFTER A BONUS ISSUE?

A bonus issue adds to the total number of shares in the market. Say a company had 20 million shares with a bonus issue of 2:1; there will be 40 million shares issues. Now the earnings of the company will have to be divided by that many more shares. (Earnings per Share = Net Profit/ Number of Shares) Since the profits remain the same but the number of shares has increased, the EPS will decline. Theoretically, When EPS declines, the stock price should also decrease proportionately. But, in reality, it may not happen.

#### That's because

- i. The stock is now more liquid. Now that there are so many more shares, it is easier to buy and sell.
- ii. A bonus issue is a signal that the company is in a position to service its larger equity. What it means is that the management would not have given these shares if it was not confident of being able to increase its profits and distribute dividends on all these shares in the future.

### 1.5. A BONUS ISSUE IS TAKEN AS A SIGN OF THE GOOD HEALTH OF THE COMPANY

When a bonus issue is announced, the company also announces a record date for the issue. The record date is the date on which the bonus takes effect, and shareholders on that date are entitled to the bonus. After the announcement of the bonus but before the record date, the shares are referred to as cum bonus. After the record date, when the bonus has been given effect, the shares become an ex - bonus.

Bonus shares are issued by converting the reserves of the company into share capital. It is nothing but capitalization of the reserves of the company

#### Conditions to Be Satisfied Before Issuing Bonus Shares

- Bonus shares can be issued only if the Articles of Association of the company authorizes a bonus issue. When it is not present in the articles a special resolution should be passed at the general meeting of the company.
- The shareholders should approve in general meeting on the recommendations of BOD of the company.
- The guidelines given by thereby must be followed by. Care must be taken that issue of bonus shares does not lead to total share capital in excess of the authorized share capital. Otherwise, the authorized capital must be increased by amending the capital clause of the Memorandum of association.

### 1.6 TAX IMPACT ON BONUS SHARES

Dividend: Any dividend, interim or final, that is received from an Indian company is not taxable in the hands of the shareholder. However, Indian companies paying such dividends have to pay a dividend distribution tax (DDT) 15% plus surcharge and education cess. Further, dividend and DDT are not tax deductible in the company's hands leading to double taxation of earnings.

Bonus: There is no tax implication when bonus shares are awarded. But when they are sold, they may be taxable, depending on the time for which they are held. The tax man considers the cost of these bonus shares nil.

### 1.7. SEBI GUIDELINES

The SEBI has issued guidelines for Bonus issue which are contained in Chapter XV of SEBI (Disclosure & Investor Protection) Guidelines, 2000. A company issuing Bonus Shares should ensure that the issue is in conformity with the guidelines for bonus issue laid down by SEBI (Disclosure & Investor Protection) Guidelines, 2000.

### LITERATURE REVIEW

There is mixed evidence regarding the stock market reaction to bonus issue announcement. Researchers have illustrated earlier that the market generally reacts positively to bonus issue announcement. Peterson (1971), Ball, Brown and Finn (1977), Foster and Vickrey (1978), Woolridge (1983), Grinblatt, Masulis and Titman (1984), Healy and Palepu (1988), Lamoureaux and Poon (1987), Ikenberry, Rankine and Stice (1996), Ramachandran (1985), Lijleblom (1989), McNichols and Dravid (1990), Obaidullah (1992), Rao (1994), Masse, Hanrahn and Kushner (1997), and Anderson, Cahan and Rose (2001) shown positive market reaction to

bonus issue announcement. However, Malhotra, Thenmozhi and Gopaldaswamy (2012), Papaioannou, Travlos and Tsangarakis (2000), and Dhatt, Kim and Mukherji (1997) have found the reaction to be negative.

Using monthly data, **Ball, Brown and Finn (1977)** investigated share price reaction around the announcement of 'share capitalization changes' because of bonus share issues, share splits and rights issues in Australia for the period between 1960 and 1969. While they reported 20.2 percent excess return, they failed to provide any statistically significant evidence of price response during declaration period.

**Grinblatt, Masulis, and Titman (1984)** examined the announcement effect of stock dividends and splits of NYSE and AMEX listed securities from 1967–1976. They noted that equity prices usually respond positively to stock dividend and stock split announcements which are not contaminated by other contemporaneous firm-specific declarations. Besides, they documented significant positive abnormal returns on and around the ex-date of bonus issue and splits. However, announcement and ex-date returns were found to be higher for bonus issues comparing to stock splits. They concluded that both stock dividends and splits signals about the future cash flows even when cash dividend is absent.

**Ljleblom (1989)** investigated the signalling hypothesis of scrip issues and stock splits for the firms listed with the Stockholm Stock Exchange. In their sample, in 90 percent of the cases, scrip issues and stock splits announcements were contaminated by the simultaneous announcements of other material information. The impact contemporaneous declarations of other material information are controlled by using a control group of otherwise similar stocks but which do not split or distribute a stock dividend. They found notably greater price reactions for the scrip issues and split group than the control group which is taken as evidence for the signalling hypothesis in the presence of contaminating announcements.

#### OBJECTIVES

- To calculate the abnormal returns, average abnormal returns and cumulative abnormal returns
- To determine the impact of bonus issue on stocks average abnormal returns

#### HYPOTHESIS

H<sub>0</sub>: Bonus issue announcement has no impact on stocks average abnormal returns (B=0)

H<sub>1</sub>: Bonus issue announcement has impact on stocks average abnormal returns (B≠0)

#### RESEARCH METHODOLOGY

This paper is empirical study in nature and used secondary data. Sample size for this research is 9 companies which ex-bonus issue date was in year 2017 and bonus issue ratio is 1:2, for this selection of sample purpose random sampling used. Simple regression model used to find expected returns from the stock and for the market return purpose BSE 500 Index used. Abnormal returns are calculated using stock expected returns and stock actual returns during event period (41 days) i.e. 20 days prior to ex-bonus issue date and 20 days after ex-bonus issue date (-20 to 0 to +20). Student *t* test used to determine the significance of bonus issue impact on stocks abnormal returns.

#### SIMPLE REGRESSION MODEL AS FALLOWS

Expected Return (E) =  $\alpha + \beta R_M$

$\alpha$  = Alpha coefficient of security with Index;

$\beta$  = Beta coefficient of the security with Index

$R_M$  = Expected of the return of the Index

Abnormal returns calculated as follows

$$AR = R - E$$

$R$  = Actual Returns;  $AR$  = Abnormal returns

Average Abnormal returns calculated as follows

$$AAR = \frac{\sum_{t=1}^n At}{n}$$

$t$  = the number of security in the study;

$n$  = total number of stocks in the class

*t* test used to determine the significance of abnormal returns

$$t = \frac{AAR}{\sigma(AAR)}$$

AAR = Average abnormal return; (AAR) = Standard error of average abnormal return;

Standard error is calculated is  $(AAR) = \frac{\sigma}{\sqrt{n}}$

**Table-1: Selected companies for study**

COMPANY	Bonus Ratio	DATE		
		Announcement	Ex-Bonus	Record
BPCL	01:02	30-05-2017	13-07-2017	15-07-2017
BHEL	01:02	10-08-2017	28-09-2017	30-09-2017
Hind Composites	01:02	10-04-2017	25-05-2017	26-05-2017
HPCL	01:02	26-05-2017	11-07-2017	12-07-2017
Larsen	01:02	29-05-2017	13-07-2017	14-07-2017
Mahindra Holidays	01:02	19-05-2017	10-07-2017	11-07-2017
Motherson Sumi	01:02	19-05-2017	05-07-2017	-
NBCC (India)	01:02	04-01-2017	17-02-2017	21-02-2017
Panama Petro	01:02	14-08-2017	03-10-2017	04-10-2017

**DATA ANALYSIS & INTERPRETATION**

**Table-2: Average Abnormal Returns (AAR), Cumulative Average Abnormal Returns (CAAR), and Standard Deviation (SD) and *t* test results of selected sample size during event period**

Event Day	AAR	CAAR	SD	SE	t Values
-20	0.373014	0.373	1.25856	0.41952	0.889144
-19	-1.04583	-0.673	1.356205	0.452068	-2.31343*
-18	0.839479	0.167	1.252236	0.417412	2.011153
-17	0.833943	1.001	3.160851	1.053617	0.791504
-16	2.581781	3.582	5.515104	1.838368	1.404387
-15	-1.36604	2.216	2.074405	0.691468	-1.97556
-14	-0.97331	1.243	1.460716	0.486905	-1.99898
-13	0.656868	1.900	1.657885	0.552628	1.188626
-12	-0.81603	1.084	1.046808	0.348936	-2.33863
-11	1.136946	2.221	2.249713	0.749904	1.516121
-10	-0.25072	1.970	1.769735	0.589912	-0.42502
-9	0.392737	2.363	3.205461	1.068487	0.367564
-8	-0.22295	2.140	1.389253	0.463084	-0.48144
-7	0.515072	2.655	1.08795	0.36265	1.4203
-6	0.04735	2.702	1.576707	0.525569	0.090093
-5	-0.25721	2.445	2.102565	0.700855	-0.36699
-4	0.180153	2.625	0.793269	0.264423	0.681305
-3	0.085731	2.711	1.093651	0.36455	0.23517
-2	-0.29422	2.417	1.886113	0.628704	-0.46797
-1	-0.66589	1.751	2.569701	0.856567	-0.77739
(Event day) 0	1.183997	2.935	7.038856	2.346285	0.504626
1	0.09383	3.029	3.109599	1.036533	0.090523
2	-1.12576	1.903	2.732404	0.910801	-1.23601
3	-0.368	1.535	2.454114	0.818038	-0.44985
4	-1.42302	0.112	1.486036	0.495345	-2.87279*
5	-0.81595	-0.704	1.281532	0.427177	-1.91009
6	0.908351	0.204	1.760004	0.586668	1.548321
7	-1.53437	-1.330	1.545212	0.515071	-2.97895*
8	-0.45136	-1.781	0.623425	0.207808	-2.17201
9	0.493285	-1.288	1.932803	0.644268	0.765653
10	0.484385	-0.804	1.387134	0.462378	1.047595

11	-0.22412	-1.028	1.70563	0.568543	-0.3942
12	-0.24577	-1.274	1.211469	0.403823	-0.60862
13	0.887631	-0.386	1.300798	0.433599	2.047122
14	0.080769	-0.305	1.432775	0.477592	0.169117
15	0.732926	0.428	1.379694	0.459898	1.59367
16	0.261767	0.689	2.258785	0.752928	0.347665
17	0.259759	0.949	2.242279	0.747426	0.347538
18	0.754551	1.704	3.7638	1.2546	0.601428
19	-0.13523	1.569	2.46064	0.820213	-0.16487
20	0.138693	1.707	1.88612	0.628707	0.220601

\* 5% level of significance 2.306, d.f 8

It is found from table 2 that, stocks average abnormal returns are positive in 23 days and returns are negative in 18 days in out of 41 days window period. Average abnormal return is highest return 2.581781 on -16<sup>th</sup> day before event day, lowest negative return -1.53437 on 7<sup>th</sup> day after the ex-bonus day and on event day it was positive return 1.183997. Before event day average abnormal returns are little bit high compare to after event day average abnormal returns this thing can be observed in cumulative average abnormal returns also. Cumulative average abnormal returns are positive in 31 days and negative only 10 days in 41 days event window period. Cumulative average abnormal return highest positive 3.582 on -16<sup>th</sup> day before event window period, lowest negative -1.781 on 8<sup>th</sup> day after the event window and on event day it is positive 2.935. Cumulative returns are more days are positive before event day compare to after event day cumulative average abnormal returns.

Standard deviation of selected samples average abnormal returns more volatile on event day at 7.038856, less volatile on 8<sup>th</sup> day after event day at 0.623425 and remaining days of event period average abnormal returns are volatility is not high. Average abnormal returns are negatively significant at 5% level of significance only three days, -19<sup>th</sup> day before event day and 4<sup>th</sup> & 7<sup>th</sup> days after the event, during 41 days window period.

## CONCLUSION

This paper analysed corporate action (Bonus issue) impact on stock prices of nine stocks which ex-split announcement date in 2017 by using stock abnormal returns, cumulative abnormal returns and checking the significance of average abnormal returns with the help of student t test. Samples average abnormal return is positive on event day and average cumulative returns also positive on event day. It can be conclude that investors gained positive average abnormal return on event day but second day after event day investors incurred negative abnormal returns that means investors might have sold stocks on 2<sup>nd</sup> after the event. It is also observed from research that average abnormal returns are negatively significant at 5% level of significance on three days only during 41 days event period, so it is conclude that corporate action (Bonus issue) impact is not there on stock prices in all most all days around bonus announcement day.

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**THE IMPACT OF ORGANIZATIONAL CULTURE ON EMPLOYEE ENGAGEMENT (WITH REFERENCE TO ORGANIZED RETAIL OUTLETS IN BENGALURU)**

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### **INTRODUCTION**

Organizational Culture is defined as the shared managerial beliefs and assumptions about employee nature and behavior. Schein (1990) describes it as a set of shared assumptions, values, beliefs and norms about the expected behavior. Ouchi (1981) puts it as a combination of symbols, ceremonies and myths that communicate the underlying values and beliefs of an organization. The development of mainstream Human Resource Management (HRM) theory has been concerned with how people management can enhance performance outcomes. It is very recently found that interest has been shown in the parallel stream of research on the link between employee engagement and organizational culture, bringing the two together to suggest that engagement may constitute the mechanism through which HRM practices impact individual and organizational Performance.

Present day retail organizations are experiencing highest employee attrition as a huge problem, in spite of giving almost every delight to the employees. At the initial level, if there is a positive and generalizable relationship between:

- Employee engagement and HRD practices at organised retail outlets in Bengaluru,
- Impact of OCTAPACE dimensions of organizational culture with that of employee engagement.

Problem of the study is stated as “*An Analysis of Organisational Culture and its impact on Employee Engagement with reference to selected Organised Retail Outlets in Bengaluru*” considering the OCTAPACE dimensions of organizational culture and its impact on employee engagement.

### **RESEARCH DESIGN**

Descriptive research design was employed for current research.

### **OBJECTIVES OF THE RESEARCH**

The objectives of the research were:

1. To study the present levels of employee engagement at selected organised Retail Outlets in Bengaluru
2. To understand the different cultures of organised Retail Outlets in Bengaluru.
3. To study the relationship between dimensions of Organizational culture **Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration and Experimentation** and its relationship with Employee Engagement.
4. To test the relationship between OCTAPACE dimensions of organizational culture and its impact on Employee Engagement.
5. To provide suggestive measures for optimisation of effectiveness and efficiency of the employees in selected retail outlets.

### **SCOPE OF RESEARCH**

The study is conducted in Bengaluru, capital city of Karnataka. Only organized retail outlets are taken for the purpose of this research study. The scope of the proposed study extends up to studying and systematically analysing the various factors that lead to organization culture and employee engagement. Major factors that lead to employee engagement will be determined and the impact of the organizational culture (OCTAPACE dimensions) on employee engagement will be studied.

### **VARIABLES OF THE STUDY**

OCTAPACE dimensions [Openness (O); Collaboration (C); Trust (T); Authenticity (A); Pro-activity, (P); Autonomy (A); Confrontation(C); Experimentation (E)] and the integrated variables like level of engagement, **dimensions of employee engagement** (Physical, Cognitive, Affective, behavioural) **factors resulting in employee engagement** (Trust & integrity, Nature of the job, Career growth opportunities, Co-workers / team members, Pride about the company etc) will be studied in detail.

**SAMPLING DESIGN**

**Population:** The population includes all employees of organised retail outlets in Bengaluru.

**Frame:** The frame comprised employees of the retail outlets of Bengaluru.

**Sampling Method:** Stratified sampling is employed

**Sample size:** The questionnaire was rolled out to 756 employees as on March 31<sup>st</sup> 2017 and a sample size of 246 respondents has been determined.

**DATA COLLECTION**

The data was collected from primary and secondary resources.

- Primary Data was collected through a combination of a standardised questionnaires on OCTAPACE Dimensions and Employee Engagement
- Secondary data was collected from various sources like:
  - ✓ Journals of Industrial psychology , Journal of management and Journal of HRM
  - ✓ Reports & Research articles on Employee Engagement, Organization Culture and Organization Climate. Etc.

**STATISTICAL TOOLS**

The main tools used for statistical analysis were testing of Hypothesis, Percentage Analysis, Means, Standard deviation, and t-test and one-way ANOVA test.

**HYPOTHESES**

$H_{01}$ : There is no significant difference between the engagement levels of employees of all organised retail outlets.

$H_{02}$ : There is no significant relationship between OCTAPACE dimensions of Culture & Employee engagement in all the retail outlets.

**RELIABILITY COEFFICIENT**

**Cronbach Alpha Reliability Test:** Reliability refers to the extent to which a scale produces consistent results if repeated measurements are made. The reliability coefficient (cronbach alpha) was found to be 0.87. The alpha value was more than the minimum acceptable value of 0.7.

**LIMITATIONS OF THE RESEARCH**

The researcher has identified the following limitations for this research:

- The results were primarily based on the organised retail industry in India (South India), particularly Bengaluru city and therefore results may vary with regard to other states.
- The researcher has found that there are expect few retail outlets in the city that are not aware of employee engagement, whereas, there were few employees who had no idea about the relationship between employee engagement and organizational culture.

**MAJOR FINDINGS****Discriminant relationship of Employee Engagement and Impact of Organizational Culture on EE**

1. This research provides evidence of the distinctiveness of employee engagement and organizational culture and researcher conducted a confirmatory factor analysis leading to discriminant validity establishment to examine employee engagement.
2. Based on the sequential chi-square difference test (James, Mulaik, & Brett, 1982), the one-factor model,  $\chi^2$  (20, N = 198.06;  $\chi^2_{diff}$  (1, N = 246) = 32.02,  $p < 0.01$  and one-factor model = 0.80, the goodness-of-fit index of one-factor model = 0.81, and the Tucker-Lewis index of one-factor model = 0.72.
3. The means, standard deviations, internal reliabilities, and inter-correlations among the variables are reported in Table. All measures show high internal reliabilities, with co-efficient alphas ranging from 0.55 to 0.84. The pattern of correlation is consistent with the hypothesized relationships. That is, employee engagement and organisational culture dimensions has a statistically positive relationship.
4. The level of significance is based on the critical ratio (CR) of the regression estimate (Biswas, Giri & Srivastava, 2006; Byrne, 2001). Thus, when CR values are greater than or equal to 2.58, it indicates a 99 percent level of significance. However, when CR values are greater than or equal to 1.96 but less than 2.58,

it indicates a 95 percent level of significance. Accordingly, it is reported that employee engagement regress is significant and positive on OC (standardized  $\beta = 0.48$ , CR =4.67). This is consistent with Hypotheses 1 and 2. The standardized regression coefficients for the relationships are designated by  $\beta$ . Further, organizational culture dimensions (standardized  $\beta = 0.82$ , CR = 6.72) are significantly and positively associated with employee engagement.

**Table-1: Means, Standard Deviations, Alpha Reliabilities, and Inter correlations Among Variables**

Dimensions	M	SD	O	C	T	A	P	A	C	E
O	3.16	0.43	(0.73)							
C	3.32	0.61	0.50	(0.80)						
T	3.37	0.36	0.23	0.33	(0.74)					
A	3.47	0.51	0.52	0.54	0.47	(0.84)				
P	3.53	0.51	0.48	0.47	0.32	0.55	(0.55)			
A	3.65	0.62	0.49	0.47	0.45	0.58	0.62	(0.60)		
C	3.68	0.63	0.52	0.49	0.48	0.60	0.63	0.65	(0.65)	
E	3.69	0.64	0.55	0.53	0.49	0.62	0.65	0.66	0.68	(0.65)

**Table-2: Regression Estimates for 4 Dimensions**

Dimensions	Unstandardized Coefficients		Standardized Coefficient	
	B	Standard Error	$\beta$	CR
Openness	0.18	0.05	0.36	3.70
Confrontation	0.23	0.05	0.48	4.67
Trust	1.51	0.22	0.82	6.72
Authenticity	1.07	0.25	0.85	4.22

Note: N=246; The C R (Critical Ratio) is the commonly recommended basis for testing statistical significance of SEM components with C R values beyond  $\pm 2.58$  establishing significance at  $p < 0.01$  level and applied structural modelling equation (SEM) procedures using the maximum likelihood estimation (MLE) algorithm. SEM offers a better alternative to traditional multiple regression tests of mediation. However, conceptually, procedure of testing mediation using SEM is better to Baron and Kenny's (1986) approach.

### FINDINGS AS PER STATISTICAL DATA ANALYSIS

- Hypothesis Testing revealed that all the OCTAPACE variables which are essential to build strong ethos in the organization are not given equal significance in the organization.
- There is a very high positive inter-correlation amongst openness, confrontation, pro-action and experimentation.
- There is a low positive correlation amongst openness and authenticity and autonomy.
- Likewise, Autonomy also shares a very low correlation amongst all variables except Trust.
- Pro-action shares a very high correlation with experimentation.

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## A MODEL TO INTEGRATE INTERNET BASED PLATFORMS IN CLASS ROOMS FOR MODERN MANAGEMENT EDUCATION

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### ABSTRACT

*"Education is the manifestation of the perfection already in man"*

*Discussion of new ideas is something that is limited to very few schools across the country. There is a huge gap in the implementation of education. We need to realise that we are training students for a future that we don't know about. We need to inculcate skills that will be relevant 10 years from now. Things like collaborative thinking, social intelligence, and problem solving need to be taught. Right now, mass schools are like factories. Even though there is a talk of encouraging and supporting unique thinking capabilities among students, schools have continued with the traditional mode of teaching. Our model proposes a revolutionary system where the teacher and the students make use of internet based platforms to learn about concepts beyond the syllabus to get better insight about the subjects and to narrow down the gap between the industries and the institutes. This model looks to take advantage of the traditional mode of teaching and incorporate the new and upcoming technologies to make the learning experience more engrossing and holistic.*

*Keywords: Learning, Education, Teaching Pedagogy, Internet, MOOC*

### PROBLEMS WITH MODERN EDUCATION SYSTEM

Indian Education system is plagued by issues that need to be addressed on a war footing in order to ensure that our educated mass is also a skilful mass who have a big role to play in the development of this nation.

#### ➤ Education System Promotes Rat Race

Students are engaged in a learning environment which primarily tests remembering and recalling ability rather than testing their application skills. Students are given a false sense of competition where no one wins at the end of the day.

#### ➤ Education Does Not Build Persona of a Child

Traditional class room teaching within the four walls of a class room does not help in the holistic development of a student. It does not encourage them to experiment and learn from their own failures and success. The confidence that is built up in the classroom fades when students meet the real world challenges.

#### ➤ No Critical Analysis, only Following the Establishment

Today's students are the future of tomorrow. Students must be encouraged and trained to look at things critically rather than accepting the majority's view as the correct one. Our present system lacks in developing this important skill among our young minds. Class room environment and traditional teaching does not look at challenging the predominant theories but encourages students to memorise them without taking a deeper look at those theories.

#### ➤ Teachers Themselves are Not fully Qualified

To make things worse, our teachers themselves are not sufficiently trained to teach kids. They lack exposure to modern teaching pedagogy and are not equipped to use the modern technology to make teaching more effective. As per UGC and AICTE there is also a problem with the teacher student ratio due to lack of qualified teachers.

#### ➤ Education Given is Irrelevant to Job-Market

This is perhaps the most apparent failure of our education system that after completing graduation in any discipline students are not able to get jobs. It is simply because skills that are required in a job market are simply not present in a fresh graduate. All that a student is taught in his entire school and college life is almost redundant for job markets. Skill that is required by them is not taught in schools and colleges. Hence our education system is needed to be revamped and must be designed according to our economic policies.

#### ➤ Missing Innovation & Creation because Only Aping West

If we talk about the privileged children in India then even they are not able to innovate and create new things. Although they have everything that a child needs but still they lack something in them. What they are doing is only aping western culture and not being able to do something new. On the one hand children are not able to go to schools and on the other hand, if they are going then are not able to innovate or solve the problems that the country is facing.

### NEED OF THE MODEL

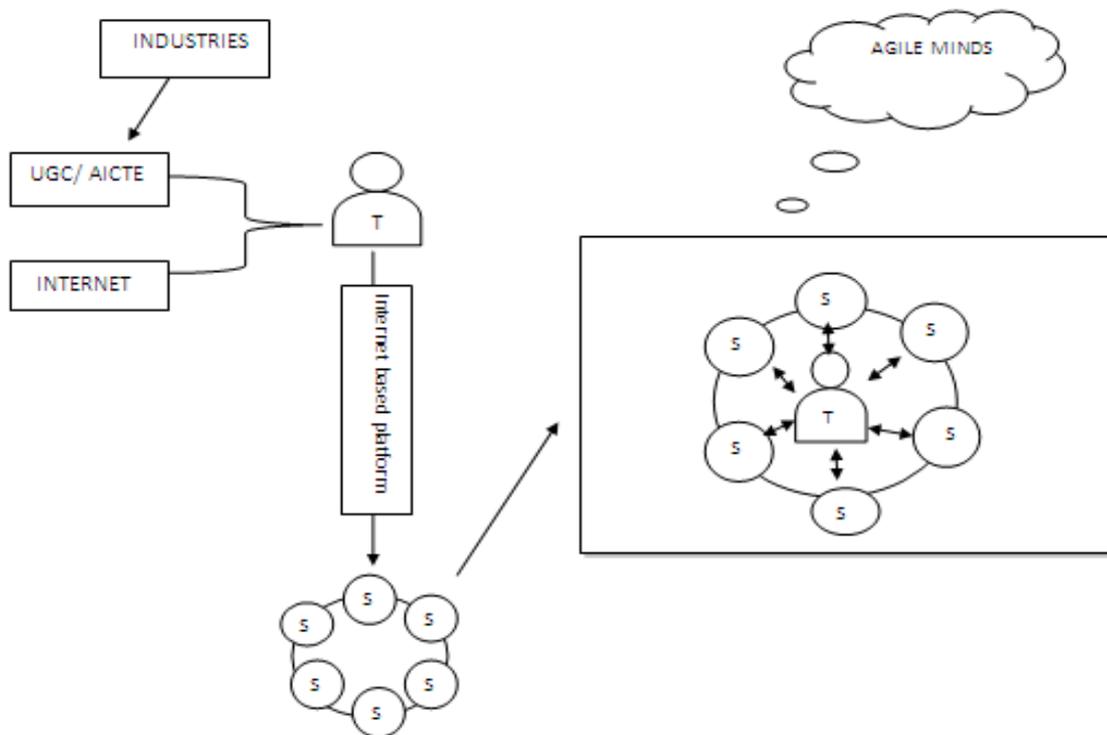
Aspiring Minds, conducted an employability focused study based on 150,000 engineering students. The findings were rather shocking, as many as 97 percent of graduating engineers want jobs either in software engineering or core engineering. However, only 3 percent have suitable skills to be employed in software or product market, and only 7 percent can handle core engineering tasks.

The report by Assocham said, only 7 percent of MBA graduates from Indian Business schools get a job straight after completing their course. Assocham secretary also said that the quality of higher education in India across disciplines is poor and does not meet the needs of the corporate world.

From these statistics we understand that there is a huge gap between the students graduating from institutes and the corporate world. A tiny portion of graduating community is employable and this situation gives rise to many serious questions about our education system.

Falling standards of our education system and depreciation of analytical skills among our student fraternity, made us to develop a model where we have tried to narrow down the gaps existing between teacher and students and between the graduating students and corporate world. The output of this model will be agile students who will have an opinion of their own and will be ready to take on any situation which arises.

### THE PROPOSED MODEL



### THE CLASS ENVIRONMENT

The class room is a place where ideas should collide for the minds to prosper. Let us treat the class environment as an agricultural field. Where the Farmer (teacher) sows the seeds of thought and provides the circumstances or conditions for these seeds to prosper into amazing unique perspectives. For this to happen, no students should be made to sit at the back as it creates a difference and alienates them from the discussion. So in our model student sit in a circular arrangement with the teacher in the centre. This environment makes discussions and debates more engaging. The teacher at the centre controls the flow and direction of the thought. The purpose of the class is to encourage freedom of thought. The teacher brings relevancy and feasibility to the thought while encouraging courage and imagination and uniqueness of thought.

### UGC / AICTE

The regulatory bodies design and approve the curriculum by taking inputs from industries so that the modules inside classroom closely resemble the events taking place in the outside world. We have to realize that the world changes at a faster rate than the rate at which syllabus can be updated and approved. Hence we have to acknowledge that even though books and syllabus gives us the basics and the foundations, they may fall short when it comes to keeping pace with the changing world. So there is a chance that no matter what is delivered in the class room a big percentage of it is outdated.

**ROLE OF INTERNET**

Internet today has proved to be a source of knowledge and empowering the mind with facts and notions about the world that the classroom may fail to update. It becomes a great addition to the traditional teaching learning process by making up for areas that books or syllabus lack in. Applications and blogs provide content about current events that not only provide information but also help students develop perspectives. The teacher can borrow from these blogs and instigate the minds to think and connect the syllabus with the world outside.

Videos and documents that are available on the net can be shared to students before the class so that students can come to class better prepared. Class room should be used for discussion. Rather than a monologue, the class room should be used for dialogues. There are applications that can be used to deliver a concept before the class and students can be trained and monitored. Applications like POCKET help teachers curate the web and send relevant articles for students to read which can be taken up for discussion in the class room. PERSPECS delivers the story along with for and against views that helps students to form opinions.

**CONCLUSION**

The modern education system needs a revolution of sorts. It's failing to deliver students with skills and a well-rounded mind that is agile and thinks for the betterment of society. Books fail to integrate the need of the hour. They are important but need to be supplemented with relevant and current information. The teacher today is more important than ever before. In our model the teacher is central to the effectiveness of the model as he curates the web and through his experience guides the discussion the class room. The teacher through his engagement can create minds that will be essential for taking the nation forward. Let us all through our education discover what's already inside us: our own definition of perfection.

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A STUDY ON CONSUMER AWARENESS AND PERCEPTION TOWARDS THE GREEN PRODUCTS

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**ABSTRACT**

*The increase in environmental consciousness has had a profound effect on consumer behaviour, with the green product market expanding at a remarkable rate. Companies all over the world are striving to reduce the impact of products and services on the climate and other environmental parameters. Marketers are taking the cue and are going green. Increasing awareness on the various environmental problems has led a shift in the way consumers go about their life. There has been a change in consumer attitudes towards a green lifestyle. Consumer's behavior towards products and marketing are changing every day because of increasing awareness on the health and environmental problems. Not only consumers, manufacturers have directed their attention towards environment friendly products. This paper brings out the consumers perception and awareness towards green marketing practices and green products with the help of a questionnaire. A study was conducted on 100 respondents; It is observed that there is high level of awareness about green marketing techniques and green product among the consumers taken in the study. This increases awareness and sensitivity towards environment issue places certain demands on business functions to become greener.*

*Keywords: Consumer Behaviour, Environment, Consumer Awareness, Green Products.*

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**INTRODUCTION**

Indian marketers are also realizing the importance of the Green Marketing Concept. The literate and urban consumer is getting more aware about the merits of green products but it is still a new concept for many. Green products are not having better performance than the non green product, firms need to manufacture better than non green alternatives as consumers still prefer reliability, durability, performance etc, than environmental friendly. Therefore, if the green products perform better than the non green products, consumers will prefer green products because consumers get double benefits.

**STATEMENT OF THE PROBLEM**

Increasing pollution and environment damages due to traditional production methods have necessitated the marketing of green product. Generally many green products suffer the issue of reputation, Consumers have doubt about quality of the green product and Firms are not educating their customer regarding the green products

**RESEARCH OBJECTIVES**

- 1) To understand the awareness of the green products among consumers
- 2) To know consumer's buying intentions regarding green products
- 3) To study the effect of green marketing on the customer preferences
- 4) To make the list of findings
- 5) Giving appropriate suggestions and conclusions

**Green product:** green products are very efficient, energy saver, long lasting (durable) and require low maintenance cost.

**Green marketing:** it means marketing the products and services based on or with the intention of protection of environment and health of humans.

**Consumer behavior theories**

Consumer behavior theories cover two areas consumer perception and collective consciousness. The consumer perception theory suggests that consumers understand how perception of a product or service influences their behavior.

**RESEARCH METHODOLOGY**

A research study was conducted in Bangalore by selecting a sample of 100 green respondents. The present study is based on primary data collected through questionnaires distributed to 100 consumers and secondary data for the review were sourced from various newspapers and journals. The sampling was done using

convenience sampling method. The research design was done using descriptive design that explains the concept of consumer awareness and perception towards green products.

### LIMITATIONS

1. Due to time constraints and limited resources, the sampling frame for this study was only limited.
2. The study is restricted to Padhmanabha Nagar only and the result may not be applicable to other places.
3. The result obtained is based on the respondents opinion so there is a chance of consumer bias.

### DATA ANALYSIS

**Table-1: Consumers Opinion on Purchasing Green Products**

	Male	Female	Total
Yes	23	31	64
no	17	19	36
	50	50	100

Table 1 presents that 64% of the respondents take in consideration of green products while making shopping, 36% respondents never considered the same. So, it reveals that though awareness level is quite high yet its conversion in to purchase intention is low. Male respondents 23% and Female respondents 31% take into consideration green products while making purchase decision.

**Table-2: Consumers Opinion on Green Products Price**

Particular	Frequency	Percentage
Higher	34	34
Average	33	33
Don't know	20	20
lower	13	13
total	100	100

Table -2 reveals that 34 % respondents reacted to the prices of green products as higher compared to non green products as higher compared to non green products. 33% respondents are average and 20 % respondents were unaware about prices of the green product, 13% respondents believe low price of green products in comparison of its benefits.

**Table-3: Awareness And Perception Regarding Green Product Prices As Compared To Non Green Products.**

Particulars	Frequency	Percentage
Higher	37	37
Average	27	27
Don't know	20	20
Lower	16	16
Total	100	100

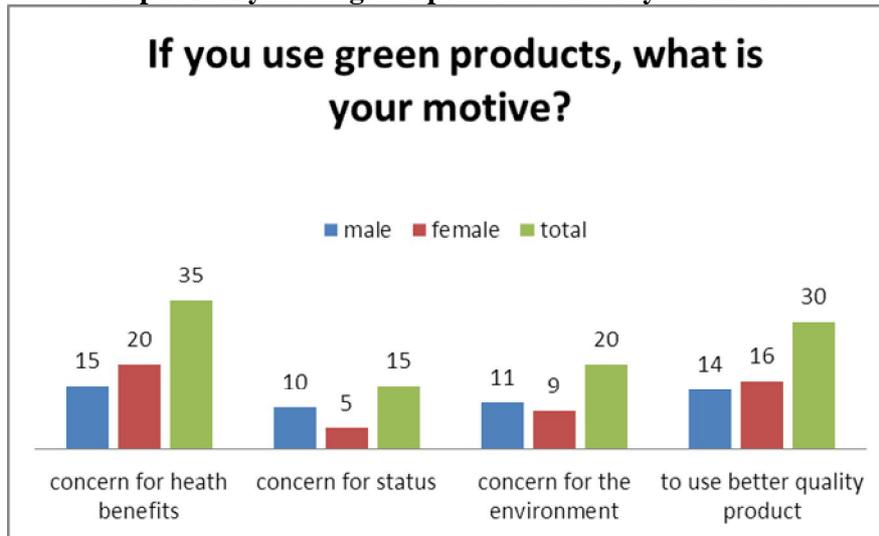
Table – 3 reveals that 37% respondents perceived the prices of green products as higher in comparison to other products but 20% respondents are unaware about the price of the product and finally 27% respondents think that on an average price of green products and non-green products is almost same.

**Table-4: Frequent Purchase of Green Product**

Particular	Frequency	Percentage
Daily	7	7
Weekly	46	46
Monthly	22	22
Yearly	18	18
Rarely	7	7

Table -4 shows the frequency of purchase. 46% of the respondents purchase green product weekly, 22% of them purchase monthly, 18% of them made a purchase yearly. 7% of them purchase rarely and 7% of them purchase daily. Hence the major purchase is made weekly by the respondents.

**Graph-1: If you use green products what is your motive?**



Graph-4 shows that 35% are concern for health benefits, 15% of respondents are concern for stratus, 20% of the respondents are concern for the environment and 30% respondents are concern for quality of the product.

**Graph-2: If you don't use green products, will you consider using green production in the future?**

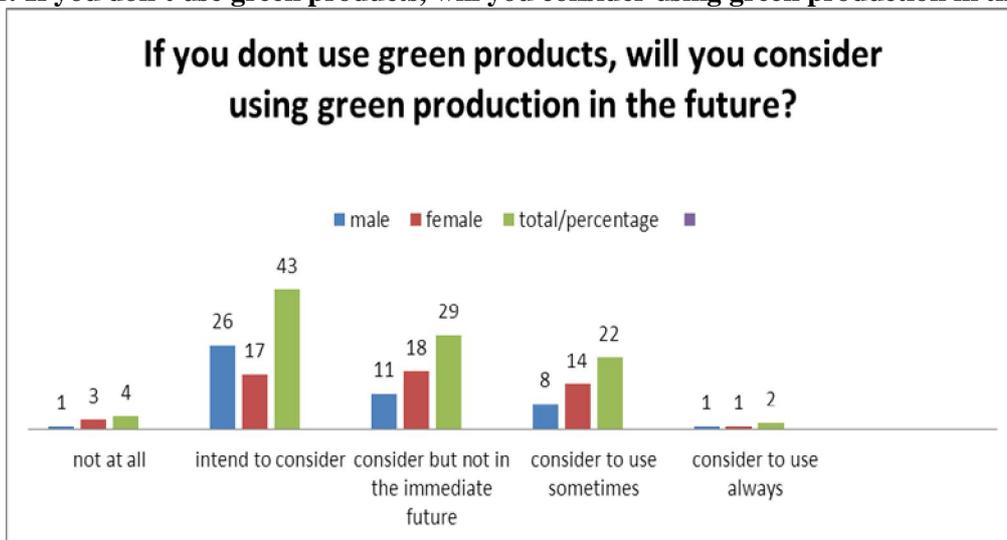
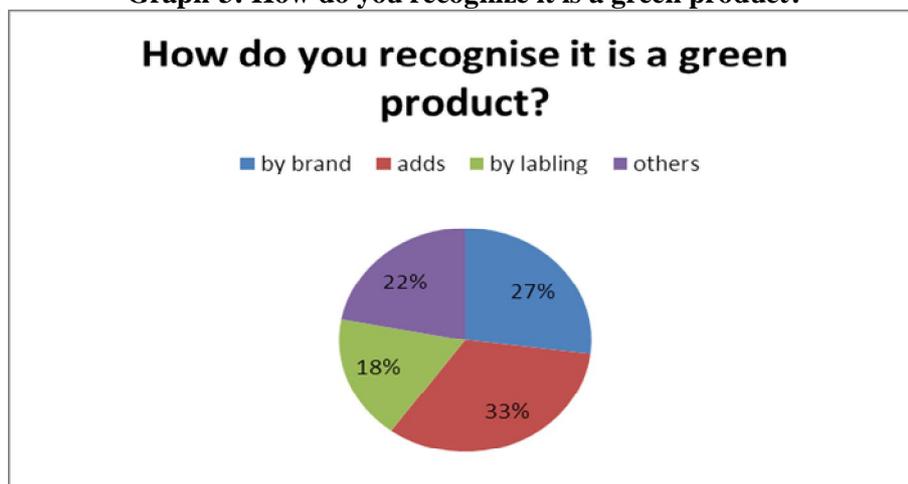


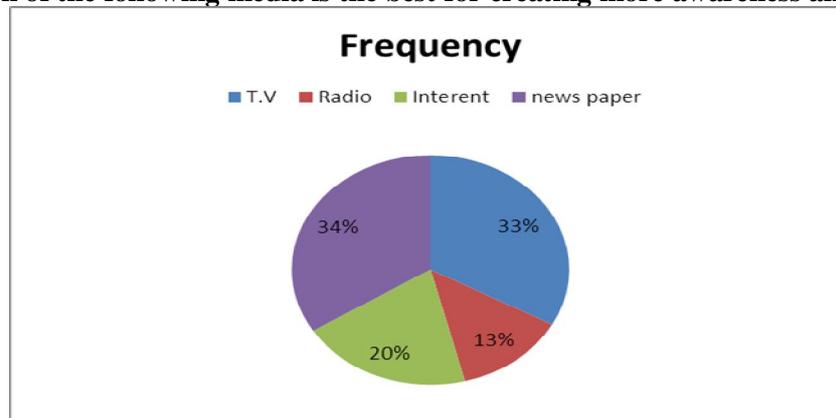
Table -6 reveals that 43% of respondents are intend to consider the green products, 29% of the respondents consider the product but not in the immediate future, 22% of the respondents are intend to consider to use sometimes, 4% of the respondents are will not consider at all and finally 2% respondents were consider to use always

**Graph-3: How do you recognize it is a green product?**



Graph – 3 reveals that 33% of the respondents recognize the green product by adds, 27% of the respondents recognize the green products by company brands, 22% of respondents recognize the green product by others and 18% of the respondents recognize the green product by labeling.

**Graph-4: Which of the following media is the best for creating more awareness among consumers?**



Graph – 4 shows 33% of respondents chosen T.V as their sources, 34% of respondents chosen News paper, 20% of respondents chosen internet and 13% of respondents chosen radio as their knowledge of awareness.

### FINDINGS

- 1) Consumers have shown positive attitude towards green products at the same time they are concerned with the availability and price of such products.
- 2) From the above analysis, it can be concluded that though majority consumers claim to be aware of green products.
- 3) The study shows that the percentage of buying green products are very low.
- 4) Customers have shown willingness to buy green products if it is available.
- 5) T.V and news paper remains leading sources of information for most of the consumers.
- 6) People have negative view towards green products.
- 7) The current consumption levels are too high and but unsustainable, therefore there is a need for green marketing.

### CONCLUSION AND RECOMMENDATIONS

From the above analysis, it can be concluded that though majority respondents claim to be aware of green products, but the awareness seems over-claimed. The deeper analysis reveals clearly that majority respondents, who claimed to be aware of green products, actually did not know as to what green products constitutes, exactly. Furthermore, the respondents did not understand that buying green products also contributes towards environment protection. Also if the green products have high prices then again it will lose its market acceptability. Therefore companies should make long run policies for Environment sustainability.

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**A STUDY ON RECENT TRENDS IN 720 DEGREE PERFORMANCE APPRAISAL**

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**INTRODUCTION**

Employees of an organization can be effective if there is continuous improvement in their performance. The main motto of the organization is to have accomplishment of its basic objectives. In order to do this it is important to monitor or measure the performance of the employees on a regular basis. It calls for giving timely feedback and reviewing the performance according to pre-determined standards. Another important element to make an employees of the organization effective is to motivate them periodically.

There have been numerous methods to evaluate performance of the employees in the organization. One of the modern techniques which have been gaining popularity among the HR Managers is 720 degree appraisal method. 720 degree appraisal method aims at monitoring, measuring, giving feedback and encouraging the employees to achieve the goal and for the Organization in turn.

Concept of 720 Degree Performance Appraisals is always difficult to measure performance of the employees with accuracy and objectivity. 720 degree performance appraisal is the latest appraisal method that has been introduced in New Economy companies. There are many techniques which are used by HR manager to evaluate the performance of employees such as Critical incident method, weighted checklist method, paired comparison analysis, graphic rating scales, essay evaluation method, behaviorally anchored rating scales, performance ranking method, Management by Objectives (MBO) method, 360 degree performance appraisal method, Forced ranking and Behavioral observation scales. In this system, we provide a feedback after the original / main 360 degree appraisal. 720 degree performance appraisal is an integrated method of performance appraisal. This is only performed in exceptional cases. Some managers feel that doing "one" comprehensive 360 degree is not complete in itself in some cases. These managers feel that an effective procedure to measure improvements and receives feedback is essential for the success of an appraisal. This gives a pre and a post intervention results. The pre-intervention results set the baseline In short, manager gives feedback to the incumbent to improve his performance and encourage him to achieve set targets. Usually, a period of 6 to 9 months is given for improving the performance of employee. Lastly, employees should also be treated with sensitivity and respect under this approach.

**NEED OF 720 DEGREE PERFORMANCE APPRAISAL**

**Better Analysis and Improved Feedback**

With the help of 720 degree performance appraisal, relevant information about employees could be easily gathered. On the basis of this information, accurate analysis of their performance can be made possible. Manager can also give objective feedback to the employees using this method. Accurate performance analysis and objective feedback in turn help employees to improve their efficiency. Employees whose performance is being evaluated would also feel motivated.

**Provides Performance Rank**

Ranking of the employees in their performance will help HR manager to take right decision regarding wage and salary administration, promotion, transfer, training and development of the employees. It also gives timely feedback of performance targets.

**Bringing In Efficiency**

With the help of 720 Degree performance evaluation, efficiency can be brought in among the employees of organization. This can be made possible as employees will be made aware about the area where there is need to have improvement. Work procedures and practices can also be standardized.

**Minimizing Grievances**

This method of evaluating personnel is also useful to minimize grievances of the employees. The resultant outcome of the evaluation is to make employees understand about their abilities, proficiencies in the different work areas. Not only this, they will also be made known about the areas of improvement. All in all management of the organization will try to understand the expectations of the employees and prevent grievances. This will result into improving disciplinary atmosphere in an organization.

**An Integrated Approach**

720 Degree performance appraisal method is more development focused than performance alone in true sense. This evaluation method is to be considered as an integrated approach to appraise the performance of the

employees. Needless to say, this method supplements training and development function in better way.

### **Impartial & Objective Assessment**

It is worth mentioning over here that this method overcomes the barriers like partiality, bias or discrimination while evaluating the performance of the employees. To put it differently, impartial and objective evaluation is one of the striking features of 720 Degree performance appraisal approach. An element of transparency with justly treatment is found in this approach.

### **Better Customer Satisfaction**

If we look at the dimensions of this modern approach to evaluate the performance of employees in an organization, customers are given due importance while receiving the feedback for the employees whose performance is to be evaluated. This results into understanding needs and requirements of the customers. Management will be in a better position to serve the customers after having understood their expectations. In short, we can give better satisfaction to the customers using this approach.

### **Realistic Career Planning for Employees**

This method provides information to diagnose deficiency in the employees regarding skill, knowledge, determining training and suggest the means for employees' growth. This information is to be used for developing realistic career planning for different employees. Ideally, employees will be promoted the areas in which they have expertise.

### **Importance of 720° performance appraisal in today's business world**

It is required to prepare the common and right set of parameters to judge the performance of the employees in an organization. This helps the employees to work enthusiastically. Now a day's the organizations hierarchy is replaced by the latest concepts like teamwork, participative leadership style, reengineering processes etc. this helps the employees to enhance their personnel development. The performance of the employees is plays a vital role in the success of an organization and it is very common phenomenon that the human always try to judge everything and everyone around them. The judgment of human being in an organizations is always affected by self-made parameters, that is not necessarily effective always and it may be negatively affect the performance of the others and organization as well. As the organizations always want more productivity with lesser resources, it becomes more important. Because of which the layer of management is reduced which leads to increased workloads and the managers has to manage the larger spans of control. To Judge the performance of the employees, the traditional approach is no longer effective, because of heavy workload of managers and supervisors, they unable to give sufficient time for judgment and for fair, accurate performance appraisals. The major problem in the traditional methods of appraisal was that it did not guide the employee after the appraisal that's why the 720° performance appraisal was introduces which will helps the managers to measure, analyzed the performance of the employees at the same time it will provide proper feedback and guidance to the employees to achieve their set target effectively. Here, we try to enhance the awareness of the 720° Performance Appraisal system in the Organizations. It is the latest appraisal method that has been introduced in New Economy companies. Accurately and objectively measuring the performance of an employee is the most difficult part of the Performance appraisal.

### **Contents of 720 Degree Performance Appraisal**

This approach typically contains following details for the purpose of evaluation.

- Key Skills
- Capability types
- Specific feedback questions
- Grade box for ticking performance

### **Dimensions of 720 Degree Performance Appraisal**

The modern organizations believe in having transparency and achieving high rate of employees' satisfaction. 720 Degree Performance Appraisal approach helps to accomplish these goals as this method takes in to account feedback received from different people. In fact, we can say that performance of employees is to appraise using different dimensions. This helps to overcome barriers of bias, prejudice and discrimination. Here the appraisal meeting is conducted twice i.e. pre and post feedback, whereas following are the people who provide feedback to the manager about performance of employees.

#### **i) Pre Appraisal Feedback**

The first and foremost important dimension is to have pre appraisal feedback. This is the first appraisal step that

is done after the feedback is collected from the different dimensions or people with whom the employee would interact. In this step, the performance is evaluated, targets are set and feedback or training is organized to help the employee achieve the target.

**ii) Self-Appraisal**

In many organizations, self-appraisal has started gaining popularity. Under this, the employee is given a questionnaire and asked to evaluate his performance and through this method, the employee gets an opportunity to express his thoughts and his valuation of strengths, weakness and judge his performance.

**iii) Appraisal by co-employees or peers**

This will also be useful for the employees as the feedback from the peers or colleagues is important as it helps to understand the ability of the employee to work as a team, co-operate, co-ordinate with others and bring out the best.

**iv) Customer Appraisal**

Ours is an age of competitive market, where survival can only be made possible by undertaking the expectations of the customers. All the organizations aim at achieving high customer satisfaction. Customer feedback helps to analyze the customer point of view and help to improve the person and the Organization. This enables employees to serve customers in better ways.

**v) Sub-Ordinates Appraisal**

The feedback of the sub-ordinates is essential to analyze the organizing skills of the employee and to understand his abilities like communication and motivating abilities, ability to delegate the work, leadership qualities and way of handling responsibilities.

**vi) Managers / Superiors Appraisal**

In this, the performance, responsibilities and the attitude of the employee is evaluated by the Superiors or Managers.

**vii) Post Appraisal Feedback**

It is this step that makes the 720-degree performance appraisal different and better than the 360- degree performance appraisal method. In this step, the performance is evaluated based on the target set in the Pre appraisal and feedback is given. Timely feedback and guidance helps to improve the performance of employees.

**OBJECTIVES**

- To study the benefits and Limitations
- To study the Comparative analysis of 320 degree appraisal and 720 degree appraisal
- To Study Impact and Implications 720 degree appraisal

**1. To study the benefits and Limitations**

720 Degree performance appraisal will help in creating a synergetic work environment and will help to bring out the best of each employee. The other benefits of the 720 degree performance appraisal are as follows:

- It helps in better analysis and improved feedback from different dimensions
- Helps to develop a better and co-operative team
- Reduces the appraisal barriers like prejudice, bias and discrimination
- Customer feedback is valued. Better customer service and satisfaction can be obtained
- Encourages transparency and feeling of treated justly.

**Limitations of 720 degree performance appraisal**

- 85% of the appraisers consider that 720 Degree performance appraisal method is a time consuming process.
- 10% of the appraisers consider that the monetary requirement is higher for 720 Degree performance appraisal method as appraisal/feedback has to be done twice.
- 5% of the appraisers consider that there might be quality problem as all the 7 dimensions of appraisal in 720 Degree performance appraisal method might not be accurate.

**2. To study the Comparative analysis of 320 degree appraisal and 720 degree appraisal**

Although 360 Degree appraisal system and the 720 Degree appraisal system are capable of re-assessment and both involve the use of more than one evaluator, which in turns means that the different components of the appraisal system are handled by different people unlike the traditional appraisal system, which is based on a

unitary system of evaluation, there are some differences between 360 Degree appraisal system and the 720 Degree appraisal system.

- The 720 Degree appraisal system is a kind of double check for the 360 Degree appraisal system
- 360 Degree appraisal system means superior, subordinate, customer and peers and in 720 Degree appraisal system, they will be rechecking with the same persons who have given feedback and ask them twice.
- The 720 Degree appraisal system is more focused on the customer's feedback on specific position in the organization such as directors, managers and other higher or mid-level managers and is therefore reliant on the Voice of the external customers while the 360 Degree appraisal system is focused on the internal customer's feedback on employee performance.
- The 720 Degree appraisal system is more focused on Management/ Higher level staffs while the 360 Degree appraisal system is general.
- 360 Degree appraisal system is done by superiors, peers, subordinates and internal customers of a firm whereas 720 Degree appraisal system consists of appraisal by all the persons consists of top management, superiors, peers, subordinates, internal clients and auditors, external suppliers, customers and all stakeholders of the firm.
- The 360 Degree has a Single evaluation cycle while the 720 Degree has dual evaluation cycles.
- The 360 Degree appraisal facilitates the formal assessment of an employee by the evaluators like the customer or the employee, possibly with the help of appraisal forms. But the 720 Degree appraisal goes one step further and insists on a better focused, personalized and in depth review of the employees occupying managerial positions. The evaluation of the employee is usually done through detailed personal interviews with the performance evaluators.

### 3. To Study Impact and Implications 720 degree appraisal-an analytical view.

#### • Impact on Employee Reactions

According to a field studies, general employee participation in his/her own appraisal process was positively correlated with employee reactions to the Performance appraisal system. Employee participation in the appraisal process was most strongly related to employee satisfaction which increases the efficiency and effectiveness in the organization. As one of the dimension of 720 degree appraisal is self-appraisal this enables a criterion of interest among the employees and their association through appraisal acceptance and success.

#### • Impact on Legal aspects:

There are federal laws addressing fair employment practices, and this also concerns routine performance appraisal. Therefore, employment appraisal procedures must be validated like tests or any other selection device. Employers who base their personnel decisions on the results of a well-designed performance review program that includes formal appraisal interviews are much more likely to be successful in defending themselves against claims of discrimination.

#### • Impact on Cross Cultural aspects:

Culture place more concern on interpersonal relationships with other employees rather than on individual interests. High assertive countries value performance feedback for self-management and effectiveness purposes while countries low in assertiveness view performance feedback as "threatening and obtrusive" In this case, the performance appraisal of the high assertive countries would likely not be beneficial for countries scoring lower in assertiveness to employ. However, countries scoring lower in assertiveness could employ performance appraisal for purposes of improving long-term communication development within the organization such as clarifying job objectives, guide training and development plans, and lessen the gap between job performance and organizational expectations. Some countries and cultures value the trait of assertiveness and personal accomplishment while others instead place more merit on cooperation and interpersonal connection.

#### • Impact on Information Technology

Computers have been playing an increasing role in performance appraisal for some time. There are two main aspects to this. The first is in relation to the electronic monitoring of performance, which affords the ability to record a huge amount of data on multiple dimensions of work performance. Not only does it facilitate a more continuous and detailed collection of performance data in some jobs, The second aspect is in mediating the feedback process, by recording and aggregating performance ratings and written observations and making the information available on-line; many software packages are available for this. The use of IT in these ways

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undoubtedly helps in making the appraisal process more manageable, especially where multiple rating sources are involved.

**CONCLUSION AND SUGGESTIONS**

In the basis of the data collected it can be concluded that 720 degree appraisal method has both benefits and limitations. The biggest benefit is that both the employer and employee will be equally benefited. The employer can assess the employee from all dimensions and give the employee feedback on the areas of improvement. The employee in turn can use the feedback to improve his own efficiency. As far as limitations are concerned the only one negative factor is that it is time consuming and a repetitive process. When both 360 degree and 720 degree are compared both are equally suitable in different organizational setups. It depends on the ability and skills appraisal which methods etc.

The 720 degree performance technique can be implemented in all the countries, in all the organizations as it aids in rating the employee after supervising him from all the angles.

From the legal point of view there is a lot of acceptance, as the method promotes fair appraisal of the employee subjected to the method.

In the recent few years a lot of researchers have worked on this topic and proposed that new software should be innovated to promote the growth and implementation of the 720 degree appraisal method.

**RECOMMENDATIONS**

720 degree appraisal method has a vast base hence it suits all the types of work policies. As researches on this topic we highly recommend the use and implication of 720 degree appraisal method

**STRATEGIC HUMAN CAPITAL MANAGEMENT- NO MANAGEMENT WITHOUT MEASUREMENT****Ashwathnarayana, Umesha R and Gokul C**Assistant Professor, Government First Grade College, Kodihalli, Ramanagara  
Assistant Professor, Department of Business Administration, SSMRV College, Bangalore**ABSTRACT**

*In a rapidly changing competitive environment, human resources are one important competitive advantage. Strategic Human Resource Management (SHRM) has been, and remains, one of the most*

*powerful and influential ideas to have emerged in the field of business and management during the past twenty-five years. In this paper after emphasizing that Strategic Human Resource Management is powerful tool for sustainable development of the organization, it is essential to consider Human resource as Human capital in the context of competitive advantage. The real crux in this issue is measurement of Human capital for its effective utilisation. This paper is in descriptive nature and aims at focusing the importance of Human Capital management and its measurement with different models*

*Keywords: Strategic Human capital, sustainable development, Human capital measurement.*

**INTRODUCTION**

The world is changing quickly, customer profiles are changing, so too are their needs and expectations. Growth of middle classes in India and China and increasing female economic participation are examples. Demographic trends indicate we are going to face tougher competition for the talent in key areas. Organizations need to build people capabilities and give a work place climate that gives us the competitive edge in responding to market changes and evolving business strategies.

T.O Davidport's. Former HR director, Earnest and Young stated that "Employees are our biggest asset" metaphor is outdated and misguided. Instead employees are more like investors of their own human capital. Organizations do not own this human capital but can rent it from their employees. It will only be made available for as long as investors gain value in return for making their investment. Because of this, human capital is highly precarious and is in constant danger of being lost when an employee walks out of the door.

HCM philosophy is an integrated approach to Human Capital Management and measurement to ensure we measure and then develop the effectiveness of our process in building strategic capabilities and the return on investment of key activities. It is measuring the business impact of what we do. HCM indicates something that can appreciate if it is managed appropriately overtime, rather than being utilized for short run gain.

HCM is about managing people in a way that leads to the optimal accumulation of Human Capital for the individuals who are investing it, the organizations which are using it and also the financial investors who are funding it.

HCM provides a way of reconciling the views of people in economic and in human terms. As Libby Sartain (Former vice president of people at south west airlines) quotes "that head and heart should not be considered mutually exclusive.

**OBJECTIVES OF THE STUDY**

- ❖ To study the importance of Strategic Human Capital Management and its measurement for an organization.
- ❖ To know the difficulties in measuring Human capital
- ❖ To study the applicability of Human capital measurement models.

**Methodology**

The study is conceptual in nature purely relied on secondary data

**BENEFITS OF HCM**

- It gives insights into how well we are managing our people capability
- It acts as early warning signal about the things we need to put right before the become major challenges.
- It gives HR the ability to challenge the business constructively in a way we have not been able to do before.
- Helps us to make better decisions.

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**DIFFERENCES BETWEEN HUMAN RESOURCES AND HUMAN CAPITAL**

The difference between human capital and human resources lies in the fact that while human resources is focused on the job performed by people, human capital is more concerned with the abilities and training people possess. Human resources may also be defined as a branch in an organization that oversees the recruitment of capable employees, while human capital is the measure of capabilities and skills the human resource department requires from prospective employees. Another way of looking at the difference between human capital and human resources is by looking at the different factors that make up the two concepts.

Human capital can be explained by looking at it from a material point of view. Capital, in its general sense, refers to an investment that is capable of earning returns beyond the initial investment over its life span.

**SIGNIFICANCE OF HUMAN CAPITAL MEASUREMENT**

Measurement needs to be the part of the performance improvement cycle. It needs to be about the things you have to put in place to make something better, not just whether something is better or not. After all, a pig doesn't get any fatter simply because you measure it. You need to measure the things you're giving to the pig like the foodstuffs and its environment. If you measure and quantify the environment in which you've got the pig, and use this to work out what affects the pig, then the pig can be fatter.

Changing work force, global competition, advances in information technology, new knowledge, the 2008 global recession and demands for sustainable performance have forced corporate leaders to examine and re-evaluate how they manage and operate. In response, they are utilizing new technologies, changing their organization structures, redesigning work, relocating work forces and improving work processes. These changes have significant implications for how their human capital should be managed and how their HR functions should operate.

The annual reports of many corporations in North America, Europe and Asia state that their human capital and intellectual property are their most important assets. In many organizations, compensation is one of the largest costs. In service organizations, it often represents 70 percent to 80 percent of business cost. Adding in the costs of training and other HR management activities, one finds that the HR function often has responsibility for a very large portion of total expenditures—and this portion is growing.

There has been a huge wave of interest in evidence-based management and metrics and analysts. Companies are starting to think about their people as an asset because:

- Every Rupee spent must generate a return
- To make the right decisions, you need facts and evidence.
- To track the return on your investment, you need objective measures- this is where human capital metrics come in.

As Human resource is accepted as intellectual resources which mainly focused on creativity, however Kearns(2004) argues that creativity can only be measured when it has been converted to tangible output and can be given financial value. "Creativity is only worth something when it is translated into value. We will only know we are being creative in the right way, when creativity results in more output. In HCM perspective, all intangibles that are worth something become tangibles eventually. Moreover once intangibles are translated into tangibles, added value measures, they can be included in an HCM report that will convince those who need to be convinced.

The importance of measurement is also supported by research. Surveys conducted by consultancy William Schiemann & Associates (1996) have shown that what they called 'measurement-managed' companies outperformed other organizations. Another research by Ittner and Larcker(2003) in a study of 157 companies, only 23 percent of firms had developed causal models linking non financial drivers to financial performance. However, these companies had nearly 3 percent higher return on assets and 5 percent higher return on equity to companies that had not developed these models.

**WHY COMPANIES DON'T MEASURE HUMAN CAPITAL?**

In an interview, Mintzberg (Caulkin,2003)opposed management's fixation on quantitative measurement, saying " We've become prisoners of measurement, audits, league tables, targets. It just destroys creativity. What would happen if we started from the premise that we can't measure what matters and go from there? Then, instead of measurement, we'd have to use something very scary; it's called judgment.

Duncan Brown at Chartered Institute of Personnel and Development (CIPD) explains: There is a tremendous opportunity for us to demonstrate in the annual report how effective people management really does add value.

But there is also tremendous difficulty; just what do you put it there? Labour turnover rates? But these vary substantially by sector. Is a total growing workforce a good or a bad thing? Would you risk using your employees' attitude survey data?

Author and Philosopher Charles Handy(1995) refers to Robert McNamara's experience in leading the US Department of Defense during the Vietnam war. The train of thought that leads to this type of situation;

The first step is to measure whatever can be easily measured, but it is like man searching for his lost car keys under the street lamp. When asked if he lost his keys nearby, he answers, 'No I can see better here. Doing this is not going to do any harm, but the man is not going to find his keys.

The second step is to disregard that which can't easily be measured or to give it an arbitrary quantitative value. (In a presumption that If you make the attempt but measure the wrong thing, it isn't just wasted effort. It can destroy everything you've worked for.)This is artificial and misleading.

The third step is to presume that what can't be measured easily really is not important. This is blindness.

The fourth step is to say that what can't be easily measured really doesn't exist. This is suicide.

**Author David Boyle** (2000) argues that despite its limitations, we tend to focus on data rather than other types of information because it is the easiest type to manage.

Experts argue that HCM should be focused more on creating value than on measuring the value that has been created. On management rather than measurement. But measurement is still important and actually forms very large proportion in decision making and we use it as support to management of Human capital.

#### **MODELS OF HUMAN CAPITAL MEASUREMENT**

One of the approaches which I've considered is the evaluation model of Kirkpatrick in 1958.

Kirkpatrick's four levels of evaluation

Level 1- Reaction: The degree to which participants find the training favourable, engaging and relevant to their jobs

Level 2- Learning: The degree to which participants acquire the intended knowledge, skills, attitude, confidence and commitment based on their participation in the training.

Level 3- Behaviour: The degree to which participants apply what they learned during the training when they are back on the job.

Level 4- Results: The degree to which targeted outcomes occur as a result of the training and the support.

In 1997 Jack Phillips has added a fifth level to this model i. e. ROI : Philips suggested that when a training program is implemented, at each level, measurements are taken to determine whether the business impact was actually a result of the program.

$$\text{Return on investment} = \frac{\text{Net program benefits}}{\text{Program costs}} \times 100$$

Although the validity of this model has been criticized by some researchers, the technique's longevity indicates its face validity and robustness.

#### **CONCLUSION**

Companies never attempted to discover whether a correlation actually existed between a customer's level of satisfaction and the revenues and profits that customer generated. Ittner and Larcker (2003) in their research discovered that customers who were 100% satisfied spent no more money than those who were only 80% satisfied. Same way a 100% satisfied employee may not be an asset to the company just based on his satisfaction level. In spite of difficulties in conversion of intellectual into tangible, business needs to measure, because you can control only which you can measure.

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**IMPACT OF TECHNOLOGY ON VARIOUS FUNCTIONAL AREAS OF HRM-CHALLENGES AND OPPORTUNITIES**

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**ABSTRACT**

*As it is accepted by every organisation that HRM is very vital area of concentration for the successful achievements of goals, of late the technological involvement has changed the entire phase of HR functioning , as for every HR Managers it is a challenge as well as an opportunity to take up to focus on its impact on the development of HR system and its processing in the field of productivity, managing employees, idea generations, performance management, Technological effect on HR system to improve the employees skill. Technology has also focused on the recruitment, selection, training and development , evaluation , control, benefits of employees, process innovations and creativity which benefits the business of every entities for upgrading their Organisational Culture and Climate to create a very comfortable environment to work in at workplace. HRM system are developing its functional areas by adopting new creative and innovative strategies through Technology like E-HR Recruitment, E-performance management etc., Technology has changed the thinking of the HR Managers ,professional, Leaders to consider the employees as an asset of every business , Innovations in the form of upgrading of technology has replaced human with computers for getting their work done through digital ways like data based, big data, cloud computing apart from being very useful tool ,it is a challenge for all HR Managers to focus on HR as after the up gradation of Technology the expectation of the employees are at high. This paper is focused on the impact of technology on HRM on various functional areas and the challenges and opportunities arises out of innovations at work place .*

*Keywords: Human Resources Management, Technology, HR systems, HR Planning, Employees.*

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**INTRODUCTION**

Every aspect of operational activities are focusing on change which leads to positive impact on the concern areas . Similarly, changes in the department of Human Resources are also observed in few entities , due to which the organisations are leading their business beyond the national boundaries giving way for the opportunity for MNCs to enter in our country as well as providing route to parent country to focus its entities on International markets for its businesses to grow which is very beneficial from the point of view of enhancing the foreign exchange and to improve GDP of the country

As discussed the changes in any area can be successful when Technology adopted are upgraded and quality based, particularly HRM which is considered as the asset of the company, as without employees satisfied and well trained , achieving of the organisational objective is the dream which never be turn in true manner. HR Managers are now expected to adopt the changes in form of Innovations and creativity to boost the organisational business to survive and to grow in the market for prolong period improving its creditworthiness of the entity.

Impact of technology on various functional areas of HRM has led to very complex situation for the Leaders to be upgraded and trained to take proper managerial decisions for the operational activities of the concern.

**MEANING**

**Human Resources Management**

Is the process of recruitment and selecting employee, providing orientation and induction, training and development , assessment of employee (performance of appraisal), providing compensation and benefits, motivating, maintaining proper relations with employees and with trade unions, maintaining employees safety, welfare and healthy measures in compliance with labour laws of the land.

**DEFINITIONS**

**Edwin Flippo** defines- HRM as “planning, organizing, directing, controlling of procurement, development, compensation, integration , maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved.”

**TECHNOLOGY**

Technology is a body of knowledge devoted to creating tools, processing actions and extracting of materials.

**Various functional areas of HRM:** The functional areas of human resources:

**Recruiting and Staffing** – The HR professional will work with the hiring managers within an organization to develop an action plan for the hiring of a diverse workforce. This may include, but may not be limited to: sourcing for candidates in a creative manner; posting open jobs; screening resumes and applications; conducting telephone interviews; scheduling the in house interview; providing a tour of the facilities to the final applicants; conducting the appropriate background checks; recommending the appropriate compensation package; making the offer and preparing the offer letter and benefits information; conducting the new employee orientation program; and making sure that all new hires are enrolled in the company's benefit programs.

**Benefits** – Coordination with the benefit brokers to annually review all employer-sponsored benefit plans for renewal and compliance; conducting open enrollment educational meetings with employees; making sure that employees are enrolled and terminated from each benefit program with each vendor, as appropriate; assisting managers with accident investigations and the coordination of workers' compensation; completing the OSHA logs, as needed and posting when required; and tracking all paid time off, to include the paperwork for the Family and Medical Leave Act (FMLA) and other related benefits.

**Compensation** – Assisting hiring managers with the writing and updating of job descriptions and maintaining them annually; reviewing salary survey data to make sure that the company is paying employees competitively within the market; maintaining internal hierarchy with regards to pay; developing and maintaining a salary administration plan for the organization; making recommendations with regards to pay, merit increases, salary structure maintenance, etc.; writing and recommending variable pay plans; making sure that the organization is compliant with the various wage and hour laws; implementing and maintaining a creative performance evaluation system for all employees.

**Employee Relations** – The HR Generalist is one who maintains confidentiality with all employment-related matters within the organization. He/she promotes an "open door" environment with all employees and is an active "listener" to their needs and concerns without projecting a bias opinion or taking ownership for their issue. He/she works with management to proactively resolve employee relations issues, conducts investigations and makes recommendations for resolution. He/she works with management to document disciplinary actions and makes recommendation with regards to nonmonetary rewards and recognition. The HR Generalist is actively involved in employee terminations and understands the unemployment claim and appeal process. Most conduct exit interviews with terminating employees and provide information with regards to the continuation of benefits after employment.

**HR Compliance** – The HR professional makes sure that the organization is compliant with all employment-related laws and requirements from a federal, state and local perspective. This may include making sure that the appropriate posters are posted and up-to-date; preparation and maintenance of all employee policies within the employee handbook; employee file maintenance; Employment Eligibility and Verification Form I-9 maintenance; and completion of all verifications of employment, reference checks, etc. for past and present employees.

**Organizational Design** – Strategically assisting the management team with furthering the mission, vision and business goals of the organization through a solid organizational structure is paramount. The HR professional will maintain all organizational charts; make recommendations as to changes within the structure that would benefit the organization; understand how to manage the "white space" on the organizational charts; tracks turnover rates and reasons; develops career ladders within job classifications; is involved with succession planning, and promotes active employee engagement activities throughout the organization.

**Training and Development** – Recommends and may create and conduct training and development programs for the entire organization to include: anti-harassment and discrimination avoidance, diversity, customer service skills, business communication skills, etc. Works with managers to create and implement on-the-job training opportunities for all employees. Tracks all training programs and employee participation and follows up with managers and employees to measure utilization of skills learned as well as evaluating additional training resources or needs.

**Human Resource Information Systems (H.R.I.S.) and Payroll** – Continually reviews the needs of the organization with regards to payroll and H.R.I.S. vendors and evaluates the needs for upgrades, new systems, etc. Understands payroll laws and is able to process payroll and utilize the H.R.I.S., to the fullest extent

While the functional areas, as listed above, are the primary HR-related areas, there are others tasks within each area that could be added depending upon your organization. (<https://newfocushr.com/2015/04/13/the-functional-areas-of-human-resources>)

## REVIEW OF LITERATURE

Several changes in the emphasis of HR's role occurred during the last few decades. At some stage the emphasis was strongly on recordkeeping. Records of attendance, leave, salaries and a host of other things were kept manually. At that stage HR was merely viewed as a cost item on the budget (Roodt, 2004: 23).

Web technology is also changing the way HR professionals do their job. As a result, human resources has become the latest partner in the web development known simply as electronic human resources (e-HR) (Mongelli, 2000: 10).

High priority should be given to finding ways of integrating human resources management with the core business of each municipality, ways that may differ from case to case depending on local circumstances, budgets and management capacity. Human resources management should be an integral part of corporate planning and management processes (Sacht, 2002).

Karakanian's (2000: 36) definition will be used. According to her, e-HR is: ... the overall HR strategy that lifts HR, shifts it from the HR department and isolated HR activities, and re-distributes it to the organisation and its trusted business partners old and new. E-HR ties and integrates HR activities to other corporate processes such as finance, supply chain and customer service. Its promise is that HR is the owner of the strategy and when required it is the service broker as opposed to the provider

## OBJECTIVES OF THE STUDY

To know the concept of Technology and its impact on the HRM

To study the challenges faced by HR managers due to Technology.

To analyses the new opportunities exist after implementation of Technology

To provide few suggestions based on the study.

## STATEMENT OF THE PROBLEM

As it is analysed improving the HRM department is a very complex and complicated area where the HR Managers has to look into the functions in a very drastic way **to meet the objectives of the organization**, Technology is playing a very vital rule to develop the various functional areas of HRM. Though most of the organizations has adopted changes in their operational activities of their entities but its very **difficult to meet the challenges and to recognize the opportunities exist**. This study is taken up to feel the research gap of the areas of recognising the various new policies, opportunities and challenges to ease the work of managers for the development of HRM.

## SCOPE OF THE STUDY

The study is focused on **"IMPACT OF TECHNOLOGY ON VARIOUS FUNCTIONAL AREAS OF HRM-CHALLENGES AND OPPORTUNITIES"** to know the issues and challenges faced by the HR Managers to implement the new techniques of technology and its impact on HRM.

## RESERCH METHODOLOGY

Looking in to requirement of the objectives of the study the research design is based on descriptive in nature. Keeping in view the set of objectives, this research design was adopted to have greater accuracy and in depth analysis of the research study.

## SAMPLING PLAN

**Sampling Technique:** Convenient Random sampling techniques is used to draw the sample.

**Sample size:** The sample size is 50 respondents are Employers and the Employees of the organization.

## SOURCE OF DATA COLLECTION

The study is descriptive in nature both primary and secondary data is used extensively, **Primary data** is collected through questionnaire concentrating on the performance level of employees in the organization, **Secondary data** is collected through various journals websites, newspaper, articles etc.

## PLAN OF ANALYSIS

The data collected was classified and tabulated for analysis purpose and chart and groups are used to find the conclusion to make the presentation very simple, the data gathered were presented by using statistical tools and techniques of average, percentage etc.

## LIMITATION OF THE STUDY

➤ Time constraint

- Employees are busy for any further queries.
- Respondents are not much aware of the information about new technology adopted at workplace.

**FURTHER SCOPE OF THE STUDY**

In this paper Questionnaire method are used, this study is limited to technology and its impact on the HRM, so those who interested in further research can select the other sector.

**DATA ANALYSIS AND INTERPRETATION**

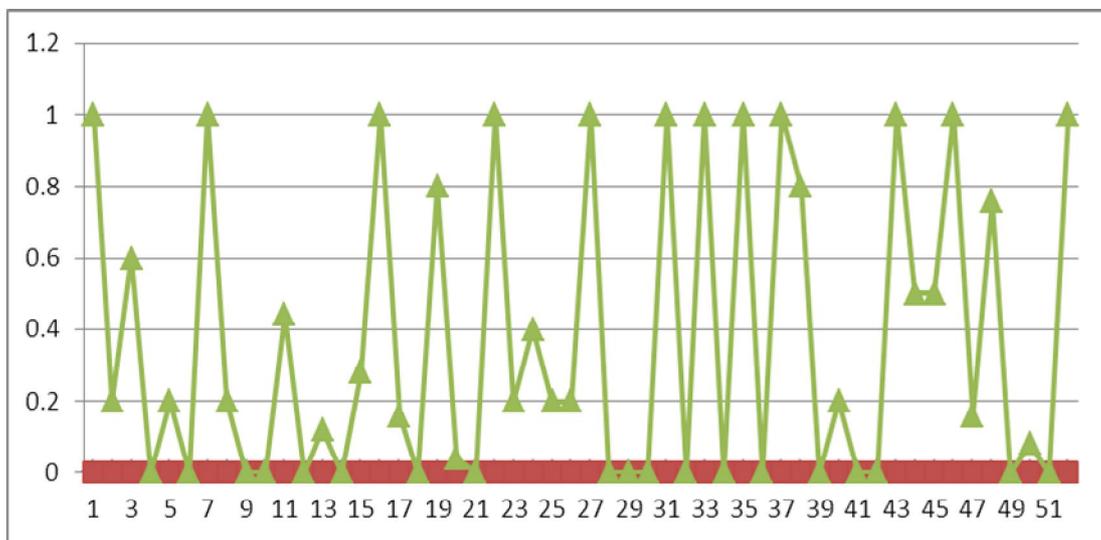
**(RESPONDENTS ARE THE EMPLOYERS AND EMPLOYEES) (50 respondents)**

Systematically introduce Technology innovative ideas into work practices	Once in Two years ( 40 ) Three years ( 10 ) Four years ( 0 ) Five and above ( 0 )	80% 20% 00% 00% ----- 100%
Technology Innovations work systems process are taken up	Capabilities of the Employees (10 ) Skills, knowledge ,creativity (30 ) By motivating the employees by monetary and non-monetary rewards. ( 10 ) None of the above ( 0 )	20% 60% 20% 00% ----- 100%
High commitment work system is follows based on	Aligning the interests of employer and employee by creating a mutual obligation(10) Encourage employees to identify with the goals of the organizatio ( 22 ) Employees are clearly describe the job during recruitment. ( 6 ) Empowering employees through information flows and decision making power. ( 14 )	20% 44% 12% 28% ----- 100%
Employees performance Management process are Exercised in your Organisation	Individual growth ( 8 ) Focus on the firm performance considering employees as an asset for the company ( 40 ) Team work outcomes ( 2 ) None of the above ( 0 )	16% 80% 4% 00% ----- 100%
Innovations considered as	Opportunity or threat ( 10 ) Hiring Criteria ( 20 ) Product innovations ( 10 ) Process innovations. ( 10 )	20% 40% 20% 20% ----- 100%
Perceptions of an Innovations focused on HRM system:	Extensive research for multiple recruitment sources ( 0 ) Flexibility in recruitment criteria. ( 0 ) Career development programmes ( 50 ) Balanced pay raise for creative performers ( 0 )	00% 00% 100% 00% ----- 100%
Creativity and Innovations at work place create awareness level of employees about new technology in an Organisation.	Yes ( 50 ) No ( 0 )	100% 00% ----- 100%
Sources of Innovations in the organisation leads to successful development of HRM:	Recognition of individual employees services ( 40 ) Incentives, rewards and remuneration ( 10 ) Attractive compensation packages ( 0 ) None of the above. ( 0 )	80% 20% 00% 0%

		100%
Government involvement assist in the development of HRM system in the Organisation	Yes ( 25 )	50%
	No (25 )	50%
		100%
Core challenges the HR Managers faces in the improvement of HRM system	Retention of skilled employees( 8 )	16%
	Cultural issues ( 38 )	76%
	Team Leader incapability in handling the workers( 4 )	8%
	None of the above( 0 )	0%
		100%
HR Managers tackle the challenges of retention of employees in an organization.	Awarding the employees (30 )	60%
	Promotions ( 10 )	20%
	Hike in remuneration(10 )	20%
	None of the above ( 0 )	100%

**ANALYSIS**

From the above table it is analysed that the employers respondents that 60% are of the opinion that Technology innovations work systems process are taken up in the organisation, high commitment work system is followed 44% , employees performance focuses on the firm considering employees as an assets of the organisation 80%, 40% agrees that hiring criteria is focused as innovations more than product and process innovations, 100% of the respondents are of the opinion that they give employees career development programme more important then in flexibility and balanced pay raised for creative performance of the employees, 100% agrees that creativity and innovations at work place creates awareness levelof employees about new technology in an organisation, success of every organisation depends on the Recognition of individual employees services 80%, where as 50% employees are of the opinion that government involvement helps in the development of HRM , 76% of the respondents are of the opinion that cultural issues are the core challenges HR managers faces in the improvement of the HRM department in the organisation . In an organization retention of employees is a very big challenge for managers as in the opinion of the employers 60% of the employees can be retented by rewarding them by recognizing their performance in an entity



**Graph showing the overall opinion of the respondents on the queries of HRM**

**Interpretation:** From the above graph it is interpreted that HR Managers are focusing building the idea generation for the purpose of development of the Human Resources at the entities, innovations process system in an organisations are concentrated on skills knowledge where as high commitment work system considered taking employees as an Asset for the company. Performance are exercised based on Individual growth , team work outcomes .Innovations are implemented considering it as opportunities , hiring criteria and product and process innovations.Innovations and creativity are creating awareness among the employees and which helps the Managers to develop the new technology , innovations are implemented often which creating the environment in building career development programmes of the employees .Performance Management is also one of the key source of improving the HR Department in an organisation. Respondents are of the opinion that the major issues and challenges faced by them are cultural issues and retention of the skilled employees

**FINDINGS**

- Innovations and creativity are most important tools and techniques which assist the HR Managers to take up managerial decisions very effective ways
- Respondents are of the opinion that Technology innovations helps in the development of the HRM in the organisation
- High Commitment work system is followed to encourage employees to identify with the goals of the organisation which assist the managers for the improvement of the HRM department of the organization.
- Performance management is focused on employees considering as an asset of the organisation which is very essential and very crucial for the development of the HRM
- Innovations are the sources of hiring criteria and product development and process innovations
- Careers development programmes can be exercised in the organisation for the development of HRM
- HR Managers are also facing issues and challenges in the development of HRM due to cultural issues, retention of the skilled employees, improving the in capabilities of the team leaders
- HR Managers most important challenges are to retention of skilled employees by awarding the employees by recognizing their performance in the functional areas of operational activities of the entity.

**SUGGESTIONS**

As studied from the analysis and interpretation , it is observed that the companie are doing their best for the development of the HRM System to achieve the objectives of the entity. I would like to give few suggestions for the further improvement of the

- Technology up gradation should be done by educating the employees before it is implemented in the company
- HRM system is not easy to improve overnight proper planning is required for the organization for achieving the goals of the entity.
- HR Managers are given training for the development of relation among the leaders and employees which prove very beneficial for the positive development of the good and effective operations of the company.
- HR Managers also should encourage the employees in their career development programmes in a systematic and effective ways on continuous basis .It should not be for a period of time but as a going concern.

**CONCLUSIONS**

Overall it is concluded that the study proves that Technology Innovations and Creativity will have a positive impact on the development of the HRM system of every organisations.

Innovations are an effective tool and techniques which assist the HR Managers to focus on the achievements of organisational goals in an efficient manner and innovations are very vital for generating new ideas, evaluations and control of the HRM system at workplace which is very essential for the growth of the organisation as a whole. It is very important for the leaders to recognize the opportunities exist in the market for the development and improvement of HRM

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**THINK GLOBALLY, A NEW CHALLENGE TO HRM –CHALLENGES AND SOLUTIONS**

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**ABSTRACT**

*Any organization does not depend on one particular person's ability to think globally. Instead it relies on interconnected global mindsets of managers across countries and levels to take advantage of all the global opportunities. The real importance of an organization's global mindset is not about being able to do all things, but rather to understand the complexities of the global environment as well as the trade-offs and opportunities when they are available.*

*This paper is focuses on the problems faced by the HR managers on this issue and it tries to bring up with few solutions.*

*Keywords: Global, Interconnected, Environment, HR, Manager*

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**INTRODUCTION**

Global leaders play a key role in shifting their business to a global mindset. This mindset requires leaders to:

- a. Tolerate and integrate multiple perspectives.** Companies that operate in international markets constantly encounter contradictions. Leaders must adopt a balancing act to ensure cultural differences don't lead to road blocks for think global.
- b. Adopt an interdependent approach to decision-making.** Decisions taken in one part of the world can have unintended consequences in another. So the business practices should be able to adopt the interconnected decision making approach.
- c. Look to underlying values to bridge cultural differences.** . Autonomy gives regional managers the freedom to take advantage of market-specific opportunities and adapt the business to suit local needs and customs

**FIVE PATTERNS OF THINK GLOBAL**

1. Early mover: The advantage of identifying emerging opportunities early on. Compared to our peers, I consider my company to be an early mover in identifying and taking action on emerging opportunities in foreign markets
2. Trade-offs: Greater sophistication and a more fine-grained analysis of the trade-offs between local adaption and global standardization. Compared to our peers, my company is better able to understand the trade-offs between local adaption and global standardization
3. Best practices: More rapid and efficient sharing of best practices across subsidiaries. Compared to our peers, my company is faster and more efficient at sharing best practices across subsidiaries and borders.
4. New products: Faster rollout of new product concepts and technologies. Compared to our peers, my company is faster at developing and rolling out new products and technologies in foreign markets.
5. Coordination: Smoother coordination of complementary activities across borders. Compared to our peers, my company is better able to coordinate activities across borders.

**MAJOR HR PROBLEMS**

**1.Hiring and retaining talent while lowering labor costs**

Retention of talent will prove challenging, as employees feel that stellar performances are not being rewarded appropriately. While their employers continue to have higher work expectations, employees' efforts are not necessarily translating into compensation they deem to be satisfactory. This is creating a challenge for HR as turnover rates increase. Finding and hiring talent will not prove any easier, as firms continue to decrease their labor investment. On a day-to-day basis, workers may not be as motivated and engaged. HR will have to continue to explore retention strategies and benefits models that focus on factors beyond financial compensation.

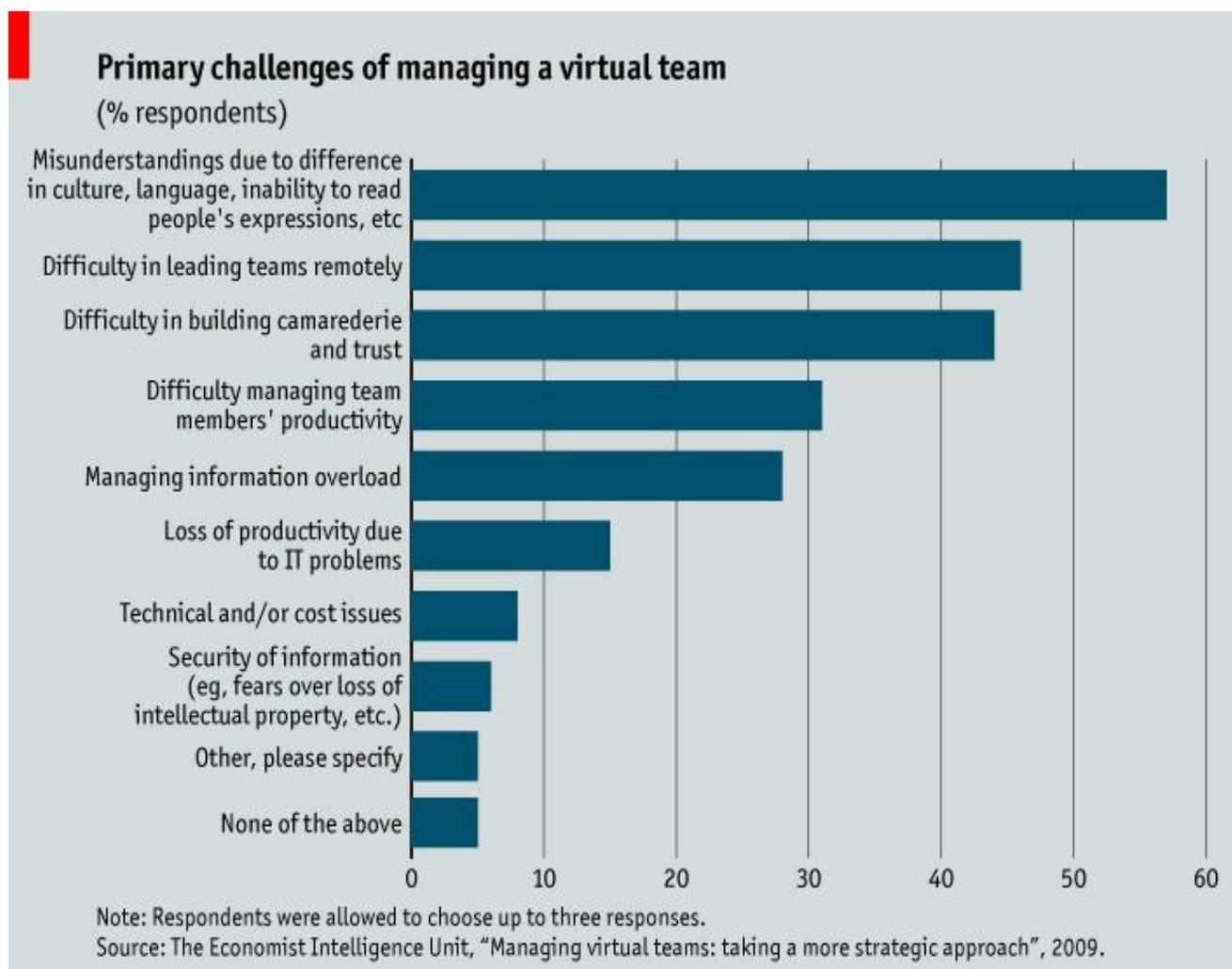
HR will find it difficult to reward high-performing part-time and flexible workers, and will have to explore methods to offer benefits or incentives to retain them in the pipeline for future work. Given that such contracts often specify work outcome, rather than the process itself, there is less ongoing engagement between a manager and contractor. This makes it more difficult for managers to review work using traditional performance-review systems.

## 2. Winning the war for talent

People migration, both cross-border and within countries, adds another layer of complexity to the labor market. Governments play a big role in determining and controlling that flow of labor. However, as organizations continue to expand globally and face skills shortages locally, many require a more mobile workforce. Therefore, organizations and governments alike will seek to understand and gather data on how migration patterns are affecting the composition of the labor market, and how educational attainments and skill sets are shifting.

As well as integrating different cultures and nationalities into their workforce, HR will have to grasp the intricacies of migration legislation to ensure that its employees are allowed to participate legally in the workforce. Getting acquainted and abiding by migration laws is not only a costly process, often requiring the hiring of many lawyers and exorbitant visa fees, but often a very complex one, with both policies and national sentiments continuing to fluctuate.

To incentivize employees to work overseas, HR needs to redefine mobility strategies and meet deployment demands, including access to schooling and medical facilities, and comparable standards of living to those experienced in their home country. Research shows that the inability of an expat's family to acclimatize to a new environment is the most frequent cause of the failure of an employee assignment abroad. Companies will need to provide imaginative support to spouses and children, as well as their employees, if they are serious about global mobility.



## SOLUTIONS FOR BETTER THINK GLOBALLY PRACTICES

Executives with a global mindset don't just understand – they understand, adapt and influence across a range of cultures and situations.

**1. A deep motivation to discover new things.** It doesn't matter where in the person's background or psyche this comes from – what's needed is lifelong curiosity and a willingness to learn.

**2. Humility.** Also known as "knowing what you don't know," or "the ability to ask the [right] dumb question."

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**3. Boldness.** Being motivated and humble is enough for a travel writer, not for a senior executive. Executives with global ambitions need to be bold enough to put themselves in unfamiliar situations, to take calculated risks and to make mistakes as they pursue their aim.

**4. Learning agility.** It's about intellectual horsepower too. The executive needs to have the agility to assimilate new facts and concepts, the memory to retain them, and the capacity to re-deploy them.

**5. Intercultural sensitivity.** Similar to learning agility but not the same, intercultural sensitivity is about an ability to pick up on cues in specific situations – language plays a strong role in this, but so do non-verbal signs – and to develop the same level of trust with people of other cultures as we do in our own.

**6. Comfort with ambiguity.** Executives developing a global mindset will need to understand its limits. They may have come a long way, but there are things they will never know.

#### **CONCLUSION**

Companies need to recognize their global need, embed a global mindset across the whole organization and ensure these efforts are sustained year after year. The journey needs to be bold, systemic and led from the top. But it is worth it!

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**A STUDY ON “HUMAN RESOURCE ACCOUNTING AND IMPLICATIONS FOR MEASUREMENT OF HUMAN CAPITAL”****Jayalakshmi. N. A and Kruthika.T. L**

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**ABSTRACT**

*Human Resource Accounting (HRA) involves accounting for expenditures related to human resources as assets as opposed to traditional accounting which treats these costs as expenses that reduce profit. Interest and contributions to growth in HRA have been evident in a number of countries. It is highly complicated in the today's market find well knowledge, coached, and highly motivated people. Human resource is one of the most important back office operations of any organization or business. Their skills, creativity, ability human cannot be replaced by machines. We can lose efficiency in work if no qualitative people. At all levels and areas of the business or firm human efficiency is required with machine efficiency. Human can work without machine but machine can't. Hence, industry like advertising and direct marketing for instance human talent is more valuable among other else. No machine can ever come up with a unique advertising idea without the human input. Thus companies must learn to recognize and appreciate the value of their employees. It is worth and capital investments. The paper highlights the significance of Human resource valuation and methods to measures human assets value. The paper describes to finds out the organizations those have tried to implement human resource accounting. The paper depicts the advantages of human resource valuation.*

*Keywords: Human Resource Accounting, Human Capital, Intellectual Capital, Financial Reporting Standards, human resource valuation, cost.*

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**INTRODUCTION**

To ensure growth and development of any organisation, the efficiency of people must be augmented in the right perspective. Without human resources, the other resources cannot be operationally effective. The original health of the organization is indicated by the human behaviour variables, like group loyalty, skill, motivation and capacity for effective interaction, communication and decision making.

Men, materials, machines, money and methods are the resources required for an organization. These resources are broadly classified into two categories, viz., animate and inanimate (human and physical) resources. Men, otherwise known as the human resources, are considered to be animate resources. Others, namely, materials, machines, money and methods are considered to be inanimate or physical resources.

The success or otherwise of an organization depends on how best the scarce physical resources are utilized by the human resource. What is important here is that the physical resources are being activated by the human resources as the physical resources cannot act on their own. Therefore, the efficient and effective utilization of inanimate resources depends largely on the quality, caliber, skills, perception and character of the people, that is, the human resources working in it.

The term Human resource at macro level indicates the sum of all the components such as skills, creative abilities, innovative thinking, intuition, imagination, knowledge and experience possessed by all the people. An organization possessed with abundant physical resources may sometimes miserably fail unless it has right people, human resources, to manage its affairs. Thus, the importance of human resources cannot be ignored. Unfortunately, till now generally accepted system of accounting this important asset, viz., the human resources has not been evolved. For a long period, the importance of human resource was not taken care of seriously by the top management of organizations. Therefore, at this juncture, it becomes imperative to pay due attention on the proper development of such an important resource of an organization.

Let us now concentrate our discussion on the conceptual framework of the Human Resource Accounting.

**DEVELOPMENT OF THE CONCEPT OF HUMAN RESOURCE ACCOUNTING**

“Human Resource Accounting” is the offshoot of various research studies conducted in the areas of accounting and finance. Human resource is an asset whose value gets appreciated over the period of time provided placed, applied and developed in the right direction. Till the recent past, organizations took few efforts to assign monetary value to human resource in its accounting practice. Behavioural scientists initiated efforts to develop appropriate methodology for finding out the value of human resource to the organization. They were against the conventional accounting practice for its failure to value the human resource of an organization along with physical resources.

The traditional concept suggested that expenditure on human resource is treated as a charge against revenue as it does not create any physical asset. At present there is a change in this concept and the expenses incurred on any asset (as human resources) should be treated as capital expenditure as it yields benefits which can be derived for a long period of time and could be measured in monetary terms.

The following are the reasons why Human Resources Accounting has been receiving so much attention in the recent years.

**Firstly**, there is genuine need for reliable and complete management of human resources.

**Secondly**, a traditional framework of Accounting is in the process to include a much broader set of measurement than was possible in the past.

The people are the most important assets of an organization but the value of this asset yet to appear in financial statements. It does not get included in management information systems too. Conventional accounting of human resources took note of all expenses of Human capital formation which does not seem to be correct or meeting the actual needs.

**Human Resource Accounting is the measurement** of the cost and value of people to the organization. It involves measuring costs incurred by the organizations to recruit, select, hire, train and develop employees and judge their economic value to the organization.

### **HISTORICAL SCORE CARD OF HUMAN RESOURCE ACCOUNTING**

The concept of considering the human beings as an asset is an old one. The importance which Emperor Akbar gave to the nine jewels (courtiers) is a strong evidence for the same. The history of our freedom movement will not be complete without mentioning the names of distinguished freedom fighters such as Shri Motilal Nehru, Mahatma Gandhi, Sardar Vallabh Bhai Patel and several others but no effort was made to assign any monetary value to such individuals in the Balance Sheet of the Nation.

Sir William Petty was the pioneer in this direction. The first attempt to value the human beings in monetary terms was made by him in 1691. Petty considered that labour was "the father of wealth" and it must be included in any estimate of national wealth without fail. Further efforts were made by William Far in 1853, Earnest Engle in 1883. The real work started only when behavioural scientists vehemently criticized the conventional accounting practice of not valuing the human resources along with other resources.

As a result, accountants and economists realized the fact that an appropriate methodology has to be developed for finding the cost and value of the people to the organization. For a long period of time, a number of experts have worked on it and produced certain models for evaluating human resources. The important among them are Shultz, Flamholtz, Lav and Schwartz, and Kenneth Sinclair.

Human Resource Accounting was first started with simple measures of trying to convert output data into contributions. When an HR programme had effected a change in the output especially for organizations operating on profit basis, its value was determined by calculating the profit contribution.

Rensis Likert in the 1960s was the first to research in HR and emphasized the importance of strong pressures on the HR's qualitative variables and on its benefits in the long-run. According to Likert's model, human variables can be divided into three categories: (i) causal variables; (ii) intervening variables; and (iii) end-result variables. The interaction between the causal and intervening variables affect the end-result variables by way of job satisfaction, costs, productivity and earnings.

Historically the first major systematic effort at evaluation was made by RG Barry Corporation of Columbus in 1967. Their annual report detailed the inauguration of HRA procedures developed by the company to enable them to report accurate estimates of the worth of the organization's human assets.

Today they fall under three major categories namely replacement cost, present value of future earnings and present value to the organization, i.e. profit contribution. The formation of a separate Ministry for human resources development by Government of India with an initial outlay of Rs.1500 crores infused a new vigour into all human development programmes of the nation. Creating such portfolio by every company creates the necessity of accounting for the same.

Human resources is one of the most valuable assets and needless to say that the human beings co-ordinate the best of machines, men and money. Computers, of course, may challenge the human resources but computer is not a brain and it simply carries out human commands. Therefore, Accounting for such human resources is very essential for the organization.

**MEANING AND DEFINITION OF HUMAN RESOURCE ACCOUNTING**

The concept of human resource accounting can be better understood if one goes through some of the important definitions given by the competent authors in the accounting field.

1. The American Accounting Society Committee on Human Resource Accounting defines it as follows: "Human Resource Accounting is the process of identifying and measuring data about human resources and communicating this information to interested parties."
2. In simple terms, it is an extension of the accounting principles of matching costs and revenues and of organizing data to communicate relevant information in financial terms. 2. Mr. Woodruff Jr. Vice President of R. G. Batty Corporation defines it as follows: "Human Resource Accounting is an attempt to identify and report investments made in human resources of an organization that are presently not accounted for in conventional accounting practice. Basically it is an information system that tells the management what changes over time are occurring to the human resources of the business."
3. M.N. Baker defines Human Resource Accounting as follows: "Human resource accounting is the term applied by the accountancy profession to quantify the cost and value of employees to their employing organization"
4. Another management consultant Stephen Knauf has defined HRA as:

"The measurement of quantification of human organization inputs such as recruitment, training, experience and commitment" Thus, human resources accounting may be defined as, "a process of accounting which identifies, quantifies and measures human resources for the use of management to cope up with the changes in its quantum and quality so that equilibrium could be achieved in between the required resources and the provided human resources" In short, human resource accounting is the art of valuing, recording and presenting systematically the worth of human resources in the books of account of an organization.

This definition brings out the following important characteristic features of human resource accounting:

1. Valuation of human resources
2. Recording the valuation in the books of account
3. Disclosure of the information in the financial statements of the business.

Importance of Human Resource Accounting: Human Resource Accounting provides useful information to the management, financial analysts and employees as stated below:

1. Human Resource Accounting helps the management in the Employment, locating and utilization of human resources.
2. It helps in deciding the transfers, promotion, training and retrenchment of human resources.
3. It provides a basis for planning of physical assets vis-à-vis human resources.
4. It assists in evaluating the expenditure incurred for imparting further education and training in employees in terms of the benefits derived by the firm.
5. It helps to identify the causes of high labour turnover at various levels and taking preventive measures to contain it.
6. It helps in locating the real cause for low return on investment, like improper or under-utilization of physical assets or human resource or both.
7. It helps in understanding and assessing the inner strength of an organization and helps the management to steer the company well through most adverse and unfavourable circumstances.
8. It provides valuable information for persons interested in making long term investment in the firm.
9. It helps employees in improving their performance and bargaining power. It makes each of them to understand his contribution towards the betterment of the firm vis-à-vis the expenditure incurred by the firm on him.

**Objectives of Human Resources Accounting**

The aim of HRA is to depict the potential of HR in monetary terms, while casting the organization's financial statements. The concept can be examined from two dimensions:

- (i) The Investment in HR
- (ii) The value of HR. The expenditure incurred for recruiting, staffing and training and developing the HR quality is the investment in HR.

The fruits of such investments are increased productivity and profit to the organization. The yield that the investment generates is considered as the basis for HR value. Putting in a capsule the main objectives of HRA are to

- Improve management by analyzing investment in HR
- Consider people as its asset
- Attract and retain qualified people
- Profile the organization in financial terms.

The main objective of human resource accounting is to facilitate the management to get information on the cost and value of human resources. Human resources accounting brings to light the quantum of human resources and indicates the right control of conservation, depletion and appreciation of it in the right perspective.

It provides data to the interested persons about the cost of human resources and correspondingly comparing it with the benefit obtained out of its utilization. The objective of HRA is not merely the recognition of the value of all resources used by the organization, but also includes the management of human resource which will enhance the quantity and quality of goods and services. The basic objective of HRA is to facilitate the efficiency of human resource.

It is basically adopted to treat human resources as assets, to generate human data about human resources, to assign value to human resources and to present human assets in the balance sheet.

The main objectives of a HR Accounting system are as follows:

1. To furnish cost value information for making proper and effective management decisions about acquiring, allocating, developing and maintaining human resources in order to achieve cost effective organizational objectives.
2. To monitor effectively the use of human resources by the management.
3. To have an analysis of the human asset i.e. , whether such assets are conserved, depleted or appreciated.
4. To aid in the development of management principles, and proper decision making for the future by classifying financial consequences, of various practices.
5. In all, it facilitates valuation of human resources, recording the valuation in the books of account and disclosure of the information in the financial statement.
6. Further, it is to help the organization in decision making in the following areas:
  - a) Direct Recruitment Vs promotion.
  - b) Transfer Vs. Retention.
  - c) Retrenchment Vs. Retention
  - d) Impact on budgetary controls of human relations and organizational behaviour.
  - e) Decision on reallocation of plants, closing down existing units and developing overseas subsidiaries etc.

Limitations of Human Resource Accounting: Human Resource Accounting is the term used to describe the accounting methods, system and techniques, which coupled with special knowledge and ability, assist personnel management in the valuation of personnel in financial terms. It presumes that there is great difference among the personnel in their knowledge, ability and motivation in the same organization as well as from organization to organization. It means that some become liability too instead of being human assets. HRA facilitates decision making about the personnel i.e., either to keep or dispense with their services or to provide training.

There are many limitations which make the management reluctant to introduce HRA. Some of the attributes are:

- i) There is no proper clear-cut and specific procedure or guidelines for finding cost and value of human resources of an organization. The systems which are being adopted have certain drawbacks.

- ii) The period of existence of human resource is uncertain and hence valuing them under uncertainty in future seems to be unrealistic.
- iii) There is a fear that HRA may dehumanise and manipulate employees.
- iv) For e.g., an employee with a comparatively low value may feel discouraged and develop a complex which itself will affect his competency to work.
- v) The much needed empirical evidence is yet to be found to support the hypothesis that HRA as a tool of the management facilitates better and effective management of human resources.
- vi) In what form and manner, their value to be included in the financial statement is the question yet to be classified on which there is no consensus in the accounting profession.
- vii) As human resources are not capable of being owned, retained and utilized, unlike the physical assets, there is problem for the management to treat them as assets in the strict sense.
- viii) There is constant fear of opposition from the trade unions as placing a value on employees would make them claim rewards and compensations based on such valuation.
- ix) Another question is, on value being placed on human resources how should it be amortized. Is the rate of amortization to be decreasing, constant or increasing? Should it be the same or different for different categories of personnel?
- x) In spite of all its significance and necessity, tax laws do not recognize human beings as assets.
- xi) There is no universally accepted method of human asset valuation.
- xii) As far as our country is concerned human resource accounting is still at the developmental stage. Much additional research is necessary for its effective application. HRA for managers & HR Professionals: HR Professionals must perform a wide variety of functional roles. A functional role is a specific set of tasks and expected output for a particular job. We will briefly discuss the roles played by two HR Professionals: the HR Executive/ Manager and the HR Practitioners

### **THE HR EXECUTIVE/MANAGER**

The HR executive/manager has primary responsibility for all HR activities. This person must integrate the HRD programs with the goals and strategies of the organization, and normally assumes a leadership role in the executive development program, if one exists. The outputs of this role include long-range plans and strategies, policies, and budget allocation schedules. One of the important tasks of the HR executive is to promote the value of HRD as means of ensuring that organizational members have the competencies to meet current and future job demands.

If senior managers do not understand the value of HRD, it will be difficult for the HRD executive to get their commitment to HRD efforts and to justify the expenditure of funds during tough times. Historically during financial difficulties, HRD programs and HRM has been a major target of cost-cutting efforts. Unless the HR executive establishes a clear relationship between HRD expenditures and organizational effectiveness (including profits), HRD programs will not receive the support they need. The role of the HR executive has become more important and visible as organization make the necessary transition to a global economy. The immediate challenge to HR executives is to redefine a new role for HRD during this period of unprecedented change.

As organization has adjusted to environmental challenges, the roles played by HR professionals have changed. Based on the ASTD (American Society for Training and Development) study results, Pat McLagan states that contemporary professionals perform nine distinct roles, which are described below:

1. The HR strategic adviser consults strategic decision makers on HRD issues that directly affect the articulation of organization strategies and performance goals. Output includes HR strategic plans and strategic planning education and training programs.
2. The HR systems designer and developer assist HR management in the design and development of HR systems that affect organization performance. Outputs include HR program designs, intervention strategies, and implementation of HR Programs.
3. The organization change agent advises management in the design and implementation of change strategies used in transforming organizations. The outputs include more efficient work teams, quality management, intervention strategies, implementation, and change reports.

4. The organization design consultant advises management on work systems design and the efficient use of human resources. Outputs include intervention strategies, alternative work designs, and implementation.
5. The learning program specialist (or instructional designer) identifies needs of the learner, develops and designs appropriate learning programs, and prepares materials and other learning aids. Outputs include program objectives, lesson plans, and intervention strategies.
6. The instructor/facilitator presents materials and leads and facilitates structured learning experiences. Outputs include the selection of appropriate instructional methods and techniques and the actual HRD program itself.
7. The individual development and career counselor assists individual employees in assessing their competencies and goals in order to develop a realistic career plan. Outputs include individual assessment sessions, workshop facilitation, and career guidance.
8. The performance consultant (or coach) advises line management on appropriate interventions designed to improve individual and group performance. Outputs include intervention strategies, coaching design, and implementation.
9. The researcher assesses HR practices and programs using appropriate statistical procedures to determine their overall effectiveness and communicates the results to the organization. Outputs include research designs, research findings, and recommendations and reports.

### **CHALLENGES TO ORGANIZATIONS AND HR PROFESSIONALS**

Many challenges face organizations as a new century unfolds before us. Michael Hitt and his colleagues have identified increasing globalization and the technological revolution, in particular, the internet has a two primary factors that make for a new competitive landscape. They suggest a number of actions that organizations can take to address the uncertainty and turbulence in the external environments. These actions include developing employees' skills, effectively using new technology, developing new organizational structures and building cultures that foster learning and innovation. These obviously have a great deal to do with human resource development. We will add to and build upon that list to present five challenges currently facing the field of HRD. These challenges include:

1. Changing workforce demographics
2. Competing in a global economy
3. Eliminating the skills gap
4. Meeting the need for lifelong individual learning
5. Facilitating organizational learning.

### **EACH OF THESE CHALLENGES HAS POTENTIAL IMPACT ON HRD.**

Though HRA has had its inception in the 1960s, it is an evolving concept, which is still at a nascent stage. Nonetheless, its relevance to organizations is immensely gaining ground. Armed with various measures and figures, managers and firms can focus on decisions regarding investments in areas of intellectual capital that will have the greatest payoff for the firm. Internally and externally, HRA would provide information to investors and other staff, of the value of human resources, the returns on investments in training and development and also the link between HR interventions and financial results. As a way to assess human capital, HRA represents a new way of thinking strategically. Boudreau has noted that measures of HRA and benefits can serve a variety of purposes. It acts as a catalyst for change. It tends to enhance the credibility of the HR functioning for it was not long back that this function was looked down disdainfully as only a department to organize picnics for its staff. HRA also helps persuade others to support investment in HR and also to improve the quality of HR decisions. Change is taking place at the tremendous rate.

To make it effective and in order to make the team, HR professionals need to develop the business skills of strategic planning and process technology. And the first step towards the sustainable growth is accounting HR in financial terms.

### **IMPLICATIONS FOR MEASUREMENT OF HUMAN CAPITAL INVESTMENT IN HUMAN RESOURCES**

There is much debate as to whether the human resources of an organization can be considered as an asset and treated accordingly in the accounting system. There are two schools of thought. One says that human resource is an asset and the other does not agree with this. Now let us see what is an asset? Asset is anything which is owned by the entity to derive service in future and should have legally enforceable claim. As such there is no

guarantee of deriving benefits from the existing human resources in future and has no sales value like other assets. Therefore, legally, human resource is not an asset claims one school of thought. Besides, company law also does not consider it as an asset. But the other school is of the opinion that the "human resource is an asset". This school of thought puts forth two contentions in favour of its opinion as follows:

1. There is a legal ownership on the "human resource" which could in practice prevent him from joining the other organizations unless properly relieved by complying with some formalities like giving advance notice of resignation, etc.
2. Uncertainty of deriving benefits is a common problem to all assets, not only with the human resources. Deriving future benefit may be a big question mark in other assets too due to many factors. Obsolescence" may be the one.
3. Generally, an asset needs maintenance and development support from the organization so as to derive benefits over a long period of time. Similarly, human resources as an asset also is in need of training and development in order to maintain the service potential for the employer.
4. R.L. Woodruff Junior observed that treating people as assets and accounting them is logical and satisfactory to the expectation of the future economic benefits. The above analysis supports the view that the human resource is an asset as they are valuable resources to an organization and investments in such asset will help organization to improve.

#### Cost of Human Resources

As human resource is considered as an asset, any expenditure incurred in the acquisition and accumulation of human resource will be treated as an investment. Cost of human resources represents sacrifice that will have to be incurred today to acquire and develop people in future. The cost of human resource otherwise called Historical cost of human resources is the investment in human resources which has both Revenue (expense) and Capital (asset) components.

This cost may be classified as follows

1. Acquisition Cost
2. Training (Development) Cost
3. Welfare Cost and
4. Other Costs Acquisition cost comprised the following costs:- (i) Recruitment Cost (ii) Selection Cost (iii) Placement Cost (iv) Campus Interview Cost Training (Development) cost includes the following:-
5. (i) Formal Training Cost (ii) On the Job Training Cost (iii) Special Training (iv) Development Programmes Welfare Cost includes the following:- (i) Medical Expenditure (ii) Canteen Expenditure (iii) Specific and General Allowances (iv) Children Welfare Expenses (v) Other Welfare Expenditure Other Costs include the following:- (i) Safety Expenditure (ii) Ex-gratia (iii) Multi-trade incentives (iv) Rewarding Suggestions.

#### VALUATION OF HUMAN ASSETS

Valuations of human assets are the most important aspect of human resource accounting. A recent trend in today's corporate world is to measure the value of intangible assets of the companies such as goodwill {valuation of goodwill is quite old}, brands, patents, and now human assets. Consultants in HRM emphasize the need for valuation of human assets. For example, Brian Friedman Human capital consultant with Arthur Anderson, views that "if you treat human resources as your most valuable assets. "Before we go through the mechanism of valuation of human assets, let us see the types of various human assets.

#### TYPES OF HUMAN ASSETS

##### HUMAN ASSETS ARE IN INTANGIBLE FORM AND ARE WITHIN THE INSIDE OF HUMAN RESOURCES

Therefore, there may be different ways in which these can be classified. For example, Sumantra Ghoshal has classified these into three categories intellectual capital, social capital and emotional capital. Besides, there is recent emphasis on spiritual capital. Let us briefly discuss these to identify how these contribute to individual effectiveness.

#### INTELLECTUAL CAPITAL

The first element of the human capital is intellectual capital which can be defined at individual level as well as at organizational level. At the individual level, it refers to his knowledge, skills and expertise. It may be in the form of specialized knowledge, tacit knowledge and skills, cognitive complexity and learning capacity.

**SOCIAL CAPITAL**

Social capital is derived from the network of relationships, both internally and externally. From organization's point of view, social capital relates to structure, quality, and flexibility of the human networks which can be created through cohorts, joint departments and functions, long-term employment and internal culture. The other aspect of social capital is external-built on the relationships with external forces like customers, suppliers, government agencies, etc.

**EMOTIONAL CAPITAL**

Emotional capital involves self-confidence, ambition, courage, risktaking ability and resilience. It is reflected in what is described as a „can do“ spirit. Individuals need self-confidence based on self-esteem, courage, and resilience to convert their knowledge and relationships into effective actions.

**SPIRITUAL CAPITAL**

Spiritual capital is the recent development in the practice of human resource management. First, it was intelligent quotient (IQ) followed by emotional quotient (EQ), and now has come spiritual quotient (SQ). UllhasPagey, Director {HR and OD}, Aptech limited, views that “whereas with a high IQ you may get hired: with a high EQ, you get promoted. But this is a short – term perspective and long-term growth is linked to SQ. “spiritual capital is assuming increasing values, ego, and approach to work match those of the organization. All these forms of human capital are not isolated rather these are interrelated.

**METHODS OF VALUATION OF HUMAN ASSETS**

There are a number of methods suggested for the valuation of human assets. Many of these methods are based on the valuation of physical and financial assets while others take into account human consideration. Major methods of valuation of human assets are historical cost, replacement cost, standard cost present value of future earnings and expected realizable value. The major developments in HRA were started only during 1960's by some of the organizations in USA. Of course, the first attempt to value the human being in monetary terms was made by William Potty who opined that labour was the father of wealth and it must be taken into account while making an estimate of wealth. On scanning through literature, the approaches to HRA can be broadly classified as follows:

**a) Cost based approaches**

- i) Historical Cost
- ii) Replacement Cost
- iii) Opportunity Cost
- iv) Standard Cost

**b) Monetary value based approaches**

- i) The Lev and Schwartz Model
- ii) The Eric Flamholtz Model
- iii) Morse Model

**c) Non- monetary value -based approaches**

- i) Likert Model
- ii) The Flamholtz Model
- iii) Ogan Model

**HUMAN CAPITAL**

LPG - Liberalization, Privatization and Globalization all over the world, has created the need for quality products and quality service. It in turn necessitated organizations to compete with one another to improve the quality and device cost reduction measures to exist in the industry. That could be done only with the development of human capital which is evidenced by the rapid economic growth of Japan and other East Asian countries.

The investment in human capital cannot be easily measured as it differs from one person to another. Basically, when we talk of human capital it refers to the human knowledge, their inner capabilities and creativity.

The development of technology cannot be fully utilized without knowledge and skill. The capabilities of the human capital in relation to the needs of the organization should be improved by creating a climate in which the human knowledge, skill, capabilities and creativity can be developed.

**INTELLECTUAL CAPITAL**

Tangible assets can be easily valued. How does one evaluate intangible assets such as creativity, service standards etc., Intellectual capital such as knowledge, skill, information, experience etc,

**VALUING INTELLECTUAL**

Capital Human Capital, Structural Capital and Customer Capital comprise of a company's Intellectual Capital. Even though all the three are intangible, they can be measured and targeted for investment

**MEASURES OF INNOVATION**

Genuine innovation always commands a premium. All companies are always striving to be different from the other and to stand out from the rest. In this endeavor, new products, ideas, and strategies are the order of the day and now companies are [earning to assess this aspect of creativity in the language it well understands, that is the language of finance.

**MEASURING EMPLOYEES' ATTITUDE**

Above all it is only employees' attitude about the job and the company, which gets reflected in their behavior towards the customers. That behavior in turn translates into customers 'retention, recommendations and loyalty, which inturn get reflected in financial performance.

**MEASURES OF TENURE, TURNOVER, ABSENTEEISM, EXPERIENCE AND LEARNING**

These indices that comprise of a company's inventory of knowledge workers need to be quantified. Quantifying tenure, turnover, absenteeism and experience is quite simple when compared to learning. Turnover normally represents a substantial cost to business. In measuring turnover, an organization has to consider three major, separate cost categories: Separation costs, replacement costs and training costs. In addition, the difference in currencyvalued performance between those leaving and their replacements should also be considered.

**STRUCTURAL CAPITAL MEASURES**

Sharing, transporting and enabling human capital require other structures or organizational capabilities. Structural capital consists of everything that remains when the employees go home namely, databases, customer files, software manuals, trademarks and organizational structures. In order to find out if a company's systems are helping or hindering its employees to perform to their optimal level measures such as production-to market time, suggestions versus implementation, databases at estimated costs, etc., are accounted.

**CUSTOMER SATISFACTION MEASURES**

There are many objective ways to measure customer satisfaction. Some of the common measures are customer retention rare, brand equity and customer satisfaction. Then customer satisfaction is linked to performance management for individual employees it can generate helpful data for the 360 degree feedback of employees.

**CONCLUSION**

Overall, even valuing human resources appear to be important to Indian organizations, most organizations do not value their human resources and plans to implement valuation of human resources are at a very early stage. Despite the interest in valuation there will be little or moderate progress in the area over the next five to ten years. In order to show greater progress, more needs to be done at both the theoretical and practical level. More search into valuation methods and models, and the practical implication of these, is needed together with the engagement of both human resource and accounting professionals in the debate on valuation and its implementation in practice.

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**SKILL INDIA A TOOL FOR ENHANCING QUALITY IN HIGHER EDUCATION FOR LATER LIFE SUCCESS: AN EMPIRICAL STUDY OF CORPORATE IN BANGALORE CITY****Bhagya G B<sup>1</sup> and Dr. S Muralidhar<sup>2</sup>**Research Scholar<sup>1</sup> and Research Guide<sup>2</sup>, Bharathiar University Coimbatore

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**ABSTRACT**

*Higher education in India needs a extreme revamp not merely to provide quality education but to transform the nation as a whole. Education has two major roles that of passing on knowledge from one generation to the next and the providing people with skill that enables them to analyze, diagnose and then question. Education tunes the destiny of the country in different facets.*

*In the light of the India being an educational hub in Asia, education system will have to alleviate individuals with required skills to meet the aspiration of being employed and develop competencies in executing work at organizations. Skills at higher education imparted encompassing skills in the curriculum creates employment opportunities in the students which in the later life success ensures sustained development of economy. To meet these aspirations, influence of an education a student's success will be noticeable and reflects the continuing need for education to cope with technological advances, business competition, and the changing global economy. Individuals with an aspiration to be successful and gain economic benefit, the education and training with adequate skill development to make them successful employees. This paper is an empirical study which throws light on indentifying the perception of students towards the formal education as a tool in inculcating the right Skill to be developed in the young budding entrants into the job market. The study helps in understanding how imparting of skills at institution level helps transforming them into human capital for a profitable economic gain through later life success. The findings of the study will help to emphasis on skills in preparing the upcoming generations for their later life success.*

*Keywords: Skills, Quality in higher education & later life success.*

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**INTRODUCTION**

Swami Vivekananda has rightly said "truly educated person is one who has got the capacity to learn and change". The individual is said to be educated if he is able to learn and adopt the same. Education is important in development of knowledgeable individuals who will contribute to the society and its welfare. In other words, preparing the students to become intellectually alert, physically strong, morally upright, aesthetically sensitive, socially committed and economically self-reliant is the prime of nation development. Human assets have unlimited potential provided they have relevant education and appropriate skills and training in developing their skills to be successful in being successful in later life in their career. Relevant education means the individuals need education right from the age of 2 to 7 where nearly 90 % of human brain is developed. School education must not only develop not only IQ, SQ and EQ but also technical, management, research and innovation to develop the individuals into successful entrepreneurs.

Skills helps a person to live the traits, values and interest. Technical skills are easy to develop in the light of its performance value as against the conceptual skills, when a person is skilled he will be able to develop a new concept and create a new world and add knowledge to the world. No doubt, that the professional require skills as they have to deal with human to make peaceful living. It is evident that 71% or 840 million are below 35 years of age wherein most of the Indians are young. The population of the country increases by 1.6% every year. 88 % are dropouts of children. 12 % of the population are in college degree which may not be very relevant for employment generation and national GDP enhancement. 62 % of all graduated are arts graduates and balance 38 % are in science, commerce, medical and other special subjects. 80% of the world youth between the age group of 15 to 35 years of age learn vocation, a skill or a trade 3 % of the population in India go in for VET Training.

It is easier to start and carry on the business successfully, if entrepreneur has a deep knowledge of the business that he decides to pursue. Further, around 45% of all start-ups fail to survive for more than two years. One of the main reason is that many entrepreneurs do not accumulate needed industry knowledge and skill. The influence of a college education on small business success was noticeable and reflects the continuing need for higher education to cope with technological advances, business competition, and the changing global economy.

To sum up, successful entrepreneurs have their own style of dealing with various problems, set backs and uncertainties. They always tend to change the existing state of affairs and get the work done without bothering about obstructions and barriers. The emphasis should be laid on enterprise skill development improve SQ & EQ.

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**THEORETICAL BACKGROUND**

Quality in higher education with skill enhance perspective has been a matter of concern in the past decade. The higher education institution must be a healthy approach with a momentum to develop skills in the students to ensure holistic development of students as what is learned will be adopted in the later life. Colleges should be a center of education beyond curriculum and a place to learn skill set to earn living in later life. Education should be homogenized across all regions and educational institutions should become more accountable to the need of student and society at large. To ensure this, inculcating effective quality management systems and thereby enabling the students to become productive members of the society is the ultimate goal of education. Higher Education serves several important functions in the society, the most important being creation of knowledge based individuals who will contribute to the welfare of the society. But educational institutions do not fulfill these requirements. It is observed that there exists a gap between competencies possessed and qualifications attained. Therefore, not all the students who have completed their education from various colleges, institutions and universities are successful in their career. The parameters of career success being the designation proclaimed, the pay package, the responsibilities discharged the assignments executed, place in the hierarchy so on and so forth. Hence, achieving these parameters to a great extent depends on the overall personality of the individual which includes right knowledge, appropriate skill set and positive attitude. Education which is able to deliver all the required variables of complete personality in an individual can be considered as the right education which will be able to bring about the desired transformational change in the individual at micro level there by bringing change in the society at macro level in the long run. But the actual fact is that the present education system in the higher education sector is not all that effective because of the flaws in the system such as wrong policies, improper execution, insufficient resources and unjust allocation of resources, non-suitable pedagogy etc. With this background, the present paper has been able to address to identify how the acquiring of skills in higher education will have impact on later life.

**NEED FOR THE STUDY**

The institutions of higher learning are becoming production units of graduates. The vision of creation of personalities with wisdom is still a dream. Not all the qualified graduates are able to satisfy the employers because most of them are not competent. The content that is taught in the college and the competency that is required at work place are not matching. The common reasons are the out datedness of the designed curriculum, no interaction between the corporate and the colleges, no collaboration between the industry and institutions, irregular review and non-revision of the syllabi. There is a mismatch in the priorities of the Education System and the Employment Market. The Universities are aimed at achieving the higher gross enrolment ratio where as the corporate is worried about the average productivity delivered by an employee. There exists a huge gap. The graduates from conventional universities are facing a set-back in the global job market. The corporate are blaming the universities and colleges and the universities and colleges are blaming the primary and secondary education system. Overall, the expectations of the Employer and the abilities of the individuals from institutions are not unified. The fact is that our higher education system is not all that successful in molding the personalities with adequate skills to meet the corporate challenges. The skills and competencies required to perform in a corporate environment are not inculcated in the students during their learning days in institutions.

Therefore the latter life success of an individual depends on several factors associated with their educational life. To what extent these skills learnt at college level has a bearing on the latter life success is a big question before us. Hence, an attempt has been made by the researcher to address this issue in the present research study.

**STATEMENT OF THE PROBLEM**

In the new millennium it is disheartening that the present system of education mainly focused on academic for examination, employment and economical advantage with least importance vested on Human holistic development. Therefore, there is an immediate need for revamping of the present educational system by imparting skill based Quality Education which will have an impact on the later life success of the student in being successful in both professional and personal walk of life.

In the name of education, the system is able to produce just graduates and post graduates; it cannot be considered that the system is in the right direction in achieving its goals and objectives. The progression of the students of an education system is more important and that is a key factor in assessing their latter life success. Therefore an attempt has been made to study the impact of imparting skill based Quality Education on the Latter Life success of prominent stake holders, i.e. students. The researcher aims at addressing the problem of implication of higher education system on the latter life success of the students.

### OBJECTIVES OF THE STUDY

The Primary objective of this research study is to analyze the impact of skill based Education on the Latter Life success of the Students. The other objectives of the study are enumerated below:

- To study the Demographic Variables on the constructs.
- To understand the various dimensions of skills in higher education.
- To analyze the influence of skills on later life success
- To assess the impact of skills based education on the later life success of the students.
- To construct a model of relativity

### SCOPE OF THE PRESENT STUDY

The study is on skills in higher Education and its impact on Later Life Success of students who have completed their graduation in the stream of Science, Commerce or Arts, who are employed possessing experience between two to five years in manufacturing or service industry. The study is confined to the geographical area of Bangalore City. The study aims at covering only Total Quality in Higher Education Sector and does not intend to cover any other sector or domain.

### OPERATIONAL DEFINITION OF CONCEPTS

**Quality:**Quality means creating Environments that are healthy, safe, protective and gender-sensitive, and provide adequate resources and facilities for continuous learning and improvement that gives complete satisfaction to both internal and external stakeholders.

**Education:**Education means imparting education in a true sense that help students both in academic and real life.

**Higher Education:** It is post secondary education after 12 standards / Pre - University in the stream of Science, Commerce or Arts. It is a course designed for 3 year.

**Latter Life:** Later life is associated with post education where an individual who works on roles in an organization as professional and as a member of family with diverse role.

**Success:** It possesses highest academic status, designation proclaimed, the pay package; the responsibilities discharged the assignments executed, place in the hierarchy.

**Skill Set:** It is a serious of skills possessed like leadership, decision making, human relation, communication etc gained in process being graduate at higher education.

### METHODOLOGY AND SOURCES OF DATA

The research study is empirical in nature, where quantitative research was used for data gathering and analysis. The study was conducted through a survey method. To carry out the study, the structured questionnaire was used to get insight about the issues explored in the present study.

For the purpose of study, primary data is collected from employees having minimum five years of work experience to formulate the objectives. The secondary data is collected from Journals, books and website etc.

### SAMPLING DESIGN

The study is based on data collected from manufacturing and service sectors based in Bangalore. The method of sampling to be used will be the Multi Stage sampling. The companies for the study will be selected based on the following criteria:

1. The respondents should have been graduated from Bangalore University.
2. The private Company should have a turnover of 75 crores or more in a financial year.
3. The private company should have the employee strength of more than 1000.
4. The monthly salary received by the employee should be above Rs 30,000.
5. The respondent should not be less than 30 years in age in both public and private companies.

In the second stage, totally five hundred respondents (Five from each Company) from twenty companies were selected for study. Selected employees at mid – level were randomly approached to fill in the developed questionnaire. The details of companies and respondents selected for the study are presented in the table below:

**VARIABLES USED IN THE STUDY**

In this study, skills in higher education is considered as independent variable while Later life success as dependent variable along with demographic variable.

**DEVELOPMENT OF SCALE**

A Likert five point scale was constructed, adopting the following procedure

**DATA COLLECTION INSTRUMENTS**

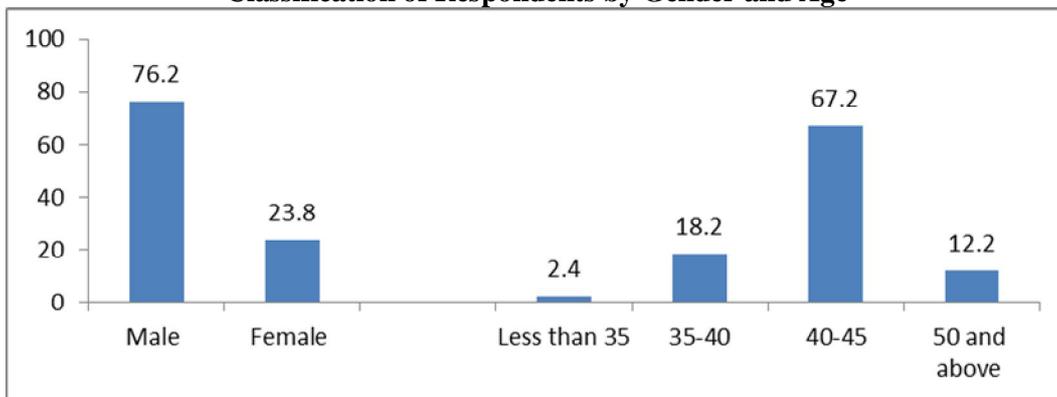
Part 1- Demographic Variables

Part 11- Skill Components

Part 111- Later life success

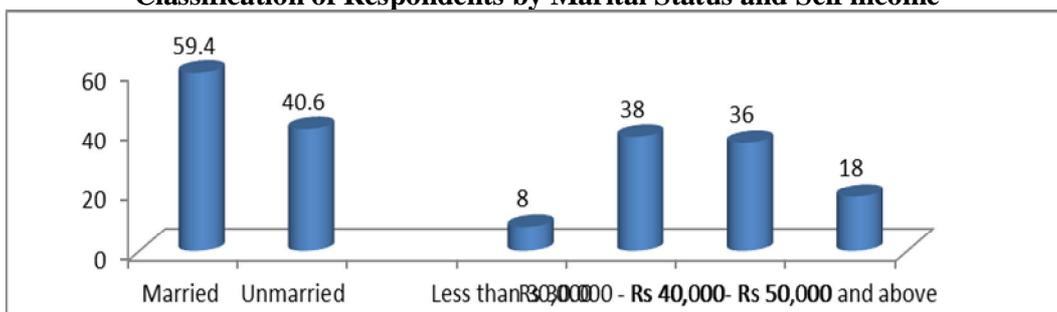
**ANALYSIS AND INTERPRETATION DEMOGRAPHIC VARIABLES**

**Classification of Respondents by Gender and Age**



**Analysis:** The results indicate that 76.2% of the respondents are male and 23.8% of the respondents are female. 67.2% of the respondents belong to the age group of 40-45 years while 18.2% belong to 35 to 40 years, 12.2% are associated with 50 and above years and 2.4% belong to less than 35 years of age. The analysis clearly shows that the study is very comprehensive to cover both the genders and respondents from different age groups. Therefore, the study has the characteristic of inclusiveness.

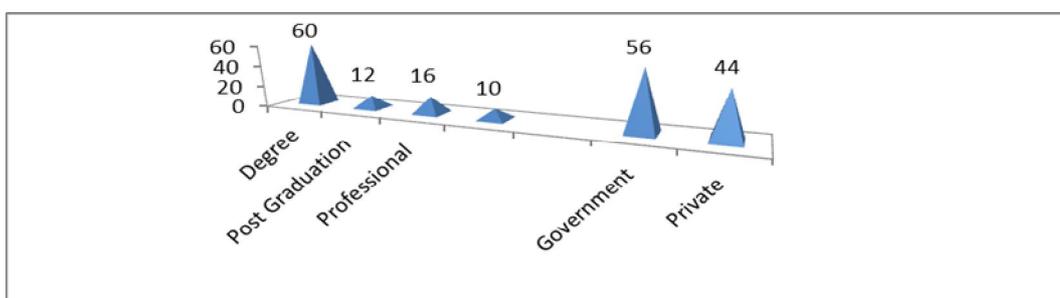
**Classification of Respondents by Marital Status and Self income**



**Analysis:** The results establish that 59.4% of the respondents are married while 40.6% are unmarried. 38% of respondents earn a monthly income of 30,000-40,000 per month, 36% earn 40,000-50,000, 18% of them earn 50,000 and above while 8% earn less than 30,000.

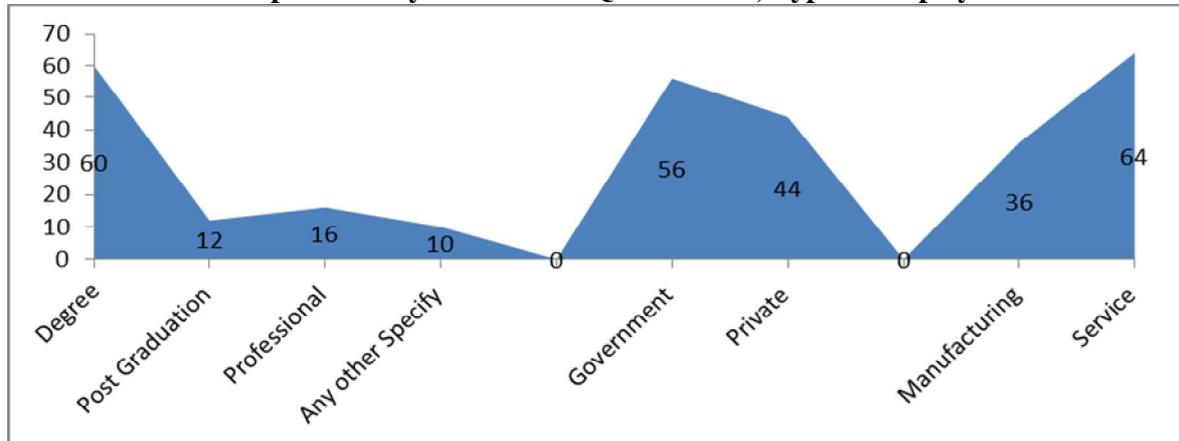
The study covered both the marital status and respondents are also drawn from varied income groups.

**Classification of Respondents by Educational level and Type of Employment**



**Analysis:** The findings reveals that 60% of the respondents are graduates, 16% are Profession course qualified, 12 % are post graduates and 10 % of the respondents who have done other courses. 56% of these respondents work for government sector while 44% are appointed in private companies. The study also covered respondents with different educational background and career in both public and private sectors.

**Classification of Respondents by Educational Qualification, Type of Employment and Sector**



**Analysis:** From the above it is evident that 60% of the respondents are graduates, 16% are Profession course qualified, 12 % are post graduates and who have done other courses. 56% of the respondents work for government sector while 44% are appointed in private companies off which 64 % are working for service sectors while 36% work for manufacturing sector.

**CROSS TABULATION EDUCATION AND INCOME**

Educ /Income	<30,000 Rs	30,000-40,000 Rs	30,000-40,000 Rs	Rs 50,000& above	Total %
Degree	8	34	18	0	60
Post .Grad	0	2	10	0	12
Professional	0	2	6	8	16
Diploma	0	0	2	8	10
Anyother	0	0	0	2	2
<b>Total</b>	<b>8</b>	<b>38</b>	<b>36</b>	<b>18</b>	<b>100</b>

**GENDER AND EDUCATION**

Gender/Edu	Degree	Post .Grad	Professional	Diploma	Anyother	Total %
Female	30	9	4	7	0	50
Male	30	3	12	3	2	50
<b>Total</b>	<b>60</b>	<b>12</b>	<b>16</b>	<b>10</b>	<b>2</b>	<b>100</b>

**SECTOR AND EDUCATION**

Gender/Edu	Degree	Post .Grad	Professional	Diploma	Anyother	Total %
Government	36	0	0	0	0	36
Private	24	12	16	10	2	64
<b>Total</b>	<b>60</b>	<b>12</b>	<b>16</b>	<b>10</b>	<b>2</b>	<b>100</b>

**THE MEAN OF AGE GROUP WITH SKILLS AND LATERLIFE SUCCESS IS AS GIVEN BELOW**

Age Group	Skills	Later life Success
less than 35	3.86	4.14
35-40	3.78	3.84
40-45	3.37	3.76
45 and above	3.78	3.73

It can be found from the above table that the mean of skills acquired in the higher education has been more than proportionatelyutilized in the career life and has been able to acquire to be successful in later life

The table showing mean and Standard Deviation of Skill and Later life success

construct\_meanconstruct\_sdconstruct\_N

Skills	3.73	0.28	100
LLS	3.78	0.33	100

**LOWER CORRELATION BETWEEN SKILLS AND LATER LIFE SUCCESS**

	<b>Skills</b>	<b>Later life Success</b>
<b>Skills</b>	1.00	
<b>Later life Success</b>	0.47	1.00

Regression: Relationship between Later life success with Skills with respect to gender and age

Coefficients:

(Intercept) Skills Gender Age.Group  
 1.69932 0.53757 0.17636 -0.05607

**MAJOR FINDINGS OF THE STUDY**

- Most of the respondents are graduates followed by professionally qualified and post graduates.
- Both male and female are equally active in the survey.
- The study clearly depicts that the respondents below age group of 35 have higher levels of skills and higher latte life success.
- There is a lower correlation between high degree of skills and higher latter life success.

**CONCLUSION**

- The Dream project of the central government is going to have a big impact in shaping the career success of the young work force. The focus of the Skill India is to promote the Skill Development among the youth. Through skill development, the youth would get ample employment opportunities and which leads to latter life success. Therefore, in the latter life success of the workforce, the Skill India would play an instrumental role.

**SUGGESTIONS**

- The course chosen, the institution preferred have a strong bearing on the latter life success. Hence, it is suggested to the young potential workforce to be very objective while selecting the college and the course.
- Since the skill level and the age at which these skills are acquired are closely related, it is suggested to focus on the skill development at the earlier age, i.e. at the entry level.
- It is also suggested to the employers to conduct contemporary skill development courses for their employees on a regular basis to upgrade their skill set.
- It is suggested to the employers to conduct skill audit and survey of life ambition of the work force apart from the regular performance appraisal with objectivity.
- Skill & Performance should be linked with the compensation.

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**IMPACT ON DEMONETIZATION ON BEHAVIORIAL FINANCIAL INSTITUTION AND SERVICES****Shalini H. S**

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**ABSTRACT**

*Demonetisation was a high wave like tsunami, that taken away all the black money in the Indian economy. Initially its target was eliminating black money and now it has changed to bring India digital. In an incredibly cash centric economy like India where ninety five percent of the transactions are cash transactions, and being the only country which has the option of „cash on delivery“ for the online shopping, demonetisation has pushed millions of new users into the digital world. The study made an attempt to know how far the demonetisation made the people to aware of the digital financial services. The scope of the study was confined to selected digital financial services like, insurance services, mutual funds, stock market transactions and most importantly the banking services. The data were collected through structured questionnaire. It was send to a sample of fifty. The data were analysed and the results revealed that there has huge increase in the number of people availing the digital financial services after demonetisation who had been using physical money until then. The results also showed that still banking services were the most popular online financial services. The study came to conclude that demonetisation is a great step towards making India Digital. It helped the rich and the poor to reach various financial institutions of the country like bank and insurance companies which were totally unknown to them. But still only ATM/Debit cards were the popular digital mode among the people. Today many banks, insurance companies and telecom operators introduced mobile apps for availing their services at the fingertips of the respondents. It's high time to bring these mobile apps for the benefit of all.*

*Keywords: Digital Financial services, Demonetisation, Online Financial Services.*

**INTRODUCTION**

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. Financial service sector of the country comprises of commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The recent reports from the respective regulatory authorities revealed that all these sectors are expected to grow from 12-15 percent by 2024. Government has been taken innovative Vol-3 Issue-4 2017 IJARIE-ISSN(O)-2395-4396 6408 www.ijarie.com 2915 policies and schemes in each of these sectors to strengthen the growth since the last union budget. The major step among was Pradhan Manthri Jan Dhan Yojna (PMDY) where, 217 million bank accounts were opened and 174.6 million RuPay debit cards were issued. This initiative of the government brought many people to the front face of the country's financial sector and many of the transactions which had not been based on bank until then, is being done through bank. Cash transactions impose a huge financial burden on an economy. The costs are particularly high in developing economies such as India, where only a minuscule proportion of transactions are carried out through digital platforms. It has reported that in recent years, value of notes and coins in circulation as a percentage of GDP in India is over 12 percent, i.e more than Rs 21,000 crore annually, while it is less than 4 percent in other countries. In other words, only 10 digital transactions per capita are carried out in India compared to 163 in Brazil, 420 South Korea and 429 in Sweden. As an integral part of the Government initiative to convert 100 percent Government – Citizen Transactions to the digital platform, a committee was constituted under the leadership of Mr. Amitabh Kant, CEO NITI Aayog. The aim of the committee was to identify various digital payment systems appropriate to different sectors of the economy and coordinate efforts to make them accessible and user friendly. During November, 2016 Prime Minister had officially announced the withdrawal of two higher denomination currencies. It was a mad dash to withdraw smaller bills, or deposit bigger ones, at automatic teller machines around the nation before they shut down temporarily. This demonetization decision has been the biggest and most ambitious step ever to crack down on black money and fake currency and to move India towards a digital economy.

**WHAT HAPPENED AFTER DEMONETISATION TO THE DIGITAL FINANCIAL SERVICES?**

- Different banks and telecom operators had introduced mobile apps for the easy accessibility of financial transactions through mobile. FTcash, HDFC PayZapp, Jio Money, Mobikwik, mRupee, Oxigen Wallet, Paytm, PhonePe, STRupay, Vodafone M-Pesa, BHIM App, Airtel Money and Axis Bank Lime are some of the examples of mobile apps.
- The commercial banks have reported that there is a high rate of increase in the „point of sale machines“ (POS). The number of POS machines demanding has doubled from 7.41 lakh in September 2012 to 14.96

lakh in December 2016. It has been also reported that steady rise in installation of POS machines not only in big cities but even in Tier II cities across the country.

- Volume of transactions using Rupay card has increased from 3.85 lakh per day to 16 lakh per day and value from Rs 39.17 crore to Rs 236 crore
- It has been seen that more number of customers were opening up to pay premium online rather than paying cash to agents It was no doubt that demonetisation has changed the trend of the economy from cash dependent to cashless economy.

### REVIEW OF LITERATURE

As it is the current scenario of the Indian economy, many experts had shared their opinions and recommendations regarding the benefits as well as drawbacks of the cashless Indian economy. An article titled “Pros and Cons of Cashless Economy of India” had discussed the both sides of the cashless Indian economy. It identified that the crime rate in major cities like Mumbai had reduced, the size of the parallel economy had reduced substantially and more of the transactions became transparent, reduced rate of tax evasion practices, increased rate of consumption and enhanced the security and convenience of the public as the major positives of the cashless economy. However high chance for cybercrimes, high dependency on government and other financial institutions, reduced liquidity was listed as the drawbacks of the cashless economy. The Economics Times, in its recent report “Demonetisation impact on various sectors” had reported the impact of demonetisation and the role of digital money in various sectors of economy. The report evaluated that the economy itself would struggle to reach the target growth of 8 percent for the current financial year. The other sectors like real estate, tourism, automobile industry, aviation, telecom, gold, metal industry and the agricultural industry also are facing a decrease in their respective transaction rates.



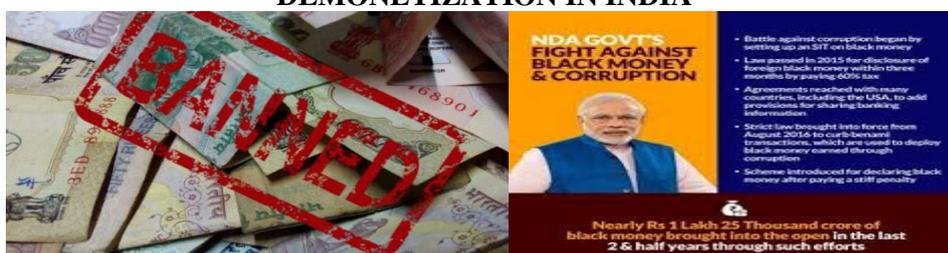
To review demonetization impact, PM Modi calls meeting of senior ministers

PM Modi calls meeting of senior ministers. Over 50 days after announcing demonetization, with the situation yet to return to normalcy, Prime Minister Narendra Modi will discuss the impact of the note-ban with senior ministers on Tuesday, reported Hindustan Times. During the meeting, the Prime Minister will discuss the steps taken by the government so far. “The focus will be more on the slew of measures announced by the PM on the eve of the New Year,” a minister told the daily. The report also said that Modi will start a five-day long series of meetings with ten Group of Secretaries.

Addressing the nation on the eve of new year, the Prime Minister announced a slew of sops and praised the efforts of bankers during the 50-day demonetization period. “My effort is to take the banking system to normalcy as fast as possible in the new year. I have asked all concerned officers in government to focus their attention to this task,” he said. He also asked banks to work pro-actively especially for the rural and remote areas so that the difficulties of farmers and villagers can be removed. Meanwhile, a day ago, Maharashtra Navnirman Sena Chief Raj Thackeray slammed Prime Minister Narendra Modi over demonetization. “On the day of announcement of demonetization, Modi was saying with great confidence and telling people to see what happens on December 30, but nothing has happened,” he told reporters.

### THE ECONOMICS REVIEW

#### DEMONETIZATION IN INDIA



“Demonetization: A step ahead against corruption or a step back for India’s economic growth?”

**BY MEGHNA RANGAN**

“On the one hand, we are now No.1 in the rate of economic growth. But on the other hand, we were ranked close to one hundred in the global corruption perceptions ranking two years back” (translated) stated Modi, as he led up to the one of the biggest and most unexpected economic decisions in the history of India – Demonetization. Last implemented in 1978, Modi decided to bring back a tool of economic reset by withdrawing the two high denomination banknotes, 500 and 1000 Rupee (INR) from the Indian economy. After removing the legal tender status of these notes, the Modi government stated that it would issue new 500 and 2000 Rupee notes. By doing so, not only did he disrupt the night of every citizen, but by removing such high denomination bills from the economy, he managed to nullify 86% of the national currency in the span of a few hours. In order to exchange the old and now illegal notes, citizens were required to exchange their currency bills at banks or post offices for newly printed and published currency. As a result, every exchange was monitored and verified by the banks. This announcement not only affected every resident and tourist in the country, but also managed to spark an immense national debate that centered around the long-term effects that might appear after all exchanges have taken place.

**STATEMENT OF THE PROBLEM**

The main aim of the sudden demonetisation policy of November, 2016 was to erode the black money in the economy and secondly to bring India completely digital. All the efforts of the government from financial inclusion to current demonetisation policy paved the way for this to a certain extent. But for a country like India, where 95 percent of all transactions are cash centric the demonetisation policy and cash less economy would not be acceptable at short notice. There are people who still do not have bank ATM cards, mobile banking or internet banking facilities and even bank accounts. The financial sector will definitely be affected by the demonetization exercise, as it has traditionally seen a very high involvement of black money and cash transactions. However, almost all such incidences have been in the secondary sales market, where cash components have traditionally been a veritable ‘must’. In other words, the resale properties segment will take a big hit. However, short-term pain is inevitable when we look for any eventual long-term cure for the disease. There has for long been a strident demand to bring transparency in the sector so that the it becomes more organized, and cash dealings must necessarily be the first symptom of the disease to be dealt with. The luxury and high-end segments of financial sector will also see a major impact from this exercise, since it is another area which has seen a lot of payments done in cash. The legal banking/financing channels have accounted for only a small part of all transactions in this space. a lot of investors who have been investing in projects with unaccounted-for money – and raising prices to book profits – will be eliminated from the system, thereby aiding a much-needed correction.

The primary market – or, more specifically, the market formed by projects undertaken by reputed and credible developers in the top 8 Indian cities – will remain more or less unaffected. The demonetization exercise was a very necessary step which was bound to bring with it a tremendous shake-up wherever black money has played a major role.

**OBJECTIVES OF THE STUDY**

- ❖ To know the demonetization
- ❖ To identify the awareness of digital financial services
- ❖ To know the usage level of digital financial services
- ❖ To identify the preferences of people between cash transactions and digital transactions.
- ❖ To know the level of satisfaction the customers have on demonetization

**RESEARCH METHODOLOGY**

The study is descriptive in nature. Both primary and secondary data were used in the study. The secondary data were collected from various sources like journals, newspaper reports and online sources. The primary data were collected with the help of structured questionnaire. All those who are doing digital money transactions, constitute the population of the study. From the population a sample of 50, were conveniently selected for the study. Simple arithmetic.

**DATA COLLECTION**

One of the important tools for conducting marketing research is the availability of necessary and useful data. Data collection is in many ways more of an art than a science. Sometimes the data are available readily in one form or the other and sometimes they are to be collected afresh. In the case of marketing research, the data collection may occupy only a minor part or sometimes it may be the most expensive and time consuming affair. Mainly data can be collected using two methods.

THESE ARE: -

> PRIMARY DATA > SECONDARY DATA

### **PRIMARY DATA**

Primary data will be collected through questionnaires. The questionnaire has prepared to collect tire data that is useful to conduct this study. The questionnaire is filled by the respondents and provides the information. In this study, the questionnaires based on the objectives of the study and the title of the study, and collected information from the customers who are purchases the real estate. The questionnaires are containing the questions, which are simple and understandable to the respondents. Primary data are obtained by a study specifically designed to fulfill the data needed of the problem. The primary will not be available in record form. This will be collected at tire first time.

### **SECONDARY DATA**

The secondary data are those, which have already been processed. Generally speaking secondary data are information which have been previously been published and collected by some organization to satisfy its own need but it is being used by the department under reference for an entirely different reasons.

- News papers
- Real estate agents records.
- Magines.
- Websites.
- Yearly published books
- Economist thoughts and opinion on social media
- Maximum part of the data is collected from the websites

### **FINDINGS OF THE STUDY**

- More than 85 percent of the respondents deal with banking transactions over other financial services like insurance services, mutual funds services and online stock market transactions.
- 72 percent of the respondents have done online purchases and online bill payments. But only 28 percent of the respondents availed other financial services like mutual fund transactions, stock market transactions and insurance premium payment through online.
- Easiness of use, reduced time for transactions and cost effectiveness of the transactions were the identified prime factors for the respondents for choosing digital services over offline services
- Only a less number of respondents were not aware of availing the online insurance services (6 percent), online mutual fund transactions (14 percent) and online stock market transactions (14 percent). 100 percent of respondents were aware about the online banking services.
- 54 percent of the respondents opined that the demonetisation has not changed the mode of transactions.
- Many people had started to use the digital financial service even before the demonetisation. But it was responded that after demonetisation 80 percent has switched to online for purchasing the product, 40 percent for paying bills, 16 percent for purchase of insurance products, 52 percent for The prime aim of the demonetisation was to eliminate the black money and corruption.

The demonetisation has now made an effective pathway to bring India digital. It increased the awareness of digital financial services among the people. The usage of digital financial services shows an increasing trend during the demonetisation period. People prefer digital transactions over the cash transactions because of its convenience. At the same time they are also afraid of fraudulent activities. From the prevailing situations it is evident that digitalisation in India will bring India to the front in the world.

Here the few challenges and effects of Demonetization :

#### **I. Immediate Impact Is Expected To Be Negative All Round**

- a. In the short term it will be a logistical nightmare to manage the cash replacement in banks and smooth functioning of the banking system
- b. Slowdown in consumer spending due to limited cash availability

- c. Severe liquidity issues in cash based sectors like Real Estate and Jewellery
- d. GDP will decline in the next 2 quarters due to reduction in overall spending

## II. Overall Economic Impact

- a. GDP growth is expected to be negative for around 6 months. However subsequent 2 years will see sharp “hockey stick” revival in growth.
- b. Inflation is expected to fall sharply with fall in Real Estate prices and transaction costs thereof.
- c. Government Deficit will see a huge windfall in the next 2 years.
- d. Currency is expected to strengthen as inflation drops and economy gets a boost.
- e. Banking System will get a boost, as around Rs 7-8 lakh crores base money (new legal money) will enter the system, which will further create around 3-4 times more money due to re-circulation.

## CONCLUSIONS

This is one of the most unique demonetisation move in the history of international economy, as it combined secrecy and suddenness and more importantly at the time when the country is not suffering from any crisis or chaos on economic and political fronts but are in a state of absolute normalcy. All other sudden demonetisations have occurred in the context of hyperinflation, wars, political upheavals or other extreme circumstances. But the Indian economy had been growing at the fastest clip in the world on the back of stable macroeconomics and impressive set of reforms. To avoid confusion and sharpen our understanding of issues, we can study cash along two dimensions namely, its origin/nature and functions. Cash majorly serves two functions, one as a medium of exchange (transactions) and other as a store of value like other forms of wealth such as gold and real estate. In terms of its origins, cash can be illicit or not. Function and origins/nature are quite distinct from each other. As learnt from table given below, cash used as store of value could be white (savings of households declared in income tax for emergencies) and cash used in transactions could be black (if earned via corruption or tax evasion). These categories are fluid as cash held as black money can be converted to white via laundering or by paying appropriate penalties. One way to estimate black money could be to assume that all notes should soil at same rate if they are being used only for transactional purposes. This would yield of an estimate of Rs. 7.3 lakh crores of money which is not being used for transactions. But this estimate could be a extreme value, as lower soil rates for high denomination notes could arise even if they are being used in the similar way as low denomination notes but their frequency is less as there are less high value transactions. There is way (although not perfect) to differentiate between these two hypothesis by comparing Indian soil rate data with soil rate data of other countries. If a rupee denomination note and foreign currency note serves the same function give all else equal then they should have same soil rate. If the Indian soil rate is lower then it suggests that a fraction of these notes are not being used for transactions but for storing black money.

Using relative soil rates data of \$50 & \$20 notes and applying them to comparable Indian high denomination notes, yields an amount of Rs. 3 lakh crore not being used for transactions but for storing black money. This represents 2% of GDP, hence very substantial.

Conclusion: demonestation process is like a two faces of a coin because one side it will benefit the nation and other side it's going to create some temporary and long term problems, we ll discuss each side of coin one by one :

### • BENEFITS FOR THE NATION

1. Possible to stop counterfeit currency using for the terrorism activity.
2. Black money : by demonestation of higher currency suddenly it will take out illegally stored money from the holders.
3. Transparency: moving towards digital economy may bring the transparency in the system.
4. Easy monitoring: digital payment easy to monitor cash flow.
5. Less chance of avoiding the taxes.
6. Transparency in the system will bring more invest from the foreign countries.

### • DRAWBACKS

1. Losses to small vendors trade because of cash crunch (violation of article 19 of the Indian constitution)
2. Many people died because some hospitals not accepted old money and rejected treat them.

3. Repeatedly changes in the rules and misleading to the people
4. Many people do not have bank accounts in rural areas and hilly areas.
5. Lots of daily basis labours removed from the work
6. Violation of article 14 (between holders and non-holders)

#### Small conclusions are

- o citizens know how to live with least amount of money.
  - o Citizens are now well prepared to face more surgical strikes in future - all good for the health of the country.
7. Some of the “superficial culprits & those colluding bank officers” are already in the net.
  8. Citizens now know to go digital, especially in money matters, for cashless transactions.
  9. Very strong message has gone to terrorists, Pakistan, Nepal, Bangladesh & local parties in Kashmir & even all Indian political parties.
  10. All the seven govt agencies who worked 24x7 to catch the culprits has shown how govt works & that its arms are too long.

#### SUGGESTIONS

The government must immediately take steps as suggested below that could at least in some minimal way reduce the pain and double-killing of these two classes of people. If we add up the homeless 1.77 million, and the 18 million in modern slavery – it already adds up to 20 million souls – the number may be much more – but let us stay with 20 million Indians. This corner lays out a sincere plea, suggestions, and a solution on behalf of both the classes.

Firstly, talking of the homeless. There are already two governmental schemes that are there to ameliorate the sufferings of the homeless – the National Urban Livelihood Mission, and the Scheme for Shelters for Urban Homeless. However, both the Centre and States of India have been woefully lacking in implementing both of these schemes, so much so that on November 11, 2016, the Supreme Court was compelled to observe that “In spite of availability of funds and a clear mechanism through which to disburse them, we see an extremely unsatisfactory state of affairs on the ground. This is despite our continuous monitoring of the matter. Yet another winter approaches and enough has not been done for protection of many homeless in our towns/cities.” In any case, and now especially in light of the demons of demonetization that may be stalking the homeless as discussed above, it is incumbent upon the Centre and State governments of India to take urgent steps on a war-footing to implement the above two schemes – so that some relief may reach the affected ASAP.

Plus, the governmental agencies at the centre and state must add temporary patrols late at night and early mornings to distribute food to those found sleeping on roadsides, and in all such forms of homeless-ness. Or, maybe even sell food-packets to the homeless in exchange of old currency during these patrol rounds.

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**EMERGING TRENDS IN COMMERCE, MANAGEMENT AND TECHNOLOGY: INFLATION ACCOUNTING ON PROFITABILITY**

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**ABSTRACT**

*Since we started understanding things around us, we all used to listen from our grandparents about the things and articles especially Gold & Ghee being cheaper in their times. That time we used to think that why the things were cheaper in our Grandparent's time and why they started becoming costlier. So this question would keep us puzzled. In economics, inflation is a rise in the general level of prices of goods and services in an economy over a period of time. When the general price level rises, each unit of currency buys fewer goods and services. Inflation's effects on an economy are various and can be simultaneously positive and negative. Negative effects of inflation include an increase in the opportunity cost of holding money, uncertainty over future inflation which may discourage investment and savings, and if inflation is rapid enough, shortages of goods as consumers begin hoarding out of concern that prices will increase in the future. Positive effects include ensuring that central banks can adjust real interest rates (intended to mitigate recessions), and encouraging investment in non-monetary capital projects. Economists generally agree that high rates of inflation and hyperinflations are caused by an excessive growth of the money supply. Today, most economists favor a low and steady rate of inflation. Low (as opposed to zero or negative) inflation reduces the severity of economic recessions by enabling the labor market to adjust more quickly in a downturn, and reduces the risk that a liquidity trap prevents monetary policy from stabilizing the economy. The task of keeping the rate of inflation low and stable is usually given to monetary authorities. Inflation accounting is recording, classifying and summarizing of all transaction on current or market cost and update recording amount according to time and changes. In price level accounting, the value of money is changed, our balance sheet's figure unit also changed.*

*Keywords: Inflation, Inflation accounting, profitability*

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**INTRODUCTION**

The term "inflation" originally referred to increases in the amount of money in circulation, and some economists still use the word in the way. However, most economists today use the term "inflation" to refer to a rise in the price level. An increase in the money supply may be called monetary inflation, to distinguish it from rising prices, which may also for clarity be called 'price inflation'.

**HISTORICAL INFLATION** Before collecting consistent econometric data became standard for governments, and for the purpose of comparing absolute, rather than relative standards of living, various economists have calculated imputed inflation figures. Most inflation data before the early 20<sup>th</sup> century is imputed based on the known costs of goods, rather than compiled at the time. It is also used to adjust for the differences in real standard of living for the presence of technology.

Inflation accounting is a system of accounting which shows the effect of changing costs and prices on affairs of a business unit during an accounting year.

**INFLATION ACCOUNTING** is a term describing a range of accounting systems designed to correct problems arising from cost accounting in the presence of inflation. Inflation accounting is used in countries experiencing high inflation or hyperinflation. For example, in countries experiencing hyperinflation the International Accounting Standards Board requires corporate financial statements to be adjusted for changes in purchasing power using a price index.

During the Great Depression, some corporations restarted their financial statements to reflect inflation. At times during the past 50 yrs standard-setting organizations have encouraged companies to supplement cost-based financial statements with price-level adjusted statements. During a period of high inflation in the 1970s, the FASB was reviewing a draft proposal for price level adjusted statements when the Securities and Exchange Commission (SEC) issued ASR 190, which required approximately 1000 of the largest US corporations to provide supplement information based on replacement cost. The FASB withdrew the draft proposal.

**OBJECTIVES**

1. To understand the working of an inflation accounting
2. To analyze the impact and effect of changing price levels.

3. To know the effect of inflation accounting on profits of out shiny pvt ltd.
4. To compute monetary gain and monetary loss.

### RESEARCH METHODOLOGY

#### SOURCES AND TOOLS OF DATA COLLECTION

- **Primary data:** primary data will be collected through interviews and discussions with finance and accounts manager of out shiny pvt ltd. Nelamangala.
- **Secondary data:** secondary data will be collected from financial statements, annual reports, journals, newspapers, magazines and the information available on internet.

#### FEATURES OF INFLATION ACCOUNTING

1. The recording procedure under inflation accounting is automatic. That is, there is a mechanism for accounting inbuilt in the system itself in other words; this system regularly records all items in financial statements at their current values and not on other basis, dealing only with some economic and financial item.
2. This system recognizes the fact that the purchasing power of money changes (i.e. does not remains stable), when there are changes in price levels.
3. This system considers all the economic units in the financial statements and is not concerned only with fixed assets and closing stocks.
4. In inflation accounting, cost represents the cost prevailing at the reporting date
5. In this system, realization principal is not followed rigidly, particularly, while recording long term and fixed assets at the current values.

#### METHODS OF INFLATION ACCOUNTING

1. Current Purchasing Power Method(or) Constant Rupee Method (CPP Method)
2. Current Cost Accounting Method

##### 1. CURRENT PURCHASING POWER (CPP) METHOD

The introduction of current purchasing power (CPP) method is one of the greatest revolutions in the field of accounting. Under current purchasing power (CPP) method, any established and approved general price index is used to convert the values of various items in the balance sheet and profit and loss account. It involves the restatement of some or all of the items in the historical financial statements for changes in the general price level. For this purpose, approved price index is used to convert the various items in the historical financial statement

##### CURRENT COST ACCOUNTING (CCA) METHOD

The Current Cost Accounting is an alternative to the Current Purchasing Power Method. The CCA method matches current revenues with the current cost of the resources which are consumed in earning them.

Changes in the general price level are measured by Index Numbers. Specific price change occurs if price of a particular asset changes without any general price change. Under this method, asset are valued at current cost which is the cost at which asset can be replaced as on a date.

**Analysis of Company Table showing monetary Gain / Loss for the period of 4 years**

Particulars	2011-12	2012-13	2013-14	2014-15
Monetary gain	5836370	2673565	7927461	3056934
Monetary loss	2521952	4089214	4733056	1069083
Net monetary Gain/ Loss	3314918	(1415649)	3194405	1987851

#### ANALYSIS

From the above table it is analyzed that monetary gain earned by the company is more in the year 2011-12 and 2013-14 i.e. Rs 5836370 and 7927461 respectively. And it is decreased compare to 2011-12 & 2013-14 i.e. 2673565 and 3056934. The company also incurred monetary loss due to increase in actual monetary liabilities and decrease in monetary assets. At last it is result into net monetary gain or loss i.e. Rs 3314918, 1415649, 3194405 and 1987851 during 2011-2015 respectively.

Table showing monetary assets for the period of 5 years

Monetary assets	2011	2012	2013	2014	2015
Inventory	19234256	29226342	25862434	21826344	1169041
Sundry debtor	15526712	19252671	25023769	33132167	124925334
Cash in hand and bank	6005743	6806573	4809965	5609229	2653078
Loans and advances	2256124	2865156	3856165	6865128	20358090

**ANALYSIS**

The above table shows the monetary assets during 2011- 2015. During the year 2012 the monetary assets were relatively increased to 58150742 to 2011 which was 43022835. In the year 2013 there is increase in monetary assets to 59552333. In the year 2014 the monetary assets were 67432868. In the year 2015 36675543 decrease in the monetary assets.

**FINDINGS**

1. The company has a historical method of accounting.
2. The fluctuation of prices year to year due to the inflation.
3. The actual profit and loss shows different value after adjusting the price level changes.
4. The expenditure incurred by the company during 2011-15 is same in percentage wise but it is different in amounts after adjusting the price level changes.
5. Around 68% of expenses spent towards cost of sale.
6. The expenditure incurred by the company is increases year after year, it is more in the year 2015 i.e. 353679389.
7. Monetary gain of the company is more than monetary loss during 2011-12, 2013-14 and 2014-15. It results into net monetary gain.
8. Monetary loss is higher than monetary gain during 2012-13; it results into net monetary loss.
9. Net monetary loss incurred by the company due to higher price level, increase in monetary liabilities and decrease in monetary assets.

**SUGGESTIONS**

1. Company should adopt the inflation accounting, which will leads to improvement in performance of the company.
2. The company can compare its actual profits with that of profits and by considering the WPI.
3. Company should follow inflation method of calculation to know the comparison of actual with WPI profits. If it is implemented it can minimize or reduce the tax.
4. Due to increase in price levels, the company can analyze inflation accounting methods to find whether company can be benefited or not.

If inflation accounting is adopted the financial performance of the company may be improved

**CONCLUSION**

Out shiny private limited has sufficient workload and also all departments are well equipped and controlled by competent and experience persons. Plant has created friendly environment, atmosphere for the employees and gives the freedom to work. Company has provides old and expensive leather that is of higher quality for bags.

I concluded that I was able to found in both the ways of inflation methods analysis like five years of actual profit and loss account and five years of wholesale price index calculations on the basis of analysis inflation will happens totally on profits.

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## ABOUT THE JOURNAL

International Journal of Research in Management & Social Science is a quarterly double blind reviewed research journal of Empyreal Institute of Higher Education, Guwahati, India. It seeks to provide a platform to research scholars, practicing managers, and academicians in business management, commerce and allied fields, to present their research findings and share their views and experiences. Its aim is to promote research education worldwide and to establish acquaintances between management and Information Technology. The journal focuses on issues related to the development and implementation of new methodologies and technologies, which improve the operational objectives of an organization. These include, Project management, logistics, production management, e-commerce, quality management, financial planning, risk management, General Management, Banking, Insurance, International Business, Health Care Administration, Human Resource Management , Non-Profit Organizations, Operations Research/Statistics, Operations Management, Organizational Behavior and Theory, Organizational Development, Organizational Management, Production/Operations, Public Administration, Purchasing/Materials Management, Entrepreneurship, Strategic Management Policy, Technology/Innovation, Tourism and Hospitality, Supply Chain Management, Rural Management, Public Management, Knowledge Management, Business Ethics, Corporate Social Responsibility , Negotiations and Competitive Decision Making, Data Analysis, Hotel Management and emerging trends in allied subjects. The journal provides a forum for researchers and practitioners for the publication of innovative scholarly research, which contributes to the adoption of a new holistic managerial approach that ensures a technologically, economically, socially and ecologically acceptable deployment of new technologies in today's business practices.

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## **Examples of References**

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

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