

Anekant Institute of Management Studies (AIMS)
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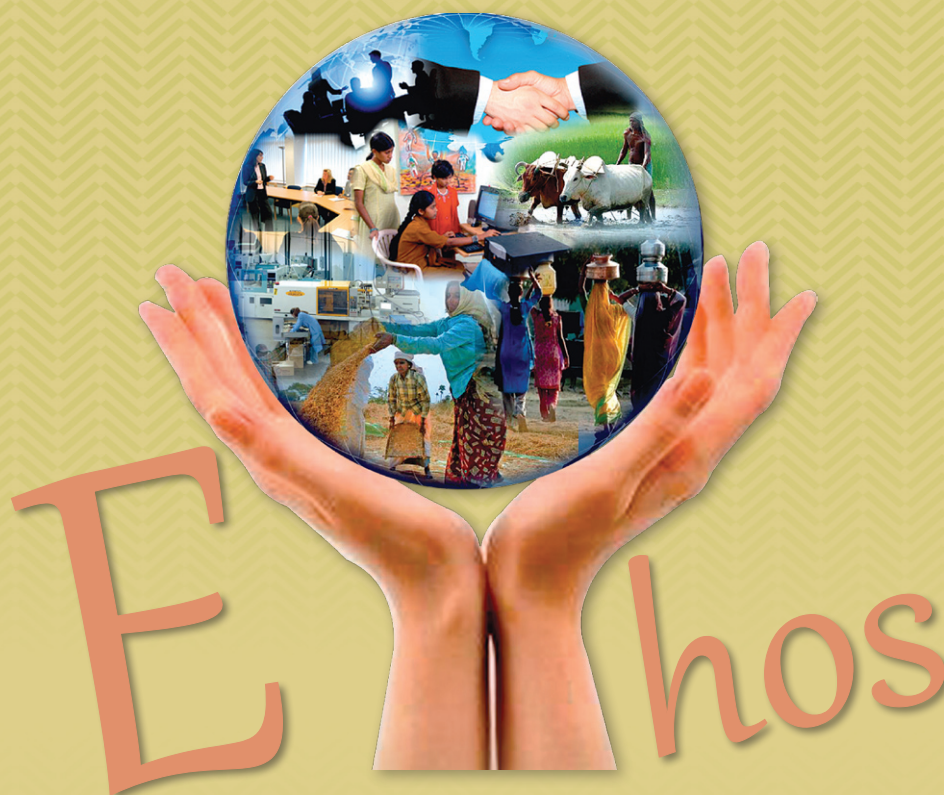


National Conference 2014

on

“Indian Ethos in Management Practices : The Catalyst for Entrepreneurship”

9th & 10th October, 2014



AIMS

Anekant Education Society's

Anekant Institute of Management Studies

(Approved by AICTE, DTE & Affiliated to University of Pune)

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AES @ A GLANCE

Anekant Education Society (AES), established in 1961 under the dynamic guidance of Late Shri. Fulchandji Gandhi, former Education Minister of the Hyderabad State. Anekant is a Religious Minority (Jain Community) Institution having the reflection of "Anekantavada" in its name. AES founded renowned Tuljaram Chaturchand College (T.C) in 1962, with more than 10,000 students and around 320 faculty members. T.C College celebrated its Golden Jubilee in 2012. It also has another degree college i.e. Jaysingpur College, Jaysingpur, Dist. Kolhapur. AES added another feather to its cap by establishing Anekant Institute of Management Studies (AIMS), in June 2011 and Anekant English Medium School in 2012. Right from its inception, society is providing quality education and in a period of five decades, the society has made its marks on academic, cultural and social environment of Baramati.

Anekant Institute of Management Studies (AIMS)

AIMS, the modern temple of professional learning unfolds a golden career prospect to walk through the avenue of professional skills and managerial leadership that a student dreams always. Our performance is beyond excellence because we create visionary pioneers in management field and not only assist to get mere employment but also beyond that. The Institute is approved by AICTE, DTE and affiliated to University of Pune, Maharashtra for two years Full Time Master in Business Administration (MBA) programme. Being the extended arm of the legendary T.C College, it has already inherited a legacy of high repute at its birth itself.

AIMS has extensive Wi-Fi campus. It provides incredible infrastructure and facilities for the students. Boys' Hostel and Girls' Hostel, Computerized Library, Computer Labs and Well Equipped Seminar Hall, Amphitheatre, Placement Cell and Well Experienced Faculties from industry are the uniqueness of AIMS.



Objectives of Conference – 2014

- To understand the importance of ethos in business and entrepreneurship at macro and micro level.
- Consolidate existing knowledge, spiritual and cultural values in practicing management.
- Evolve ways to integrate management and facilitate deliberation on the present status of entrepreneurship and ethos thereto.

Commemoration : National Conferences

National Seminar 2012 : "Agricultural Development- Role of Women : Emerging Perspectives, Issues, Challenges and Strategies" conducted successfully on 31st October, 2012.

National Conference 2013 : "IT & Management: Innovations and Inventions – Global Perspectives" commendably completed on 24 – 26th October, 2013.

Conference Themes 2014

Management practices and entrepreneurship are influenced by culture and ethos for better productivity. Ethos offer the best stepping stone into the corporate world and train to become a resourceful entrepreneur. Implications of ethos in management process and managerial decision embedded in Indian ethos, values system in management practices at large parse.

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Declaration: The views, thoughts and ideas put forward by the authors in this book are of their own. The AIMS may or may not be agreed with these.

The Proposed Sub-Themes are :

Part I : Ethos and Entrepreneurship in Management Perspective

Track 1 : Management

- Implication of Western Culture in Indian Ethos
- Role of Management School in Grooming Students
- Impact of Quality & Competency in Entrepreneurship
- Ethical Dilemma for Leadership
- Emotional Quotient or Intelligence Quotient

Track 2 : Banking Finance and Insurance

- Corporate Governance Practices in Organization
- IFRS Applications & Benefits
- Corporate Social Responsibility Practices – Organizational Perspective
- Insider Trading : Case Studies
- International Areas of Accounting, Business, Economics, Finance, and Management

Track 3 : Marketing and Services

- Entrepreneurship Development in Different Sectors i.e. Tourism, Fisheries, Horticulture, Handicraft, etc.
- Green Marketing
- Emerging Trends in CRM
- Service Gap Analysis in Private Banking Sector

Track 4 : Human Resource Management

- A Study on Sewa or Service Attitude in Creating more Entrepreneurial Mindset
- Dignity of Work : An Indian Value Creating an Enabling Environment for Women Entrepreneurship in India
- Jugaad : Doing an Entrepreneurship Kaizen in Indian Way
- Social Entrepreneurship as a Bottom-up Model of Socio-Economic Development in India
- Performance Auditing as Means to Entrench Professional Ethos in the Public

Track 5 : Production and Operation Management

- Modern Supply Chain Practices
- IT Enabled Supply Chain Management
- Supply Chain Synchronization
- Six Sigma as a Tool to Reduce Customer Defection

Track 6 : Information Technology Management

- Entrepreneurship for Engineers and Technological Innovation
- Software Patent and Copyright Infringement
- Ethical Issues in Social Networking
- Virtual Organization

Track 7 : Information Sciences

Part II : Ethos and Entrepreneurship in Corporate and Standards

Part III : Case Studies, Experiments, Practical Experiences

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From Secretary's Desk

It gives me immense pleasure to mention that, we have successfully conducted National Conferences for last 2 years and this is the 3rd consecutive National Conference in association with Savitribai Phule Pune University hosted by our 'Anekant Institute of Management Studies'. I am even more happy with the topic chosen for this conference on "Indian Ethos in Management Practices : The Catalyst for Entrepreneurship," as it reflects the dynamic market environment and the need to promulgate and comprehend the idea of Indian Ethos.

The hard core efforts taken by the AIMS team is a thing needless to mention, as one can see them by virtue of the number of papers presented and number of registrations done from various parts of the country, which is not an overnight task but collaborative efforts of the AIMS team for almost last 3 months.

I wish and hope to have such brainstorming conferences at AIMS in future as well.

My Best Wishes to the AIMS team and all the participants !!!!!

Shri. Jawahar Motilal Shaha (Wagholikar)

Secretary, Anekant Education Society, Baramati



From Joint Secretary's Desk

As a matter of delight, it is encouraging to note that 'Anekant Institute of Management Studies (AIMS)' is paving and carving its own niche in the market by virtue of organizing conferences of this stature. The topic chosen i.e. **"Indian Ethos in Management Practices : The Catalyst for Entrepreneurship"**, for the conference in association with Savitribai Phule Pune University, is a great endeavour to understand the Indian Ethos and its pertinence in Management and Business and really worth to be mentioned.

Its even more noteworthy to inform at this juncture that not only have we received number of quality papers throughout country viz. Karnataka, Kerala, Tamil Nadu, Punjab, Andhra Pradesh, Jharkhand other than home state of Maharashtra, but also an impressive roster of distinguished speakers from the academia and industry. The excellence of any conference lies in the fact of scientifically reviewing the papers which is scrupulously done by the review committee of this conference. The painstaking efforts of the convener Prof. Manisha A. Vhora and the team of AIMS are really commendable and a mark of brilliance.

To conclude, I would like to appreciate Dr. M.A. Lahori, Director of AIMS for living upto the standards of Management and organizing this conference successfully without a drop of ethics.

Wishing all the best to the participant scholars, academicians and students !!!!!

Shri. Milind Rajkumar Shah (Wagholikar)
Joint Secretary, Anekant Education Society, Baramati



From Director's Desk

AIMS provides sprouted and distinctive platforms to all students and learners in general and for the students from rural areas in particular. The legacy of Anekant Education Society is to disseminate quality education which is ingrained with employability skills and better citizenship culture. AIMS organizes several extra-curricular activities such as Management Fest, Business Mystery, Product launch, Best Entrepreneur Event and lot more to instill in students a sense of participation.

I am pleased to put on record that, the team work, holistic approach, dedication and completion of assignment right from scratch to finish is indeed marvelous quality of the staff, one can find at AIMS. As to keep pace with the market and industry requirements, student honing is a never ending process at AIMS, Baramati, which led to the organizing of the 3rd National Conference in association with Savitribai Phule Pune University.

The theme of the National Conference, 'Indian Ethos in Management Practices : The Catalyst for Entrepreneurship', is most relevant to today's global fraternity because entire world is eyeing and encashing India's intrinsic talent in various domains of science, technology and management.

In precise one can concise that, Ethos and Ethics means 'self-righting' mechanisms but not altruistic alone. Indeed Ethos and Ethics is a profound feeling of goodness which connects individuals for a common purpose.

Wish you all resourceful and knowledgeable sessions.

Quality Learning : Better Living.


Dr. M. A. Lahori
Director, AIMS



Foreword

The ability to do the right thing and, what is more important, doing it every time (even when no one is watching) is the noblesse oblige in the managerial milieu. It must become the done thing, the insignia and talisman whether it be a professional manager or the entrepreneur. Here lies the crux of the issue, which is well brought into light by Anekant Institute of Management Studies (AIMS) by virtue of this conference.

It may be difficult to internalize the approach of Indian Ethos with a materialistic bent of mind, but AIMS has made an ardent attempt to draw an attention towards this vital issue by way of organizing 2 days National Conference that bore the title "Indian Ethos in Management Practices: The Catalyst for Entrepreneurship."

It is noteworthy to mention the laser-like commitment and efforts taken by AIMS team for the National Conference under the steering guidance of Dr. M. A. Lahori, Director of the Institute. He must be credited for keeping up the zeal of his committee i.e Review and Editing, Registration, Stage and Decoration, Catering and Hospitality throughout the process of Conference.

This commemorative issue of AIMS National Conference 2014 presents selected and qualitative papers from diverse areas of management. As a matter of fact, the conference papers received from different states viz. Andhra Pradesh, Kerala, Karnataka, Tamil Nadu, Jharkhand, Punjab, other than home state of Maharashtra is really spectacular. The go-getting approach of the Conference Committee comprising of Shri. Jawahar Motilal Shaha, Secretary AES, Shri. Milind Rajkumar Shah, Joint Secretary AES and active members Shri. Vikas Shah, Shri. Chandrawadan Vidyachandra Shah, Dr. C. V. Murumkar, Principal T. C. College in organizing the conference is worth mentioning and commendable.

The remarkable efforts taken by the Convener Prof. Manisha A.Vhora for making this conference a success is laudable and meritorious. I would like to extend appreciation for the meticulous review and editing done by Prof. A Y. Dikshit and Prof. Sachin S. Jadhav. The contribution made by Dr. C. V. Panse, Dr. A. V. Thuse, Prof. P. V. Yadav, Prof. T. V. Chavan, Prof. D. P. More, Prof. S. S. Khatri and Prof. P. D. Hanchate is much admirable.

Last but not least, I would like to extend my best wishes to all the scholars, participants, organizers for making this conference a grand Success.

Dr. S. B. Kolte

Director General B.P.H.E. Society's Institute of Management Studies
(Career Devpt. & Research), Ahmednagar



Guest of Honour's Message

I consider it a matter of pride for being associated with Anekant Institute of Management Studies (AIMS) for the conference on "Indian Ethos in Management Practices: The Catalyst for Entrepreneurship." Thank you for this huge honour which I greatly appreciate. Being a part of such an event is truly a new experience for me and I find it exhilarating.

We are drowning in knowledge and education, but striving hard for skills and innovation and that too ruling out ethics and code of conduct in our lives. There is not an iota of doubt that ethics and principles well implemented can make our lives better. This is because shortcuts get you nowhere and if it sounds too good to be true, it is because, it probably is. I must add that a key lesson in any successful venture is that there are no 'quick fixes'. Moral principles should pervade all aspects of our life. Probity, honesty and trust are essence of not only academic life but professional and personal life as well. And I think having a conference on such a delicate and thought provoking issue itself is exemplary. The churning of brains on this topic will really bring good brains together and ostensible comprehending of this complex issue and its application.

Aha! What caught my attention were the papers of my special interest on "Indian Ethos in Management Practices: Yesterday, Today and Tomorrow" and the other one that I particularly found invigorating is "Ethical Behaviour and Morality in Marketing- A Gateway to Build Brand Image in Global Business Era."

I was quite pleased to know that the conference has received number of research papers from different parts of the nation. Conferences of this kind are really an example of burning commitments. I would like to convey my warmest congratulations to Dr. M. A. Lahori, Director and navigator of this flagship and the team of AIMS on this great event!

I wish all the participants well for tomorrow and beyond.

Thank You !

Dr. Mauro Padovani
Plant Manager, Imsofer, Ferrero Group

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KEY NOTE

Effective Management Tools From Indian Ethos : A Paradigm of Innovation for International Companies (INCS)

Prof. (Dr.) G. R. Kirshnamurthy

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Abstract : *The world is in the process of a great transformation from a highly regulated and controlled economy to a liberal deregulated globally open economy. Due to this transformation, the change in the organisations, whether business corporations or non-profit institutions, is going to be quite sweeping if not tumultuous. In fact, the overwhelming change is bound to be in the fields such as (1) technology, (2) organisation structure, (3) power hierarchy, (4) decision-making, (5) training practices and (6) communication methods. The change may overpower some of the organisations by seizing them unawares. To manage this unprecedented change and to cope up with the tremendous stress that it is likely to generate, a modern/futuristic executive needs a totally novel and different mindset and ethos. It is in this context, the Indian ethos offers some precious insights and tools for an executive life and job in INCS (International Companies). This paper focuses on presenting some important insights and effective tools from Indian ethos.*

Keywords : *Indian Ethos, Change Management, Effective Tools, Executive Needs.*

The World is in the process of a great transformation from a highly regulated and controlled economy to a liberal deregulated globally open economy. Due to this transformation, the change in the organisations, whether business corporations or non-profit institutions, is going to be quite sweeping if not tumultuous.

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To manage this unprecedented change and to cope up with the tremendous stress that it is likely to generate, a modern/futuristic executive needs a totally novel and different mindset and ethos. It is in this context, the Indian ethos offers some precious insights and tools for an executive life and job in INCS (International Companies). This paper focuses on presenting some important insights and effective tools from Indian ethos.

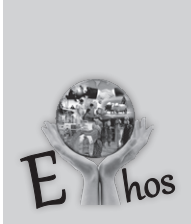
The Indian ethos, is nothing but the collective wisdom (very precious) accumulated by all the generations which have inhabited the lands of the vast sub-continent of India. Such wisdom has been codified in the Indian classics, architecture and other works of art. Examples abound in the Vedas, Puranas, Vedanta teachings (Upanishads) and other classics such as Manu Dharma Shastra, Kautilya's Arthashastra and Bhatrihari's Vakyapadiya. In addition to these works, Buddhist and Jain texts also throw precious light on the various aspects

of organisational reality and also on the methods of coping with change and managing such change. The teachings of Bhagavad Gita and those of Shanthi Parva (in the Mahabharat) in particular will prove to be of immense help as well as practical use to the executives in job management in the post-modern organisations. In the same way holy books like Guru Granth Sahib, Quran and Bible also give some precious insights into the subject.

In essence, the Indian ethos is characterized by the following features:

1. Ego sublimation and humility
2. Synthesizing and synergizing approach
3. Emphasis on Duty/Dharma
4. Self control (control from within)
5. Total understanding of life than mere job understanding
6. Adjustment and adoptability than dominating
7. Emphasis on the flexibility / change
8. Focus on the team approach
9. Harmonious living with nature
10. Highest value accord to sacrifice

On the other, American and European ethos, in short, western ethos, based on the Greek-Roman ethos and values is characterized by ego-exaggeration, Reductionist approach to things, over emphasis on rights, dominating on the nature, outside control, over emphasis on money incentives. Unrealistic



emphasis on the so called stability and imbalanced emphasis on individual achievements than on the team/community consideration. Thus, western management science and thought suffered from the narrow confinement to Taylorism, so called human-relations approach (the result of Hawthorne experiments) and need gratification based motivation studies.

Many management concepts like six-sigma, 360 degree appraisal, MBO, Kaizen, Just-in-time, customer delight, etc are already becoming clichés in management thought and practices. In this context, Indian ethos offers some refreshing insights which could be converted as effective tools for modern management. These are:

“That the reality/nature/life/organisation is always changing”. Indian Upanishads including Bhagavad Gita proclaim. Gita says that “Man is the most ignorant and foolish who does not realize this truth of flux and change, so as to face the reality bravely and naturally”. As modern organization is bound to change, sometimes even abruptly and sweepingly, this insight from Indian ethos could be a great strength to today’s executives. “Do not expect so called stability, be ready for a change at any time” is the message. By developing a mind set which welcomes the change as a requisite an executive becomes highly effective in managing it.

An executive must have a yogic perception : perception into himself, his likes and dislikes, and his emotions. Indian ethos makes “self awareness” as a basic requisite for any great performance including the job performance. “Know yourself before you know others”. For this one, must have ‘sathvik pravritti, samyami and samadhrishti’. Having developed this quality, an executive performs his actions detached from their results/fruits. Thus Gita teaches ‘nishkamakarma’ as a modes-operendi for high achievers. This mind set makes a manager, a high success, nay a rare success.

Self-perception and self awareness as advocated by the Indian ethos are the most effective tools for one’s “Emotions-management”. In other words, “choice less awareness” of the organisational reality is the most effective way for stress-coping and stress management.

Nature of Learning : Indian ethos lays stress on continuous and constant learning throughout life. But it emphasises on open mind and humility as requisites for learning. “Let noble thoughts come from all sides” proclaims the Veda. Then only an executive can avoid “Tunnel-view” approach in understanding. Indian ethos emphasises on trainee-centered-learning than trainer-centered-learning/ exercise.

CEO as a Trustee: Indian worldview and Indian thought advocates that every Entrepreneur/Industrialist/Executive must act as a Trustee/Custodian /Guardian of the interests of all the stakeholders: Employees, Customers, Consumers, Shareholders and community at large. An executive is a ‘Karthā’. He has to build the culture of Trust in an organisation which is

characterised by the following:

1. Participation climate
2. Delegation-strategy
3. Two-way communication
4. Bi-lateral evaluation
5. Creative and continuous Training

All successful companies as well as executives practice this culture of trust (which is highly emphasized by the Indian ethos)

Even in the west companies like GE in Colombia and Volvo in Sweeden, Nissan in Tennessee, DEC in Connecticut adopt the culture of Trust. In Indian context, TATA steel and Infosys are some of the best examples practicing the culture of trust.

In short, present day managers, and organisations could crystallize the above insights (from Indian ethos) into the following tools and strategies. These in turn could be used as the most effective tools and techniques in today’s organisation:

1. Forming self managing teams in the organisation
2. Collective goal setting
3. Informal verification of the facts and files
4. Creation of learning climate for each to learn at his own pace in the organisations.
5. Ego sublimation by “you centered approach”.
6. Environment friendly and ecology conscious approach/ paradigm to development.

In short, the Indian ethos enables one to clearly understand the nature of the reality, as a constant change and flux. It empowers the managers and organisations for facing over-whelming changes. In doing this, the ethos enables the executive to have self perception and ‘stithaprnatha’.

Thus Indian ethos, provides some effective tools and techniques for modern executives in managing today’s complex organisations.

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Segmentation Strategy in Co-optex Chennai - Handloom Products

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Abstract : The offer of product-mix by Textile and garment manufacturer is mind-boggling to the end customer, not by offering one brand, but by covering the different segments with multiple brands by creating unique differentiation and value addition in each product. The cut-throat competition has created 'new challenging criteria for segmentation' to sustain ones business share in the competitive market. The marketers have been storming their brains to forge best strategies to create a “Win-Win” situation in hard core market. Now the major and burning issues faced by Textile/handloom marketers are;

1. Survival of product category without any cannibalizing.
2. To sustain and increase market share with uniqueness of handloom properties/value.
3. Effective segmentation and catering to the customers.

In this paper an attempt has been made through empirical study and experience to find out whether there is any other way of 'segmentation pertaining to the handloom market' rather than demographic positioning of products or else? And what is the significance of variables such as buyer's motivations, attitudes, and values, patterns of usage, aesthetic preferences, and degree of susceptibility. Levitt and others have pointed out dozens of ways to differentiate an offering. The differentiation in product-mix may be vertical and horizontal. Each difference created has a cost as well as benefit to consumer and creates better manoeuvrability of product in the market. In this study efforts have been made to examine the various variables of segmentation and its differentiation impact through samples, based on the modern behavior of the respondents. Methodology tools are structured questionnaire, survey and scheduled interview. The targeted respondent in the study are young students, visitors at Co-optex showrooms at Chennai (who often purchase from Co-optex showrooms). The tools such as tables, average and chic-bar have been used to arrive for the weighted significance.

Keywords : Sustain, Forge, Cannibalizing, Manoeuvrability And Degree Of Susceptibility

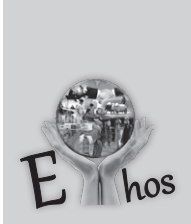
1. Introduction : A dynamic marketer compulsorily has to identify the 'Potential and Prospective Consumer & Purchaser - SEGMENTATION' in their marketing territory. Such prudent identification keeps the marketing overhead low per customer but high on the sales-revenue. In short, market segmentation is essential tool as far as Handloom Marketing is concerned. Segmentation is all about classifying of heterogeneous market into homogenous market, in which a set of group of people/customers have a similar need and demand pattern.

Thus, some marketing experts and researchers have described market segmentation as the strategy of “Dividing the market in order to conquer them” In market segmentation process one has to consider various significant variables to identify the “potential and prospective consumer”, such as region,

nation, age, gender, education, income etc. Such classification of significant variables is known as segmentation process, which is indeed an age-old and conventional gridding of market segmentation.

But today's market is very competitive and for survival every marketer is making war-footing efforts to increase their market share and planning to be the leader in the market of their product category. In the new market which means highly competitive and dynamic, the parameters of conventional segmentation may not give much return hence “New Challenging Criteria for Segmentation” has been identified. The value-addition of goods along with key features is an important strategy for marketer.

As on date India has almost 55 percent population below 21



years, empowered by females, better literacy among youth, and increase in middle class and consuming class. For instance 22 million household started consuming biscuits, 84 million started using shampoo and owning colour TV has also increased manifold. The significant tool is the whopping purchasing power among youth and migration of rural India into metros. Hence, such situation calls for differentiation in products and a unique segmentation altogether, something like utilitarian product with a difference.

Hence, segmentation is a process of dividing a market into categories of customer types. The generic principle of segmentation is ‘many products offered to limited customer / segmentation, and or limited products offered to the many segments’. Thus the variable plays significant roles to identify and create a segment more particularly ‘Handloom Customer / Segmentation’.

2. Identifying Handloom Market Segments Based On Different Variables :

- **Geographic Variables :** India being large country, ‘Geographical units’ may be accounted and considered in developing a segmentation strategy.
- **Demographic Variables :** India being highly populated, hence it is a main characteristic in developing a segmentation strategy.
- **Psychographic Variables :** Due to the money-power, education, migration and other consumer characteristics, such as lifestyles, opinions, interests, and attitudes segmentation may be developed.
- **Product Use Variables :** This most important variable and consumer’s characteristics based on the ways in which a product is used, the brand loyalty it enjoys, and the reasons for which it is purchased will also form the segmentation.

Further the study reveals that, Two-Stage Market Segmentation (Wind & Cardozo Model). Yoram Wind and Richard Cardozo (1974) suggested industrial market segmentation based on broad two-step classifications of macro-segmentation and micro-segmentation.

Macro-segmentation has the characteristics of the buying organization thus divided on basis of Company / organization size, the potential business, geographic location, culture and communication requirements. Purchasing situation, benefit segmentation, Supply Chain Position and decision-making stage are also very crucial in the macro-segmentation.

Micro-segmentation has the characteristics of higher degree of knowledge and niche variable focusing. “Micro-segments are homogenous groups of buyers within the macro-segments” (Webster, 2003). Purchasing strategy, which falls into two categories, according to Hutt and Speh: First, there are companies who contact familiar suppliers

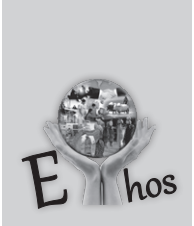
(some have vendor lists) and place the order with the first supplier that fulfils the buying criteria. These tend to include more OEM’s than public sector buyers. Second, organizations that consider a larger number of familiar and unfamiliar suppliers, solicit bids, examine all proposals and place the order with the best offer. Experience has shown that considering this criterion as part of the segmentation principles can be highly beneficial, as the supplier can avoid unnecessary costs, for example, by not spending time and resources unless officially approved in the buyer’s vendor list.

3. Nested Approach to Segmentation (Bonoma & Shapiro Model) : Taking the Wind & Cardozo model, Bonoma & Shapiro extended this into a multi-step approach in 1984. As the application of all the criteria recommended by Wind and Cardozo and subsequent scholars who expanded upon their two-stage theory became increasingly difficult due to the complexity of modern businesses, Bonoma and Shapiro suggest that the same / similar criteria be applied in multi-process manner to allow flexibility to marketers in selecting or avoiding the criteria as suited to their businesses. “They proposed the use of the following five general segmentation criteria which they arranged in a nested hierarchy :

- a. Demographics :** industry, company size, customer location.
- b. Operating variables :** company technology, product/brand use status, customer capabilities.
- c. Purchasing approaches :** purchasing function, power structure, buyer-seller relationships, purchasing policies, purchasing criteria.
- d. Situational factors :** urgency of order, product application, size of order.
- e. Buyers’ personal characteristics :** character, approach

The idea was that the marketers would move from the outer nest toward the inner, using as many nests as necessary”. (Kalafatis & Cheston, 1997). As a result this model has become one of the most adapted in the market, rivalling the Wind & Cardozo model head-on. One of the problems with the nested approach “is that there is no clear-cut distinction between purchasing approaches, situational factors and demographics”. Bonoma and Shapiro are aware of these overlaps and argue that the nested approach is intended to be used flexibly with a good deal of managerial judgment” (Webster, 2003).

4. Bottom-up Approach (Kotler Model) : Kotler suggests a “build-up” approach, where masses of customer data are studied and similarities searched to make up segments that have similar needs, i.e. “assessing the customer base quantitatively and grouping them – i.e. building up – the segments based on similarities in purchasing attitude”



(Kotler, 2001).

When starting the segmentation process, instead of seeing customers as identical, the build-up approach begins by viewing customer as different and then proceeds to identify possible similarities between them. “In a turbulence market (pretty much all markets today), using a build-up approach is more suitable than a breakdown approach” (Freytag & Clarke, 2001).

5. Statement of the Problem : Marketers’ who want to survive in the 21st century must confront this encompassing force that pervades every aspect of business. Handloom products and market as a whole is on sluggish trend and the sales trend is also diminishing year after year and it has become serious matter of concern.

It is observed that Indian youth (particularly in the age group of 20s) has better and rising purchasing power with power pack of literacy and knowledge. Further, it is observed that most of the youth switch brands due to various reasons. Hence customer defection is very much in the new competitive market. This study is carried out to find out the customers’ behavior for formation of segmentation and to retain customer rather than defection of customer due to market force.

The statement of the problem is the case of ‘Co-optex Handloom Products’ which is one of the oldest brands since 1935. In this paper, an attempt is made to know how the ‘Segmentation’ again can make an impact and make the product stronger to survive and sustain in the market.

6. Objectives of the Study : The very purpose of this paper is to identify the challenges faced by the Handloom showrooms of Co-optex at Chennai and to develop a segmentation framework to overcome these challenges, irrespective of their size of the showroom. The textile and garment business has become more challenging and very much focused on segmentation and its value-addition in the segmentation itself.

The study is more specific to Co-optex Handloom showrooms at Chennai; hence objectives are confined to Co-optex. The relevant objectives are drawn to make the study more applicable, the following objectives have been focused;

- To study consumers’ habits and its complexity.
- To examine the offerings of Handloom marketers’ and consumer response.
- To analyse handloom products marketing tools and its influences particularly on youth.
- To study the nimble consumers’ behavior particularly among female.

- To test the scale of insight value-addition differentiation in the segmentation itself and its impact on change of purchase behavior.

7. Research Methodology & Data Analysis :

The various variables are attributing towards new age segmentations like perception, style, values, behavior, physiological factors, me too etc. and it is found more among young generation. Thus, it is a totally pragmatic and empirical study of Co-optex showrooms. The primary data is collected through personal interview by designing questionnaire and simple statistical tools are used like percentage etc. to show the significance and the extensive study is made of the secondary data, so that a meaningful and fruitful findings and conclusion can be drawn.

The random sample method has been used and the respondents have been picked up from three different locations at Chennai itself since the study is limited and confined to Chennai. The sample size and respondents’ locations are shown in the following table No. 2;

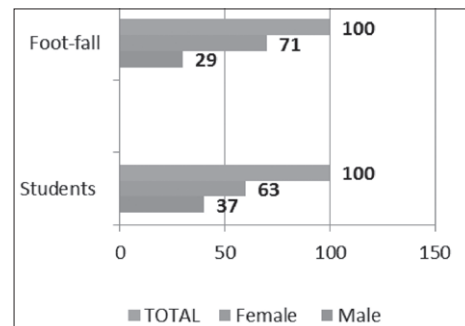
Table / Figure No. 1 : Sample Size

No.	Respondents Location	Sample Size
1	College students	100
2	Showroom foot-fall	100
	TOTAL	200

Source : Primary Survey

The total size of sample is 200 only, comprising of college students mostly girls and visitors to the Co-optex showrooms each 100 respectively. The major variable is the age factor; the students are in the age group of 18 to 25 years whereas showroom foot-falls age is 40 to 55 years.

Table / Figure No. 2 : Classification of Respondents



Source : Primary Survey

The total female customers of Co-optex out of 200 sample size is 134 and only 66 are the male respondents.

Co-optex product line or major products are sarees (silk & cotton), Bed-sheets, towels and Dhothy / lungi. In the primary survey it is seen that customers preference and choice is very less towards sarees and dhothy/lungi.

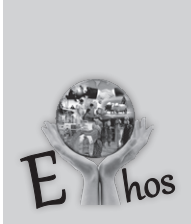
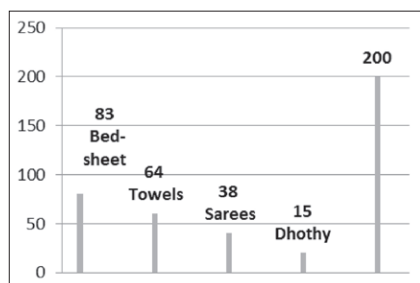


Table / Figure No. 3 :

Respondents Choice for Co-optex Handloom Products



Source : Primary survey

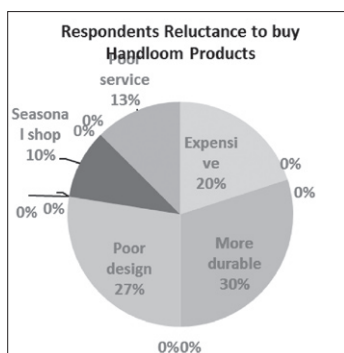
The preference and choice over purchase of handloom products, more number of respondents are for bed-sheets followed by towels, sarees and dhothy, 83, 64, 38, and 15 respectively.

Hence the survey as per table No. 3 above it is concluded that, handloom demand and sale is only for the home-linen products and certainly losing the lustre of traditional product-sarees. Further, a thoughtful of product-mix like garment etc. can be planned, which may increase the business. This analysis gives a thought processing for drawing the expansion of segmentation.

Actually why customers are so reluctant to buy handloom products, the inferences of respondents are shown in the next chart No.4.

Table / Figure No. 4 :

Respondents Reluctance to buy Handloom Products



Source : Primary survey

The above pie-chart shows that handloom products are losing its lustre because of so many reasons, but few were illustrated in the primary survey as shown in the above. It is surprising to note that, the strength of handloom product-durability is not liked by 60 number of respondents (30%), 55 number of respondents feels that handloom products had poor designs (27%), 40 respondents (20%) opined that handloom products are comparatively expensive whereas 25 (13%) and 20 (10%) number of respondents indicate that poor service and seasonal sales respectively.

8. Findings : The ground reality is that the change of customers' life style, greater product-mix basket especially garments offered by the power-loom has narrowed down the scope of handloom products sales in future. However, the main findings are noted down,

- It is inferred that handloom products more particularly Co-optex is losing customers and noticeable customer defection is observed.
- Though quality seems to be good but as per table No. 4 customer did not like, hence it is a matter of concern and a serious wake-up call to Co-optex.
- The issue of price and design is also a crux in the marketing of handloom-Co-optex products. So it requires revamping of all the process and a need to give altogether a new face.
- Co-optex need to strategize the sale points (showrooms) by re-launching its major and star products, like silk sarees etc.
- Co-optex have to develop 'business tag line' like "Use Handlooms: Feel Better", Handloom is Skin friendly", "Handloom Products are Economical" etc.
- In the survey it is observed that, female respondents who are more particularly college girl students- are concerned with design, colour, price, service and availability of products etc., hence are main area to address.
- The main threats are from the power-loom and garment sector. The market share of such products is almost 97%
- Systematic market segmentation and its thoughtful expansion may result in longer existence of Co-optex and its stakeholders; otherwise there will be a bleak future and need to depend on government funds and financial assistance.

9. Conclusion : It is found that the users and customers of Co-optex handloom products desire to have more product-mix even the segmented customers have expectation from Co-optex to give new and more product lines. Further, the study has revealed that, following are major segments of the handloom products,

- The cities which are classified as 2 tier and 3 tier rural India but growing, since almost 58% of spending is in rural India.
- Working women above 40 plus also are one of most powerful segment to Co-optex.
- Home-linen and furnishing is growing very fast and it is needed to focus as especial segment, it gives better revenue.

Beside the vertical and horizontal product-mix, segmentation may make the marketing easy and certainly fast business. If required segmentation can be integrated.

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Unified Automated Teller Machine (ATM) Network : A Suggestion for Rational Distribution of ATMs in India for Efficient Service to the Customers

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Abstract : Banking system is pivotal in any economy. The pace of development of the economy, especially in developing countries like India, will depend on a great extent on the efficient functioning of the banking system. Introduction of ATMs in India and its wide acceptance in the Country has led to better banking facilities to the customers. In the recent years, however, banks have been highlighting the cost associated with the ATM operations to a great extent leading to increased restrictions on its free usage by the customers. Keeping this aspect in the background, this paper suggests the establishment of Unified ATM Network in the Country to provide efficient ATM services to the customers through a rational distribution of ATM outlets.

Keywords : ATMs, Banking, Rational Distribution, Unified ATM Network, White-Label ATMs

1. Introduction : Banking system is pivotal in any economy big or small. In a country like India, where the banking facility is still evolving with a large chunk of the population is yet to avail the banking facilities, banks will have to play a very important role in the days to come. At the same time the cost of functioning in such a vast economy is also comparatively high. Banks being commercial undertaking have to aim at reducing their cost of operations to a great extent to make sure that their operations are profitable. It should also be understood that in a business every activity may not result in profit but such activities should be performed to make sure that the prominent activities can be carried out more efficiently.

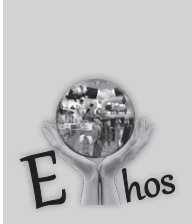
Introduction of Automated Teller Machines (ATMs) in India was a great step in the direction of providing better banking facilities to the customers. Over the period of time customers have accepted ATMs as one of the best and efficient banking facility that is available to them. In the recent years, though, banks have been repeatedly highlighting that the cost of establishing, maintaining and operating of ATMs is high and it should be compensated by the customers. In this direction, customers are charged annual maintenance fee, restrictions on free usage of other bank ATMs as well as own bank ATMs and charging them per transactions beyond the free usage limit have been introduced. This will, though, help the banks to recover the cost, it can also result in lower liquidity to the customers and movement of customers from banks with lesser ATMs to banks with better ATM network. It is also possible that the customers shift back to branch banking

and cheque based transactions which is more expensive for the banks.

2. Automated Teller Machines - Present Scenario:

The introduction of ATM network led to higher level of convenience to the customers using banking services. The number of ATMs was around 27000 at end March 2007 which grew to more than 1.6 Lakh by end March 2014. The cost of setting up an ATM for a bank is around 8 Lakh and maintenance of the ATM excluding rentals costs the bank around Rs. 45 to Rs. 50 thousand in a metro. Increased use of ATMs has resulted in reduction of physical infrastructure needed for a branch from around 4000 to 5000 square feet to around 1000 to 1500 square feet. Banks prefer their customers using the ATMs over visiting branch for banking. This because when a customer walks into an ATM for a transaction, it costs the bank around Rs. 20 where as it will cost the bank around Rs. 200 if the same transaction is carried out by the customer in the bank branch. At the same time ATMs, especially off-site ATMs, give visibility to the bank and its brand.

There has been wide discussion on the cost of operating ATMs and charging the customers for the usage of ATMs especially other bank ATMs. The recent circular issued by the Reserve Bank of India has given nod for reducing the free other bank ATM usage for both financial and non-financial transaction to three in metro centers (Mumbai, Delhi, Bangalore, Chennai, Kolkata and Hyderabad) while in other places it will be five transactions per month. The



circular also states that the own bank ATM usage should be allowed free of cost up to 5 transactions per month beyond which customers can be levied a charge. The ceiling on customer charges will be Rs. 20 (+ Service Tax, if applicable) per transaction beyond the free limit.

This, however, looks illogical considering that there is no fee charged to the customer for his cash withdrawal in the bank branch which costs the bank several times more than the ATM transaction. Increased restrictions and cost of using ATMs to the customers can lead to following consequences;

- a. Movement of customers towards banks with better ATM network so that they can avoid other bank ATM transactions
- b. Need for increasing the number of ATMs for all the banks to keep intact the existing customers and to get more customers to the bank resulting in increasing cost.
- c. Reduction in the average number of transactions per ATM especially of the banks with lesser number of ATMs resulting in higher average cost per ATM transaction.
- d. Increase in the average amount transacted per transaction leading to need for larger amounts locked in ATMs.
- e. Increase in interchange payments due to higher cost of funds and transactions per ATM

At the same time it is also illogical to take the case of cost of operating ATMs independent of the costs associated with branch banking as ATMs are mere substitutes of branch banking (or extension of branch banking) and not a separate banking product. When we compare the cost associated with branch banking per customer transaction of Rs. 200 with that of ATM transaction of Rs. 20 it is definitely a situation of saving in cost rather than cost by itself. Therefore, charging fee for ATM transaction is definitely avoidable and is not a loss of revenue for the banks. Moreover, by charging fee for ATM transactions ATMs become a revenue channel for banks when the original function of ATMs is extension of branch banking.

White - Label ATMs : A White - Label ATM (WLA) is similar to the regular ATM set up by the banks but it is not owned by a bank but is owned and managed by a private service provider, a non-banking entity, and can be used by any domestic debit, credit and prepaid cardholder to withdraw cash, make a balance inquiry change the PIN and to generate mini statements [1]. Charges for customers would be same as using the own bank ATMs. The white Label ATMs need a sponsor bank to operate. The sponsor bank will be liable to settle the transactions and maintain cash in these ATMs as per the rules of the Reserve Bank of

India. The maintenance and servicing of these ATMs is the job of the private service provider. The idea behind this is to grow the network of ATMs keeping the costs under control. Though the Reserve Bank of India issued the final guidelines allowing the white label ATMs in India in June 2012 with a mandate to deploy 67% of the ATMs in rural locations and 33% in urban locations, the rolling out of these ATMs has not picked pace in the Country. 19 companies showed interest in June 2012 to install WLAs of which only 4 have got license and three have rolled out services [1]. Certain factors can be identified as the cause for slow progress in this initiative;

- i. Cost of installation and maintenance of ATMs
- ii. Interchange rate
- iii. Acceptance of public
- iv. Negative cost benefit analysis
- v. Need for sponsor bank with pan-India presence or multiple contracts depending on region
- vi. Fee charged on the cash deployed in the ATMs by the sponsor banks
- vii. Variability in fee charged by the sponsor banks
- viii. Banks are reluctant to take up sponsorship as WLAs will reduce the visibility of banks and the sponsor bank's commitment to settle the transactions

3. Need for Rational Distribution of ATMs : India has around 80 ATMs per million people in comparison with china where there are 200 plus ATMs per million people. Definitely, therefore, there is high potential for expansion in ATM network in India. Yet the average number of daily transactions per ATM in India is around 130 only in the comparison with 170 transactions needed to cover the cost.

One of the reasons for this is irrational distribution of ATMs. Rationality in ATM distribution means that a certain distance is maintained between ATMs so that it increases convenience for the customers and increases the possibility of getting increased numbers of transactions per ATM. Generally we observe that ATMs of different Banks will be present in close proximity to one another leading to clustering of ATMs while in many useful locations no ATMs will be present. This reduces the possibility of getting higher number of transactions per ATM and increases the average cost per transaction. This clustering of ATMs takes place due to competition among banks. If one bank's ATM is present in a location and of another bank is not available the bank without the ATM in the concerned location may lose its potential customers to the bank that has ATM in the location. In order to avoid this situation of poor marketability, banks often set up ATMs in close proximity to the competing banks' ATMs. The situation will further intensify with increased restrictions on the use of other bank ATMs.



Hence, there is a need to make sure that ATMs are rationally distributed and clustering of ATMs is reduced. This will lead to higher geographical spread of ATMs with cost effectiveness and will foster financial inclusion.

4. Unified ATM Network : Cost efficiency and improvement of service utility to the customers can be achieved through economics of scale, deduplication and rational distribution of ATM if unified ATM network is introduced in the country. Unified ATM network is network of ATMs installed and managed by a not for profit subsidiary of all the commercial (and possibly co-operative) banks under the central bank of the Country. This subsidiary should issue debit cards, install and maintain ATM machines and network in the whole country instead of each bank maintaining its own network of ATMs. This system will ensure that banks will not compete on the basis of number of ATMs in their network and thereby allow them to concentrate on product and service improvements and customers can get better services at reduced cost.

Setting up Unified ATM Network :

- a. Establishment of a central agency or subsidiary to look after the ATM related functions in the whole country. This subsidiary should be funded by the banks and their contribution could be in proportion to the size of their operations. The subsidiary so setup should function as a not for profit entity.
- b. Infrastructure needed for ATM network, space, machine, network, security, etc., should be arranged, installed and managed by this subsidiary.
- c. Single Debit card system should be introduced. The suggested subsidiary should issue a debit card with a unique identification number for the customer. All the bank accounts of the individual for which ATM can be used, should be attached to this card such that each individual may require to carry a single debit card irrespective of the number of accounts held by him, thereby improving convenience for the customer. This will reduce the number of ATM cards issued and thereby reduce the related cost. The customer should be asked to select the account preference for POS usage and in ATMs, to withdraw cash, the customer can use the account selection menu that can be incorporated in the ATM interface.
- d. Sponsor Bank: Similar to WLAs a sponsor bank, depending on location, should be responsible to deploy cash in the ATMs.
- e. Transaction settlement: The ATM transactions should be recorded and transferred to the central clearing system maintained by the subsidiary which shall be responsible to transfer the information of transactions to the concerned banks and to look after the settlement

of accounts. Amount due from each bank should be settled in batches, like in the case of NEFT, at regular intervals. In the process the sponsor banks will receive the amount due from the non-sponsor banks at regular intervals thereby reducing the cost of funds for the sponsor banks.

Advantages of Unified ATM Network :

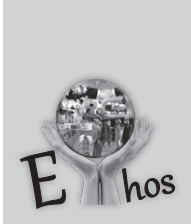
Unified ATM network will provide cost effective and rationally distributed ATM network in the country which will be advantageous to the economy as a whole. Increased spread of ATMs without major increase in cost will help the economy to achieve financial inclusion at a faster pace. At the same time, specifically we can identify certain advantages to the banks from this unified ATM network:

- i. ATMs remain a service point and not an instrument of competition. This will help banks to concentrate on their core activities of attracting deposits and channelising them to productive uses.
- ii. Time spent on ATM related activities will be bare minimum as the centralized agency will look into all the aspects of ATM operations. The cash settlement will be taking place simultaneously with NEFT transactions without any additional effort.
- iii. Cost of operations will reduce for the banks considerably as the ATMs will be rationally distributed without duplication and lower restrictions to the customers resulting in increased usage of ATMs (Average number of transactions per ATM) by the customers.

Unified ATM network will provide following advantages to the customers;

- i. Single debit card for all bank accounts will help customers to have access to all of their accounts at a time which will increase the flexibility of operations to the customers depending on availability of cash in any of their accounts.
- ii. Increased geographical spread of ATMs will provide better banking facility to the customers in close vicinity.
- iii. Cost of operation of ATMs due to restrictions on transactions will not exist.
- iv. Increased number of people will be covered by the banking facility which will help them to improve their living standards.

Disadvantages of Unified ATM Network : Unified ATM network provides various benefits, but the banks can, however, point out that the unified ATM network will reduce their visibility and the opportunity to advertise themselves effectively through the ATMs. The banks may also argue that the host of services like cash deposit, check deposit, bill payments, mobile/DTH recharge, etc. that can generate



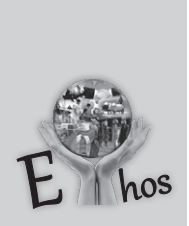
revenue for the bank as well as convenience for the bank may cease to exist in the Unified ATM network. Customers will have to be educated about the method of using the ATM separately when a single debit card is used to transact in all the accounts held by the customer irrespective of the bank.

Although the Unified ATM network can pose challenges, the long-term advantages seem to outweigh the disadvantages that may be felt in the short-run.

5. Conclusion : The banking system of India, still struggling to achieve efficiency in operations and financial inclusion, needs innovative changes to be incorporated. The unified ATM network can be one such change that can make the banking system of the Country more efficient in terms of cost as well as services and provide the customers with flexibility and effective services without any financial burden. It is important that banks do not compete on unrealistic grounds and move forward in creating cost effective products and services and innovate in their approach to foster financial growth and financial inclusion in the Country.

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Understanding Entrepreneurship : Growth and its Determinants

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Abstract : *Entrepreneurship is varied and diverse kinds of entrepreneurial actions or measure that donate differently to the growth of financial system. On the other hand, growth is a managerial result that is caused by the amalgamation of organization-oriented assets, potential and practices. The growth of entrepreneurship or a particular organization is unsure. Moreover, environmental circumstances for example competition and market strategies always act as barriers in achieving desired goals. Thus it is necessary to observe the determinants of entrepreneurial growth in an innovative manner, and to discover the most significant determinants of organizational growth. The purpose of this research is to understand and analyze the growth determinants of entrepreneurship. Moreover, this research discovers how entrepreneurship can be associated openly with organizational. The study vitally reviewed numerous literatures stated by several authors in order to gain understanding in the practicability of the subject. The research design is descriptive and exploratory in nature. This research has utilized organizational-level information which is collected from a questionnaire about growth and determinants of entrepreneurship. In addition, secondary data have been utilized for combining the purposes. The data was edited, organized and tabularized in order to make it valuable and suitable for further research through different statistical methods. At last conclusion were made to corroborate the feasibility of the subject.*

1. Introduction : The subject of entrepreneurship has gained much consideration since a longer period of time. Moreover, its growth is very essential for maintaining success, employment creation and thus in decreasing the level of redundancy. Facts subsists that entrepreneurial action helps the civilization, for instance regarding employment creation or financial development (Carree and Thurik, 2010; Van Praag and Versloot, 2007; Audretsch and Keilbach, 2004). Growth is a managerial result that is caused by the amalgamation of organization-oriented assets, potential and practices.

Moreover, an organization's growth prospects are extremely associated with its existing organizational functions. On the other hand, entrepreneurship is varied and diverse kinds of entrepreneurial actions or measure that donate differently to the growth of financial system (Baumol, 1990). For instance, financial opulence is produced mainly by a small number of premium and high-growth beginners (Shane, 2009; Henrekson and Johansson, 2010). The purpose of this research is to understand and analyze the growth determinants of entrepreneurship. Moreover, this research discovers how entrepreneurship can be associated openly with organizational.

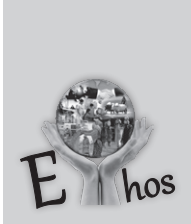
1.1 : Problem Statement : The growth of entrepreneurship or a particular organization is unsure. Moreover,

environmental circumstances for example competition and market strategies always act as barriers in achieving desired goals. On the other hand, growth is affected by individual goal of an entrepreneur. For example, not every entrepreneur aspires to grow his/her trade. It was also seen that only 30 percent of corporations in the world try to grow. Though several researches try to connect growth determinants from varies viewpoints or aspects and their descriptive influence is little because of the comparatively small amount of variables (Davidsson, Delmar, & Wiklund, 2006). It is thus necessary to observe the determinants of entrepreneurial growth in an innovative manner, and to discover the most significant determinants of organizational growth.

1.2 : Aims and Objectives : Specifically, the objectives of this research are:

- To gain deeper understanding on the subject of entrepreneurship
- To analyze the growth determinants of entrepreneurship on global perspective
- To examine the growth motivation factor for entrepreneurs
- To analyze the influence of determinants or aspects on organizational growth

1.3 : Significance of the Study : Despite the fact that



entrepreneurship is regarding the operations performed by individuals, the perception of growth has frequently been significant at organizational level, industrial, countrywide and provincial levels. Thus, this entails that associating entrepreneurship with growth will be to integrate individual to cumulative levels. Moreover, this connection needs reviving the explanation of entrepreneurship, whereby entrepreneurs notify their enthusiasm and competencies in order to generate new prospects in financial system. To understand the concept better the growth determinants or aspects were tested by the Cronbach-alpha reliability coefficient in the form of conceptual approach and statistical approach. Furthermore, the determinants or aspects considered here are extra finance, financial performance, growth motivation, need for achievement, organization age, preparedness to grow and specific skills.

2. Literature Review :

2.1 : Introduction : There has been an affluence of understanding on the growth determinants of entrepreneurship over the last ten years. Even though researches bringing out this understanding have somewhat been based on hypothetical grounds, others have been drawn from practical facts. Researchers have also been eager in examining the affect of entrepreneurship compared with its growth which has further caused the blast of wide literature in this area (Van Stel, Carree & Thurik, 2005). The association between entrepreneurship and its growth measured on the basis of performance of the organization has been broadened even ahead of examining the institution to lodge geographic areas. Therefore, to sum up the determinants from numerous perspectives, these determinants are categorized into 3 categories such as individual determinants, organizational determinants and environmental determinants.

2.2 : Individual Determinants : Shane et al (2003) purported that the growth of an organization is to a specific range of decisions that is made by an entrepreneur individually. Moreover, according to earlier researches points that that an entrepreneur's personality traits, growth motivation, individual competencies and personal background are the most essential determinants that determine the growth of an organization (Delmar, 1996; Baum et al., 2001).

a. Personality traits : The Big Five model is frequently utilized and recognized as a vigorous pointer of a person's personality (Barrick & Mount, 1991; Hurtz & Donovan, 2000). The Big Five factors i.e. Agreeableness, Conscientiousness, Emotional stability, Extraversion and Openness to experience are normally agreed among several personality philosophers as quality (Judge et al, 1999). Moreover, Nicholson (1998) stated that the Big Five factors also signify the possible personality traits of entrepreneurs. Based on the Big Five model, entrepreneurial personality traits have

been further categorized and the below characteristics are extensively acknowledged by previous quantitative and qualitative studies:

- i. Extraversion
- ii. Locus of control
- iii. Need for achievement
- iv. Risk taking propensity
- v. Self-efficacy

b. Growth motivation : According to Delmar (1996), personality traits of entrepreneurs are significant but they might not essentially cause the appropriate growth of an organization. Moreover, personality traits donate more to the growth motivation. Inherent motivation acts as an important function in an entrepreneur's performance which consecutively donates to the definite growth (Delmar, 1996).

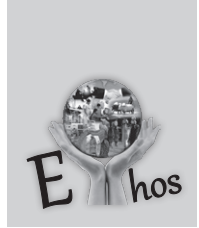
c. Individual competencies : According to Boyatzis (1982), individual competencies can be regarded as the understanding, proficiencies and capabilities that are needed to carry out a particular work.

d. Personal background : Personal background comprise of wide-ranging facts on a person for example age, gender experience and education. Moreover, Welter (2001) purported that there is a considerable variation between the aspiration to grow among male and female entrepreneurs.

2.3 : Organizational Determinants : According to Hakkert & Kemp (2006), organizational growth is an enhancement in particular characteristics for example, employment, earnings and sales of an organization between two points eventually. Organizational growth can be derived from the amount of efficiency and potential with which organization-oriented resources for example human resource, funds and familiarity are obtained, managed and changed into sellable products and services by organizational schedules, actions and framework (Nelson and Winter, 1982; Nickell, Nicolitsas, & Dryden, 1997). Therefore, organizational determinants have more direct effects on organizational growth. There are several determinants of growth regarding this dimension and are as follows:

a. Organizational attributes : The conventional organizational attributes signify size and age of an organization. According to Audretsch et al. (2004), the growth rate of an organization is based on its preliminary size and there is no divergence between organizations in the possibility of a particular growth rate throughout a particular time period in the similar business.

b. Organizational strategies : Organizational growth can



be focussed on how productively one markets products and services to the consumers. Thus, market orientation can be regarded as an essential determinant of growth (Pelham & Wilson, 1996). Organizations with market orientation are capable of following and responding to the consumer's requirements and choices. Moreover, they are expected to increase their market aptitude and have the capability to organize internal operations to react rapidly and efficiently to consumers and external shareholders. As a result, market orientation facilitates superior satisfaction of consumers and shareholders which consecutively cause growth (Hult et al, 2003).

- c. Organizational specific resources :** According to Wiklund et al (2007), financial resources and human capital are the most significant resources for entrepreneurial growth. Sexton & Bowman-Upton (1991) stated that protecting financial resources may be principally vital in encouraging organizational growth for the reason that financial resources can comparatively simple to be transformed into other kinds of resources. Thus, enough resources, organizations are capable of testing new stuffs, which not only expands their innovation prospective but also facilitates the company to follow new growth prospects (Zahra et al, 2006).

2.4 : Environmental Determinants : According to Dess and Beard (1984), the environment fluctuates along with numerous proportions, for example vitality, heterogeneity, aggression and generosity, and this might principally determine the growth prospective of organizations. On the other hand, dynamic environment, either market dynamics or technology dynamics, is considered by the amount of environmental expectedness. Moreover, Wiklund et al (2007) purported that there are more chances for growth when there are transformations in civilization, political principles, technology and industry.

2.5 : Growth Barriers : Although the above mentioned determinants normally assist organizational growth, there are also some aspects that obstruct prospective growth of entrepreneurship. Davidsson and Henreksson (2002) purported that organizations are more expected to tackle entrance barriers and growth barriers in contrast to their large competitors. Frequently recognized barriers for entrepreneurs are financial barriers and institutional barriers (Davidsson and Henreksson, 2002).

3. Research Method : The present research design is descriptive and exploratory in nature. This research has utilized organizational-level information which is collected from a questionnaire about growth and determinants of entrepreneurship. In addition, there are various variables of growth available, for example employment, revenue and earnings. Respondents were selected randomly among entrepreneurs located worldwide. Moreover, the data was

collected by distributing questionnaire through email.

Around 1000 global entrepreneurs were requested to provide details regarding their employment, revenue and earnings in the year 2012 and in 2013. Thus, this helped to analyse the comparative growth. As all the respondents have not provided complete information, some facts were missed out. Thus, the final sample size of respondents consists of 525 entrepreneurs.

A multivariate linear regression model was used to analyse the affect of the determinants mentioned in Table 3.1 (See Appendix) regarding organizational growth:

$$\text{Growth} = \alpha + \beta_1 \text{determinant} + \beta_2 \text{Barrier} + \beta_3 \text{control} + \varepsilon$$

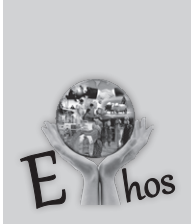
Where Growth signifies variables of comparative growth in employment; determinants contains variables/aspects of person, managerial and environmental determinants; barriers includes variables/aspects of growth barriers; control signifies control variables.

The determinants were calculated on a seven-point Likert scale. Moreover, in order to create aspects from the questions regarding these determinants, Factor Analysis (FA) was used. Furthermore, the reliability was tested with the help of Cronbach-alpha reliability coefficient.

Two kinds of research approaches has been employed in this study, First is conceptual approach which is employed regarding the facts from the literature review that which question(s) of the questionnaire is (are) should be utilized to assess the determinant. Consequently, with the help of factor analysis, the questions were combined into different aspects that connect with the determinants. Moreover, the reliabilities of these aspects were tested by the Cronbach-alpha reliability coefficient. Second approach is statistical approach which was employed the data and the result of the analysis irrespective of its hypothetical foundation. Thus, data was analyzed in an exploratory style. Using exploratory factor analysis, the questions were grouped into aspects only on statistical basis. Thus, a Cronbach-alpha of above 0.6 was used in order to discover the reliability of the aspect.

4. Results : Bivariate relations were initially analyzed through Pearson bivariate correlations. Moreover, the correlation coefficients among variables are less than 0.5. In addition, scores of variance inflation factor (VIF) were calculated for every regression and vary from 1.14 to 2.6.

Table 4.1 (See Appendix) signifies the results of the analyzed relations using independent variables which are produced the conceptual approach. Moreover, there are 39 determinants and 12 control variables which are integrated in the model. Thus, they describes 22.5 percent of the variation in dependent variable 'comparative growth in employment' ($R^2=0.225$; Adjust $R^2=0.141$).



7 determinants are recognized to have considerable influence on organizational growth. Amongst the individual determinants, particular abilities ($B=17.76$, $p<0.05$) and growth motivation ($B=0.28$, $p<0.01$) are completely helpful to organizational growth whereas need for achievement ($B=-10.34$, $p<0.05$) represents an unconstructive association. Amongst the organizational determinants, preparedness to grow ($B=10.22$, $p<0.05$), financial performance ($B=14.42$, $p<0.001$) and extra finance ($B=15.23$, $p<0.10$) have constructive influence on organizational growth. Organization age ($B=-10.34$, $p<0.05$) donates unconstructively to organizational growth.

There were no considerable determinants discovered between the environmental determinants. The value of R^2 change ($_R2$) varied among aspects and signifies that organizational determinants describe the most difference of comparative growth in employment ($_R2=0.098$), subsequently individual determinants ($_R2=0.057$). On the other hand, environmental determinants describe the smallest amount of difference on employment growth ($_R2=0.023$).

Results by means of the independent variables from the statistical approach are represented in Table 4.2 (See Appendix). Altogether, 34 determinants and 12 control variables are integrated in the regression analysis. Thus, they describe 21.3 percent of the variation in dependent variable ‘comparative growth in employment’ ($R^2=0.213$; Adjust $R^2=0.135$).

Amongst the individual determinants, need for achievement, specific skills and growth motivation are again recognized to be important determinants of organizational growth. Need for achievement ($B=-10.37$, $p<0.05$) has an unconstructive influence whereas the remaining, specific skills ($B=17.10$, $p<0.05$) and growth motivation ($B=0.30$, $p<0.01$), has a constructive influence on organizational growth. Among the organizational determinants, organization age again became a negative determinant of organizational growth ($B=-0.37$, $p<0.05$). Preparedness to grow ($B=9.76$, $p<0.10$) and financial performance ($B=15.50$, $p<0.001$) demonstrate a constructive association with organizational growth. Therefore, significant determinants among the environmental determinants were not found. The value of $_R2$ distinguishes among aspects. Therefore, determinants from organizational aspects describe the most difference of comparative growth in employment ($_R2=0.086$), subsequently the determinants from individual dimension ($_R2=0.05$). On the other hand, environmental determinants describe the smallest amount of difference ($_R2=0.02$).

Evaluating the results of the two approaches, it is concluded that both approaches give more or less alike findings. Table 4.3 (See Appendix) sums up the results from the conceptual and the statistical approach.

5. Summary And Conclusion : The research has examined the growth determinants of entrepreneurship. With regards to the literature review it is concluded that the determinants are categorized into 3 aspects such as personal, organizational and environmental. Thus, this offers a prospect to assess the significance of the 3 aspects and all fundamental factors. Therefore, determinants or aspects such as extra finance, financial performance, growth motivation, need for achievement, organization age, preparedness to grow and specific skills are also considered to be fairly essential for organizational growth.

There are consequently no environmental aspects with a considerable involvement, entailing that environmental aspects has no influence on organizational growth. On the other hand, organizational aspects have the utmost influence on organizational growth.

Further research must be taken in order to pursue this thread of literature more intimately. In addition, more concentration on a comprehensive disaggregation of industries should be made in future research. Further research should also comprise sales growth. Moreover, the present research can be expanded to a longitudinal setup.

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APPENDIX

Table 3.1 : Determinants of growth and hypothesized relationship with growth

Category	Determinants from Literature Review	Expected relationship ^(a)
INDIVIDUAL DIMENSION		
Personal traits	Need for achievement	+
	Risk taking propensity	+
	Internal locus of control	+
	External locus of control	-
	Self-efficacy	+
	Extraversion (including Sociability)	+
Motivation	Growth motivation	+
Individual competencies	Managerial skills	0
	Specific skills	+
Personal background	Individual age	-
	Gender	+/-
	Education	+
	Experience	+
ORGANIZATIONAL DIMENSION		
Firm attributes	Firm age	-
	Firm size	+
Organizational structure	Centralization	+
	Decentralization	+
	Formalization	0
	Standardization	0
Strategies	Specialisation (task or skills)	+
	Departmentalization	+
	Market orientation	+
Firm specific resources	Entrepreneurial orientation	+
	Financial capital availability	+
	Human resource development	+
Dynamic capabilities	Finance performance	+
	Organizational learning	+
	Business model (preparedness to grow)	+
ENVIRONMENTAL DIMENSION		
	Market dynamism	+
	Technology dynamism	+
	Heterogeneity	+
	Competitive intensity	-
	Munificence	+
GROWTH BARRIERS		
	Barriers	-

a. All the hypotheses are developed from the literature review; '+' = positive relationship, '-' = negative relationship, '0' = no significant relationship

Table 4.1: Regression results (conceptual approach)

Factors/Variables	Conceptual determinants	
	Coefficient	t-value
Constant	15.62	0.43
INDIVIDUAL DIMENSION		
Need for achievement	-10.53*	-2.41*
Risk taking propensity	-1.14	-0.29
Internal locus of control	2.59	1.12
External locus of control	-1.18	-0.47
Fatalistic	-0.33	-0.12
Sociability	1.48	0.60
Extraversion	-1.52	-0.56
Self efficacy	-5.27	-1.06
Experience	-3.80	-0.91
Specific skills	17.76*	2.09*
Managerial skills	2.47	0.31
Individual age	0.004	0.16
Gender (Male=1)	5.66	0.70
Education	10.35	1.34
Growth motivation	0.28**	2.63**
ORGANIZATIONAL DIMENSION		
Firm age	-0.38*	-2.07*
Firm size	-13.73	-1.61
Centralization	1.12	0.54
Decentralization	0.68	0.29
Standardization	-0.80	-0.39
Formalization	3.23	1.65
Specialisation (tasks)	-0.20	-0.09
Specialisation (skills)	-0.40	-0.20
Departmentalization	0.10	0.03
Market orientation	3.29	0.63
Entrepreneurial orientation	0.52	0.10
Preparedness to growth	10.22*	2.10*
Organizational learning	2.48	0.54
Financial performance	14.42***	3.57***
Extra finance	15.23†	1.67†
Financial bottleneck	-8.58	-0.78
Human resource development	0.02	0.52
ENVIRONMENTAL DIMENSION		
Competitive intensity	-0.72	-0.17
Market Dynamism	5.30	1.08
Technology turbulence	-0.49	-0.20
Technology stability	-1.33	-0.69
Munificence	2.78	0.58
Heterogeneity	1.07	0.26
GROWTH BARRIERS		
Growth barriers	1.90	0.44



CONTROL VARIABLES

Merge experience	-7.89	-0.38
Merge plan	8.09	0.74
Division structure	-14.42	-0.52
Hierarchy structure	6.37	0.32
Function structure	-23.11 [†]	-1.86 [†]
Manufacture	-20.00 [†]	-1.73 [†]
Construct	-13.54	-0.78
Trade	-13.02	-1.36
Transport&communication	6.45	0.41
New market	24.19 [†]	1.81 [†]
Grow market	9.16	0.60
Shrink market	10.29	1.21
<i>R</i> ²	0.225	
<i>Adjusted R</i> ²	0.141	

†: P<0.1; *: P<0.05; **: P<0.01; ***: P<0.001

Table 4.2 : Regression results (statistical approach)

Factors/Variables	Statistical determinants	
	Coefficient	t-value
Constant	21.34	0.72
INDIVIDUAL DIMENSION		
Need for achievement	-10.37**	-2.43**
Risk taking propensity	-0.77	-0.20
Internal locus of control	2.34	1.01
External locus of control	-1.13	-0.45
Fatalistic	-1.13	-0.41
Self efficacy	-6.40	-1.35
Industrial experience	-4.37	-1.05
Entrepreneurial experience	5.46	0.60
Specific skills	17.10*	2.04*
Managerial skills	3.25	0.41
Individual age	0.003	0.11
Gender (Male=1)	5.47	0.67
Education	9.82	1.29
Growth motivation	0.30**	2.85**
ORGANIZATIONAL DIMENSION		
Firm age	-0.37*	-2.01*
Firm size	-11.48	-1.36
Centralization	0.86	0.42
Decentralization	0.76	0.32
Formalization_S	3.52	0.87
Specialisation (skills)	-0.93	-0.47
Departmentalization	0.29	0.08
Market orientation_S	2.82	0.53
Preparedness to growth_S	9.76 [†]	1.81 [†]
Learning orientation	0.74	0.17
Financial performance	15.50***	3.86***
Team orientation	4.06	0.96
Human resource development	0.02	0.43
ENVIROMENTAL DIMENSION		
Competitive intensity	-0.80	-0.19
Dynamism & complexity	4.05	0.87
Technology stability	-0.91	-0.49
Munificence	3.51	0.74
GROWTH BARRIERS		
Non-institutional/finance barriers	2.18	0.44
Finance barriers	1.50	0.37
Institution barriers	-0.11	-0.03
CONTROL VARIABLES		
Merge experience	-7.22	-0.35
Merge plan	10.40	0.95
Division structure	-13.45	-0.49
Hierarchy structure	3.08	0.16
Function structure	-21.91 [†]	-1.77 [†]
Manufacture	-21.35 [†]	-1.86 [†]
Construct	-12.83	-0.74
Trade	-12.88	-1.37
Transport&communication	7.14	0.45
New market	23.93 [†]	1.78 [†]
Grow market	9.65	1.14
Shrink market	-7.01	-0.43
<i>R</i> ²	0.213	
<i>Adjusted R</i> ²	0.135	

†: P<0.1; *: P<0.05; **: P<0.01; ***: P<0.001

Table 4.3 : Summary of significant determinants of growth

Determinants	Relationship
Need for achievement	-
Specific skills	+
Growth motivation	+
Firm age	-
Financial performance	+
preparedness to growth ^b	+
Extra finance ^c	+

a. The determinants are significant with the presented sign in both approaches unless otherwise stated.

b. In the statistical approach the corresponding determinant preparedness to growth is significant as well.

c. Only significant in the conceptual approach.



A Study on Industry-Academia Interaction

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Abstract : *Today, the education planners in India have been engaged in the task of bringing about a proper match between technical education and the needs of industry and it is in this context that schemes such as practice school programs, sandwich programs & co-operative programs have been introduced in the system of technical education. Some technical institutions have developed linkages with industries and improved quality of their courses and pass-outs to varying degree of success. However, the vast majority of technical and management institutions in our country have limited interaction with industry. The linkages between industries and polytechnics are of greater importance for improving degree of relevance of contents & delivery of technical education. In the context of the changing global economic scenario and the economic changes that have taken place in our country, there is a greater need to have interaction that is more effective and fine-tuning between industry & institutes. The interaction and tuning between institutes and industry are now widely recognized as essential requirements to train and develop the right kind of technical manpower necessary for sustaining and promoting faster industrial and economic growth.*

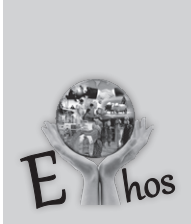
Keywords : *Industry, Institute, Skills, Interaction*

1. Introduction : Technical and Management Education forms the backbone of development of a nation. Industry is the major consumer of technical and management institution product. The real requirement of industry will be explored only through effective interaction with them and Interaction between the industry and institute is now widely recognized. The industry is poised to face Global competition, Unemployment & underemployment. A good & vibrant Industry institute Interaction is always required by both sides. There is a need for effective intervention to understand employer needs, variable sector specific skills, training requirements that improve Business performance, articulation of business expectations in education institutions and engagement of industry leaders with higher education institutions. If we look deeper to the specific environments in the institute and in the industry, it can be observed that institutions carry out their goals to facilitate learning, preserve a protected zone for students and nourish individual care to address the needs of the learners. The enterprise, on the other hand, work within the framework of industrial practices and norms with production, efficiency and profitability as the basic premise of day-to-day operations. The characteristics of the workplace as the supreme learning environment must be coordinated properly to ensure that there is a close correlation between the types of training that the workforce is being prepared for vis-à-vis the work environment, tasks and work systems.

2. Literature Review : According to Santoro and Chakrabati (2002) industrial firms use a variety of relationships with university research centres to accomplish

different things. More specifically, they found that large firms have higher intensity knowledge transfer and research support relationships in order to strengthen skills and knowledge and gain access to university facilities for advancing non-core technologies. In contrast, small firms have higher intensity technology transfer and cooperative research relationships in order to strengthen skills and knowledge and gain access to university facilities for advancing core technologies. In the view of Nangia and Pramanik (2011) besides industry associations, the universities should also form linkages with government agencies which are entrusted with industrial development activities. In spite of some shortcomings and inhibiting factors with respect to the academia-industry collaboration, government should put into place an integrated policy of academia-industry collaborative interaction encompassing a number of strategies enabling such an initiative to thrive in the country's quest for technological leadership.

Saibal Paul (2010) the role of the industry and the academia has always been indispensable to each other. If industry is responsible for producing, the academia supplies the necessary back up in terms of the technocrats and the professionals who run the industry. T V Ramana Rao (2008) In spite of the realization that Industrial Organizations (Manufacturing and Services) need to collaborate closely with Academic Institutions (Universities and Professional Colleges) for survival in this fast paced global environment, in India there is a long divide that is practically existing between the two. Michaela Martin (2000) the type of Interaction and its degree of intensity depends upon several



internal and external factors such as:-

- research and teaching capacity, both within the higher education institutions
- an industrial base involved in R&D activities and concerned with staff development
- the existence of Government policies, initiatives, financial incentives, structures or programs to stimulate collaborative R&D and teaching programs
- an entrepreneurial culture within higher education sector
- an academic reward system and incentives for staff to collaborate in programs with industry

3. Research Methodology and Objectives of the Study :

The study used secondary data only and research design is descriptive in nature. All the Data is collected by using secondary sources which includes Business Magazines, Newspapers, Internet and Journals.

Objectives of Study :

- To identify the benefits of Industry Institute Interface.
- To find out the problems for lower Interaction between industry and institute.
- To make suitable suggestions for development of industry and institute.
- To understand the different modes of Interaction.

4. Discussion : The gains from industry-academia interaction

For Industry : Using the academic knowledge base to improve industrial cost, quality and competitive dimensions, reducing dependence on foreign know-how and expenditure on internal R&D, updating and upgrading the knowledge base of the industry's professionals through management development programs designed by the academia, the faculty's exposure to industry leading to improved curricula and widened and deepened teaching perspectives resulting in professional graduates of a high caliber to man industry.

For Academia : The satisfaction of seeing knowledge and expertise being used for socially useful and productive purposes, widening and deepening of the curriculum and the perspectives of teachers and researchers; earning additional resources for a system severely constrained in this regard; securing training and final placements more easily for students based on the respect earned from and the relationship established with industry.

For Students:

- Gaining real life experiences.
- Application of theoretical knowledge.
- Enhancement of oral and written skills.

- Decision making on career choice.
- Paid pre-employment (on-studies training).
- Gaining access to sophisticated instrumentation.
- Understanding the work culture of industries.

For the Nation :

- Effective harnessing of the resources, talents and experience within the country
- Greater efforts at self-reliance and indigenouslyness.
- Greater financial support to institutions and R&D organizations.
- Greater employment of R&D personnel.
- Generating sense of pride in the nations among Indians all over the world by providing excellent research findings.

Inhibiting factors : From the industry's side: Insensitivity to, and/or lack of awareness of, the resource potential of the academia, a blind, herd-like obsession with expensive, high-profile professional consultants, easy availability of foreign know-how, compulsions of existing technical collaboration agreements, bad experience of earlier interactions with academia, anxiety to keep problems and break-through confidential for fear of losing the competitive edge.

From academia's side: Apathy towards applied research and extension and reluctance to leave the comfort zone of pure teaching; inadequate marketing of its strengths to industry; lack of a critical mass of experts and specialized technical infrastructure; over specialized loyalties and reluctance to collaborate in inter-disciplinary problem-solving; unhelpful, restrictive internal policies and procedures discouraging or frustrating academicians' attempts to collaborate with industry

5. Suggestions : Measures to improve the interaction : -

Since the industry does not generally have a high opinion of academia's capability, it is for the latter to take the initiative to break the ice. Some ice-breaking initiatives would be:

- Including pro-active and positive-minded professionals from industry and business in syndicates and boards of study,
- Using practicing professionals from industry as part-time guest faculty,
- Securing training/project attachments for senior students and research scholars in industry,
- Exploiting contacts with alumni who are successful in industry and business,
- Offering management development courses for professionals in industry, as this is a safe, inexpensive trial interaction for the latter,



- Offering inexpensive, if necessary free, consultancy to small and medium industries which cannot afford expensive consultants.

The recent successes of Indian entrepreneurs in IT and process and product outsourcing have generated a new self-confidence in Indian industry to take on global competition, unlike in the past when there was near-total dependence on foreign collaboration for achieving any breakthrough.

Groups such as the TVS, Bajaj and Tata have successfully developed models in-house, without any foreign collaboration. The garments and made-ups industry, even in small towns like Karur and Tirupur, is looking forward confidently to facing global competition after the removal of quotas from January 2005.

Indian companies have won prestigious international awards such as the Deming prize. Wipro and Infosys recently signed MOUs with some universities for collaboration. The atmosphere, therefore, is ripe for academia to exploit to its advantage this new ambience of confidence and self-reliance in industry

Modes of Interaction among Industry and institute :
As the social and economic structures of various countries in move from labor-intensive and industrial based to knowledge-based and globalized economy, the role of academic institutes has been intensified more than ever. Institutes possess the optimum resource base to supply new ideas, innovations and analysis of the trends in the labor market in a holistic and pedagogic approach. There are different modes of Industry-Institute linkages which are as follows:-

Institute to Industry :

- Student visit to the Industry as a part of their course
- Industrial tour of students: - This gives them good organizational experiences.
- Practical Training / Student internship:-This gives students good industrial exposures.

Industry to Institute :

- Depute Persons for higher degrees to Institute
- Continuing education of their staff must be a continuing activity of any progressive industry.
- Assign Consultancy Jobs to Institute.
- Sponsor R&D Projects to Institutes.
- Industry sponsored short term course or depute industry staff in institute.
- Resource persons from industry to institute.

Industry-Institute Joint Efforts :

- Jointly Conducting Training/Awareness Program for Industry / Institute People.

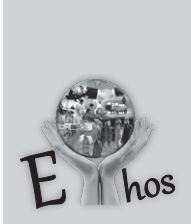
- Organizing seminars/Symposium/ Awareness Program for Industry/Institute People.
- Undertaking Any Social Responsibility.

6. Conclusion : In today's scenario we have seen the many fine examples of university and industry collaboration; there is a need for a more enhanced partnership between higher education and the business community. As India moves further towards a more knowledge dependent economy, we need to look increasingly to how universities can work with business to advance the process of innovation and renewal across all industry sectors.

In short, business and universities need to work actively to expand the current position of partnership and engagement this should lead to a higher level of interaction and seamlessness between business and higher education, with staff from both sectors moving freely across boundaries in order to engage in new and expanding forms of collaboration

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Stock Price Responses to the Announcement of Mergers and Acquisitions in India

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Abstract : *Mergers and Acquisitions (M&As) not only affect the value of merging firms but also generate a positive or negative wealth effect for shareholders of firms involved. This paper examines the impact of mergers and Acquisitions (M&As) on the wealth of shareholders of Indian power sector during 2000-2013. Event study methodology is used to assess the share price reaction around the M&A announcement day. The Impact of M&A announcement on stock prices of acquiring firms has been analyzed in this study. The results of standardized abnormal returns were tested using t-test. We found that shareholders receive considerable and significant positive cumulative average abnormal returns (CAARs) 40 days prior and 40 days post to the announcement of a M&A. The findings of the present study justifies the empirical evidence that merger do create wealth to the acquiring firms shareholders [Dodd (1976), Dodd and Ruback (1977)]*

Key Words : *Mergers and Acquisitions (M&As), power sector, shareholder wealth, acquiring company share prices, event study*

1. Introduction : Mergers and acquisitions (M&As) became a “trend” during the 1960s and 1980s (Lev, 1993; Larcker, 1993), with so-called merger “waves” during this period. Many firms engaged in merger activities during these merger “waves”, not only in the United States and Europe, but also in Australia and Japan (Lubatkin and Lane, 1996), the reason being that M&As have played an important role in the business environment since the 1960s emerging not only as a part of financial activity but also as part of investment strategy. Consequently, much study and research was conducted on mergers and acquisition over that period, especially ones which focused on the effect of M&As on shareholder wealth. The objective of this study is to estimate the returns for shareholders of acquiring firms on M&As by using an event study method in order to test whether the shareholders earn a significant returns.

The paper is organized in six sections. The second section discusses the sample and data, the third section discuss the literature, the fourth section focuses on the methodology, the fifth section presents the results and analysis and sixth section presents the findings and conclusions.

2. Sample and data : The sample to be included for the study is the stock prices of acquiring firms had to be publicly traded. The share prices and M&A announcement details are collected from the Prowess, the corporate database of Centre for Monitoring Indian Economy (CMIE) and also the adjusted daily stock prices and CNX NIFTY index (NSE index) are collected for each of the firms from for 266 prior to the merger announcement and 40 days after the merger announcement. We restrict our sample to the M&A announcement of listed companies in Indian Power sector and for which data is available in Prowess for those

M&A that have been announced from year 2000 to 2013. The number of companies that meets our criteria is 26.

3. Review of literature : This section concentrates on the empirical literature that deals with wealth effects following M&A announcements. Most event studies define abnormal returns as the raw return minus some required return based on a model such as the Capital Asset Pricing Model (CAPM) or the simpler Market Model (MM) and then examine Cumulative Average Abnormal Returns (CAARs) around the announcement day, and to capture the announcement effect use a window of some days. This window varies from study to study. Houston et al. (2001) use a window (in days) of [-4, 1], Moeller et al. (2002) use a window of [-1, 1], Bradley et. al. (1988) and Doukas et al. (2002) a window of [-5, 5], Karceski et al. (2000) a window of [-7, 7], Schwert (2000) a window of [-63, 126], Walker (2000) a window of [-2, 2], Rau and Vermaelen (1998) a window of [0, 36 months], etc.

Many studies agree that returns to target firms are, on average, positive and statistically significant following M&A announcements. Early studies of US takeover activity report target firm returns in the range of 20% to 30% (Dodd and Ruback, 1977; Jensen and Ruback, 1983; Bradley et. al., 1988). Later studies for the US market come to similar conclusions. Houston et al. (2001) study mergers in the US banking industry and find abnormal returns between 15% and 24%. Maquieria et al. (1998) report abnormal returns of around 40%, Mulherin and Boone (2000) report returns of about 20%. The results are similar for other markets as well, Goergen and Renneboog (2004) analyze large acquisitions in 18 European countries and report CAR between 9% and 21% depending on the window length examined (Karceski



et. al. 2000) and (Danbolt 2004)]. According to Allen, et al. (2000), the gains to targets stem from many sources such as reduction in agency costs, the enhancement of the competitive position, or synergies [Amihud et.al., (1990), Berkovitch and Narayanan, (1993)].

The evidence on the stock return of acquirer firms is mixed, that is, many studies find negative abnormal returns following announcements, other studies find small positive returns, and other studies find zero returns. Houston et al. (2001) find stock returns that range from -2.5% to -4.5% approximately (Morck et.al., 1990; Walker, 2000; Goergen and Renneboog, 2004; Mitchell, et.al. 2004). Also studies find zero returns for acquirers, Dodd and Ruback (1977), Malatesta (1983), Kohers and Kohers (2000). Bidder shareholder returns seems to vary depending on the characteristics of the firms involved and the timing of the merger: Lang, et. al.(1989) find that acquirers with high Tobin's Q ratio have significantly higher returns than acquirers with low Tobin's Q ratio; Fuller et al. (2002) examine high frequency bidders find that acquirer shareholders gain when the target is a private firm or subsidiary but lose when purchasing a public firm. Thus it is evident that many studies are done mainly on overall basis involving domestic as well as cross border M&As. Here an attempt is been made to understand the effect of a merger or an acquisition on the wealth of the acquiring firms shareholders with reference to Power sector, one the fast growing sectors.

Hypothesis of the study: To find the impact of merger announcement on the share price the following hypothesis is framed:

H0: Merger & Acquisition announcements have no significant impact on stock returns.

H1: Merger & Acquisition announcement have a significant impact on stock returns.

4. Methodology : We follow event study methodology to analyse the impact of the announcement of merger and acquisitions on stock price. The event period is centered on the announcement date of M&A's. The announcement date is designated as day "0" in the event period. Prior studies consider different event period to analyse the effect of an event on stock price. Smith and Kim (1994) used eleven day event period (- 5 to + 5) to analyse daily stock returns. Maquieria et al. (1998) used 121 days event period [-60, 60] to examine the effect of merger announcement on stock return. The market proxy used in the study is CNX NIFTY.

The effect of stock prices is measured in an event period using the abnormal return associated with this event. We compute the expected returns (ER), abnormal returns (AR), average abnormal returns (AAR) and cumulative average abnormal returns (CAAR) to examine the stock price reaction.

The market model is given by the following regression equation:

$$E(R_{jt}) = \alpha_j + \beta_j R_{mt} + e_j$$

Where,

α is intercept. (Mean return over the period not explained by the market).

$E(R_{jt})$ is the expected return on security j, R_{mt} is the expected market return, β_j is the slope of the regression and, e_j is the error term (with a zero mean and constant standard deviation).

The predicted return represents the return that would be expected if no event took place. The predicted return for a firm for a day in the event period is given by the following market model:

$$E(R_{jt}) = \alpha_j + \beta_j R_{mt}$$

Where

αR_{mt} is the return on the market index for day 't' in the event period. The abnormal return is the difference between the actual return on day t and the predicted return i.e.,

$$AR_{jt} = R_{jt} - E(R_{jt})$$

AAR_t for day 't' using the following formula,

$$AAR_{jt} = \sum_{j=1}^N \frac{AR_{jt}}{N}$$

N is the number of firms in the sample. Finally we calculate the cumulative average abnormal return (CAAR) for the event period. The CAAR represents the average total effect of the event across all firms. Where,

$$CAAR = AAR_{jt}$$

To examine the statistical significance of the average abnormal returns z-statistic is constructed. The test statistics for significance of AAR is given by,

$$Z = \frac{\sum_{j=1}^n SER_{jt}}{\sqrt{N}}$$

N denotes the number of companies in the study. SER_{it} is the standardized excess return for firm 'j' on day 't'.

The standardized excess return (SER) is calculated as:

$$SER_{jt} = \frac{AR_{jt}}{S_j} \quad S_j = \sqrt{\frac{\sum_{t=1}^T (AR_{jt} - \overline{AR_j})^2}{T-1}} \quad T \text{ is the number of days in the estimation period.}$$

$$\overline{AR_j} = \frac{1}{T} \sum_{t=1}^T AR_{jt}$$

CAAR for various event periods. The results of the study are presented in the following tables and charts.

5. Results and analysis : This study evaluated the impact of M&A announcement on share price over an event window. To analyse the impact, we computed AAR and CAAR for various event periods. The results of the study are presented in the following tables and charts.

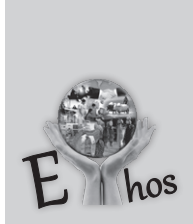


Table 1: Table showing the AARs and CAARs for Bidding Companies (Raw Returns)

Day	AAR	z-Value	t-value	CAAR	z-Value	t-value	Day	AAR	z-Value	t-value	CAAR	z-Value	t-value
-40	-0.0155	-1.439	-1.7977	-0.0155	-1.439	-0.05338	1	0.00886	0.316275	0.79722	0.09168	2.58594	0.24495
-39	0.013748	0.07058	0.80958	-0.0018	-0.96762	-0.00307	2	-0.0164	-0.1932	-0.90109	0.07531	2.52623	0.12308
-38	0.001088	-0.05613	0.13867	-0.0007	-0.82246	-0.00253	3	-0.0124	-1.687	-1.54654	0.0629	2.24303	0.23285
-37	0.012574	2.29115	0.9773	0.01191	0.4333	0.027479	4	-0.0272	-1.60157	-1.34696	0.03575	1.97922	0.05265
-36	0.01855	2.14569	1.76964	0.03046	1.34714	0.08628	5	0.02507	1.681758	1.386439	0.06082	2.20555	0.09987
-35	-0.00038	-0.49001	-0.0313	0.03008	1.02972	0.074152	6	0.03859	2.645528	2.35022	0.09941	2.56785	0.17979
-34	-0.018	-0.61415	-0.9256	0.01208	0.72121	0.018443	7	0.01212	2.292497	0.879961	0.11153	2.87185	0.24048
-33	-0.01163	-1.00688	-1.1867	0.00045	0.31864	0.001358	8	-0.0098	0.268815	-0.56005	0.10177	2.8808	0.1734
-32	0.000136	-0.25037	0.01133	0.00058	0.21696	0.001448	9	-0.0067	-1.54539	-0.55678	0.09506	2.6333	0.23444
-31	-0.02374	-0.95679	-1.1762	-0.0232	-0.09674	-0.03407	10	-0.0103	-0.56433	-1.3907	0.08475	2.52833	0.33959
-30	0.017375	1.22453	1.52543	-0.0058	0.27698	-0.01507	11	-0.0064	-2.21368	-0.28519	0.07833	2.19692	0.10331
-29	-0.01338	-0.74926	-1.2128	-0.0192	0.04889	-0.05157	12	-0.0108	-1.29346	-0.9787	0.06756	1.99842	0.18228
-28	0.006401	1.29458	0.64004	-0.0128	0.40602	-0.03789	13	-0.0232	-1.42694	-1.81351	0.04433	1.78565	0.10277
-27	-0.00525	-0.88081	-0.5742	-0.018	0.15585	-0.05848	14	0.01001	0.138018	0.643172	0.05434	1.78796	0.10372
-26	0.000642	0.94483	0.03698	-0.0174	0.39452	-0.02972	15	-0.0177	-0.49439	-1.18409	0.03667	1.70585	0.07297
-25	0.011801	-0.5728	0.59233	-0.0056	0.23879	-0.0083	16	0.00316	-0.14315	0.428214	0.03982	1.67186	0.16044
-24	0.009786	2.63755	0.46869	0.00422	0.87136	0.005996	17	0.00846	-0.11645	0.652933	0.04829	1.6421	0.11063
-23	0.006251	1.87826	0.338	0.01047	1.28952	0.016807	18	-0.0038	-0.04419	-0.43037	0.04453	1.62237	0.15143
-22	0.007417	-0.06002	0.49522	0.01788	1.24136	0.035458	19	0.00741	0.856163	0.833087	0.05194	1.71932	0.17336
-21	-0.02187	-0.81528	-1.3866	-0.004	1.02763	-0.0075	20	0.00086	0.687537	0.073993	0.0528	1.7932	0.13497
-20	-0.0026	-0.26059	-0.3147	-0.0066	0.946	-0.02366	21	0.00287	0.488521	0.360695	0.05567	1.84072	0.2076
-19	0.000171	0.15969	0.01394	-0.0064	0.95829	-0.01551	22	0.00359	0.856325	0.489831	0.05927	1.93394	0.23987
-18	0.004588	-0.69275	0.29096	-0.0018	0.79278	-0.00344	23	-0.0262	-1.17933	-1.3842	0.03303	1.77136	0.05176
-17	-0.01848	-0.47578	-1.2616	-0.0203	0.67897	-0.04117	24	0.0122	0.630678	1.022807	0.04523	1.83591	0.11262
-16	-0.00568	-0.02908	-0.6518	-0.026	0.65944	-0.08853	25	0.00354	0.316844	0.602062	0.04877	1.86095	0.24622
-15	0.012199	2.05243	0.71922	-0.0138	1.04914	-0.02414	26	0.02527	1.384661	1.453327	0.07404	2.01617	0.12647
-14	-0.01257	0.56512	-0.5893	-0.0264	1.13829	-0.0367	27	-0.0043	0.779715	-0.2641	0.06974	2.09584	0.12727
-13	0.001053	-0.61639	0.10177	-0.0253	1.00129	-0.07261	28	0.00581	0.152907	0.528153	0.07555	2.09901	0.20385
-12	-0.01141	0.25595	-0.6003	-0.0367	1.03141	-0.05737	29	-0.0093	0.592512	-0.51265	0.0663	2.15478	0.10906
-11	0.004768	-1.45369	0.26182	-0.0319	0.74866	-0.0521	30	0.00175	0.093958	0.241602	0.06805	2.1507	0.27845
-10	-0.00588	-0.18247	-0.8645	-0.0378	0.70372	-0.16519	31	-0.0041	-0.33605	-0.59566	0.06394	2.09611	0.27469
-9	0.003891	-1.3982	0.2533	-0.0339	0.44546	-0.06559	32	0.01561	1.579569	1.361298	0.07955	2.26658	0.20596
-8	-0.00538	0.52361	-0.4025	-0.0393	0.52981	-0.0874	33	0.01124	1.571149	1.215	0.09079	2.43385	0.29143
-7	0.018628	2.2956	1.24743	-0.0207	0.91565	-0.04113	34	0.00371	0.528237	0.440567	0.0945	2.47857	0.3332
-6	-0.00647	-1.05678	-0.8514	-0.0272	0.72385	-0.10609	35	0.00694	0.744195	0.753493	0.10144	2.54757	0.32695
-5	0.01898	2.39367	1.77692	-0.0082	1.11267	-0.02273	36	-0.0034	-0.80796	-0.31429	0.098	2.4389	0.26552
-4	0.009795	0.87524	0.63261	0.00162	1.24142	0.003107	37	-0.0079	0.396089	-0.62571	0.09008	2.46807	0.21129
-3	-0.0105	-1.29599	-0.8243	-0.0089	1.01474	-0.0207	38	0.00423	0.138486	0.581146	0.09431	2.46798	0.38477
-2	0.016869	1.53905	1.80527	0.00799	1.24809	0.025398	39	-0.0021	-0.28742	-0.30994	0.09218	2.42037	0.39838
-1	0.01728	4.07425	0.7329	0.02527	1.87659	0.03183	40	-0.0008	0.368803	-0.11725	0.09133	2.44636	0.37585
0	0.05755	4.57393	2.40867	0.08282	2.56789	0.102937							

Note: Critical z- value at 5 percent is 1.96 and t- value 2.160

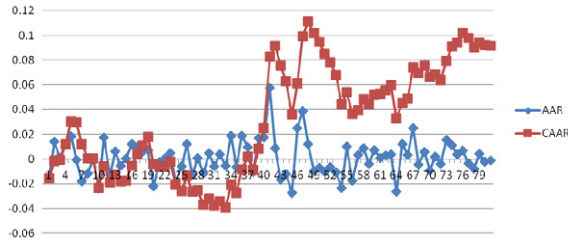


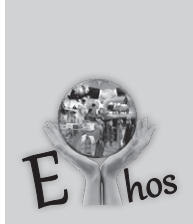
Chart 1: Chart showing the AARs and CAARs for Bidding Companies (Raw Returns)

The result of our study with raw returns reveal that AARs are positive for 23 days and negative for 17 days before the announcement of M&A, whereas it is positive for 20

days and negative for 20 days after the announcement of M&A. AARs are positive on the day of announcement.. CAARs are positive for 12 days and negative for 28 days before the announcement whereas it is positive on the day of announcement and after the announcement of M&A. The trend of AARs and CAARs after the announcement of M&A reveals that the share price movements persist. CAARs are negative for shorter windows except for -2 to +2 and -5 to +5, whereas for longer window period it is positive. However CAARs are insignificant before and significant after the announcement of M&A. From above data that value of t statistics of AAR and CAAR after the announcement date of M&A is insignificant with insignificant value of ± 2.160 .

Table 2: Table showing the AARs and CAARs for Bidding Companies (Log Returns)

Day	AAR	z-Value	t-value	CAAR	z-Value	t-value	Day	AAR	z-Value	t-value	CAAR	z-Value	t-value
-40	-0.0133	-1.35727	-1.69395	-0.0133	-1.3573	-0.0503	1	0.0113	0.43483	0.67136	0.15113	2.95306	0.36443
-39	0.0139	0.10639	-0.77542	0.00065	-0.8845	0.00113	2	-0.0158	-0.14751	0.616897	0.13533	2.89603	0.22028
-38	0.00283	-0.00325	1.860079	0.00348	-0.7241	0.01383	3	-0.0105	-1.64148	-1.71197	0.12483	2.61547	0.40157
-37	0.01405	2.31975	0.240894	0.01753	0.53281	0.04427	4	-0.0271	-1.61023	-0.51308	0.09768	2.34621	0.14177
-36	0.02019	2.1877	1.47064	0.03771	1.45493	0.11724	5	0.0249	1.70745	-1.53648	0.12255	2.57231	0.20597
-35	0.00123	-0.44178	1.564965	0.03894	1.1478	0.08965	6	0.039	2.72341	1.532763	0.16152	2.94205	0.29563
-34	-0.0169	-0.57802	0.064446	0.02206	0.84419	0.03444	7	0.0137	2.36516	3.08512	0.17525	3.25263	0.41199
-33	-0.0098	-0.96538	-1.65815	0.01231	0.44836	0.03592	8	-0.0092	0.37324	0.771181	0.16604	3.27258	0.27691
-32	0.00146	-0.26393	-0.80675	0.01377	0.33474	0.03383	9	-0.0051	-1.48691	-0.71126	0.16099	3.02941	0.3693
-31	-0.0228	-0.811	0.069499	-0.0091	0.0611	-0.0128	10	-0.008	-0.45268	-0.74338	0.15304	2.93618	0.66892
-30	0.01894	1.35355	-1.93261	0.00988	0.46637	0.02482	11	-0.0071	-2.32615	-0.34903	0.14594	2.58523	0.19014
-29	-0.0115	-0.73634	1.730843	-0.0016	0.23395	-0.0043	12	-0.009	-1.266	-0.64519	0.13695	2.38683	0.36983
-28	0.00744	1.26612	-1.27135	0.00586	0.57593	0.01929	13	-0.0218	-1.4037	-0.73743	0.11515	2.1736	0.28047
-27	-0.0034	-0.77434	0.762761	0.00246	0.34803	0.0075	14	0.0106	0.1983	-1.41048	0.12574	2.18049	0.2416
-26	0.00343	1.09294	-0.20923	0.00589	0.61843	0.01078	15	-0.016	-0.43504	0.757461	0.10975	2.1028	0.23311
-25	0.01323	-0.40032	0.173467	0.01912	0.49871	0.02874	16	0.0053	-0.03921	-1.91695	0.11503	2.07908	0.40943
-24	0.00965	2.58509	0.655421	0.02877	1.11079	0.04233	17	0.0098	0.00209	0.394443	0.12483	2.06135	0.27701
-23	0.0075	1.86179	0.576727	0.03627	1.51833	0.06435	18	-0.0014	0.05963	1.192534	0.12347	2.05157	0.44613
-22	0.00804	0.01257	0.500059	0.04431	1.48071	0.08773	19	0.0093	0.90944	-0.16125	0.13274	2.15181	0.46956
-21	-0.021	-0.81113	0.528348	0.02327	1.26185	0.04542	20	0.0029	0.78196	0.861936	0.13559	2.23422	0.3747
-20	-0.0006	-0.17659	-2.56711	0.0227	1.1929	0.08226	21	0.0049	0.56474	0.362915	0.14052	2.28785	0.53074
-19	0.00245	0.28759	-0.04843	0.02515	1.22679	0.06373	22	0.0061	0.99026	0.799101	0.1466	2.39438	0.70564
-18	0.00593	-0.57951	0.152466	0.03108	1.07899	0.05753	23	-0.0254	-1.1364	0.318235	0.12118	2.23355	0.18832
-17	-0.0169	-0.38867	0.422167	0.01418	0.97693	0.02999	24	0.0139	0.70163	-2.01093	0.13513	2.30333	0.3174
-16	-0.0035	0.05714	-2.16895	0.01072	0.96862	0.04085	25	0.0057	0.4129	2.253214	0.14085	2.33664	0.67575
-15	0.01286	1.9451	-0.21792	0.02357	1.33128	0.044	26	0.0262	1.53827	0.336687	0.16708	2.50707	0.29198
-14	-0.0131	0.55117	0.588281	0.01051	1.41247	0.01428	27	-0.0035	0.85255	1.622297	0.16361	2.59195	0.30051
-13	0.00326	-0.53069	-1.12796	0.01377	1.28672	0.03532	28	0.007	0.25559	-0.30268	0.17061	2.60387	0.44283
-12	-0.0111	0.25978	0.170908	0.00268	1.31258	0.00418	29	-0.0087	0.65299	0.383436	0.16195	2.66325	0.26363
-11	0.00585	-1.34146	-0.60903	0.00853	1.04561	0.01392	30	0.0041	0.19878	-1.33087	0.166	2.66802	0.75779
-10	-0.0035	-0.04835	1.001172	0.00506	1.01992	0.02574	31	-0.001	-0.14765	0.585522	0.165	2.63203	0.70796
-9	0.00476	-1.27276	-0.22885	0.00982	0.77886	0.01924	32	0.017	1.61667	-0.09487	0.18198	2.80315	0.51356



-8	-0.0033	0.6514	0.378564	0.00648	0.88036	0.01531	33	0.0136	1.71631	1.83873	0.1956	2.98367	0.62916
-7	0.02032	2.33432	-0.24389	0.0268	1.26765	0.05809	34	0.006	0.62817	1.592954	0.2016	3.03624	0.70034
-6	-0.0049	-0.96907	2.429266	0.02194	1.08561	0.0779	35	0.0087	0.81568	0.612582	0.21029	3.10977	0.6375
-5	0.02097	2.49362	-0.49758	0.04291	1.48603	0.13061	36	-0.0016	-0.71733	0.72881	0.20873	3.00776	0.51972
-4	0.01105	0.8509	1.455217	0.05396	1.6057	0.11122	37	-0.0063	0.46159	-0.13223	0.2024	3.04068	0.51008
-3	-0.0084	-1.24069	0.893627	0.04553	1.38316	0.1093	38	0.0064	0.22402	-0.80933	0.20883	3.04658	0.7928
-2	0.01925	1.66246	-0.96207	0.06478	1.63152	0.2194	39	0.0002	-0.17894	0.87498	0.20898	3.00747	0.84448
-1	0.01757	3.93308	0.882374	0.08235	2.23287	0.11207	40	0.0016	0.48478	0.022875	0.21058	3.04271	0.92683
0	0.05753	4.58128	0.734268	0.13988	2.92095	0.17362							

Note: Critical z- value at 5 percent is 1.96 and t- value 2.160

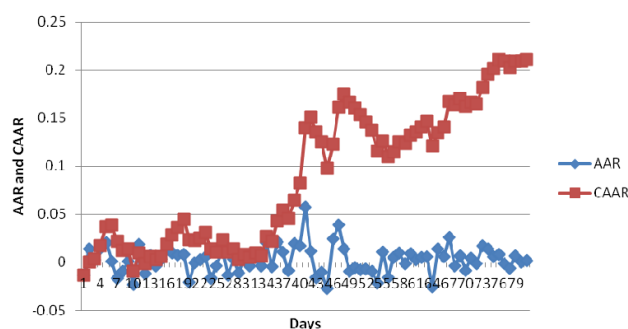


Chart 2: Chart showing the AARs and CAARs for Bidding Companies (Log Returns)

The above table and graph with log returns reveals that AARs are positive for 24 days and negative for 16 days before the announcement whereas it is positive for 22 days and negative for 18 days after the announcements. On the day of announcement it is positive and significant. AARs are negative for 34 days and positive for 47 days during the whole window period and it is insignificant. CAARs are positive for 37 days and negative for 3 days before the announcement and positive for all 20 days after the announcement of M&A. CAARs are negative for shorter window and positive for longer windows, and it is insignificant.

6. Findings and conclusions : This study has attempted to quantify the initial short-term capital market response to merger announcements that have occurred within the Indian Power industry during 2000 to 2013 by using an event study methodology. This study reveals that CAAR of 40-day before and 40-day after the M&A announcement is not significantly different from zero for acquiring company shareholders. From the above study it is found that the acquiring firm shareholders are getting a significant positive CAAR from the announcement of merger and therefore the shareholders do reap abnormal return. So, the results indicate that M&A activities of the acquiring firms succeeded to increase the wealth of their shareholders. The above results confirm the validity of the hypothesis that “M&A announcements have significant impact on stock returns”.

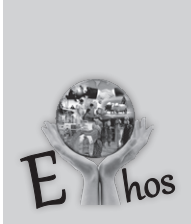
The future research may also be directed to examine the acquisition and takeover deals in the same and other industries for a detailed stock price reaction. One can broaden the scope of the study to analyze the other factors like ROI, ROE, EPS, etc., in addition to the share price of the acquiring and target companies.

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Implementing Six Sigma in Fast Food Restaurants

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Abstract : Every system has constraints —minor and major bottlenecks. It makes managing constraints even more challenging when bottlenecks move: up-and-down the process paths. This phenomenon is applied even to a fast food restaurant, where the continuous improvement is the must for any entrepreneur to grow and survive. Every system has a constraint — that is neither good nor bad — but just a fact of dynamic systems. Once the constraints are identified, then the next step is to manage it. Under normal hours, the constraint functions reasonably well. Under peak volume, the constraint is not able to fulfill demand. Hence to manage this, Six Sigma has a design that is used to eliminate wastes and make workplaces and processes more efficient. In an industry like fast food where every second counts, and the goal is speed and efficiency, utilizing Six Sigma to improve processes could prove to be a very useful resource. The fast food industry thrives on being quick and efficient in everything that they do. When processes slow down, people are not satisfied and things are not operating at their best. This can make any fast food business find a need for process improvement no matter how big or small. Fortunately, Six Sigma has a variety of tools that can be used to make things better in any situation. The objective of the study is to develop strategies to implement six sigma among the Indian Fast food restaurants.

Key Words : Six sigma, customers, defects, strategy, quality, fast food

1. Introduction : Fast food is about getting the customer's orders out to them as quickly as possible. There is a set process for every order on the menu. There are circumstances that arise which can cause a bottleneck in the system of getting food out to the customer on time. The processes in a fast food restaurant includes on the line making the food and the employees taking the orders. One of the most common issues of process improvement in fast food is the quality and speed in which everything is completed. The goal is to serve the customer quickly and efficiently and get them on their way so that they can enjoy an actual fast food experience as it was designed to be. When little things go wrong in the process, this is no longer possible. To avoid such possibility, the fast food process can use Six Sigma...

2. Theoretical Background : Six Sigma is a set of techniques and tools for process improvement. It was developed by Motorola in 1986. Jack Welch made it central to his business strategy at General Electric in 1995. Today, it is used in many industrial sectors.

Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in manufacturing and business processes. Each Six Sigma project carried out within an organization follows a defined sequence of steps and has quantified value targets, for example: reduce process cycle

time, reduce pollution, reduce costs, increase customer satisfaction, and increase profits. The term Six Sigma originated from terminology associated with manufacturing, specifically terms associated with statistical modeling of manufacturing processes. The maturity of a manufacturing process can be described by a sigma rating indicating its yield or the percentage of defect-free products it creates. A six sigma process is one in which 99.99966% of the products manufactured are statistically expected to be free of defects (3.4 defective parts/million), this defect level corresponds to only a 4.5 sigma level. Motorola set a goal of “six sigma” for all of its manufacturing operations, and this goal became a by-word for the management and engineering practices used to achieve it. It serves as a foundation for innovation throughout the organization, from manufacturing and software development to sales and service delivery functions.

Methodologies : Six Sigma projects follow two project methodologies inspired by Deming's Plan-Do-Check-Act Cycle. These methodologies, composed of five phases each, bear the acronyms DMAIC and DMADV.

DMAIC is used for projects aimed at improving an existing business process.

It has five phases :

- Define the system, the voice of the customer and their



requirements, and the project goals, specifically.

- Measure key aspects of the current process and collect relevant data.
- Analyze the data to investigate and verify cause-and-effect relationships. Determine what the relationships are, and attempt to ensure that all factors have been considered. Seek out root cause of the defect under investigation.
- Improve or optimize the current process based upon data analysis using techniques such as design of experiments, mistake proofing, and standard work to create a new, future state process. Set up pilot runs to establish process capability.
- Control the future state process to ensure that any deviations from the target are corrected before they result in defects...

DMADV is used for projects aimed at creating new product or process designs. The DMADV project methodology, known as DFSS (“Design for Six Sigma”), **features five phases :**

- Define design goals that are consistent with customer demands and the enterprise strategy.
- Measure and identify CTQs (characteristics that are Critical to Quality), product capabilities, production process capability, and risks.
- Analyze to develop and design alternatives
- Design an improved alternative, best suited per analysis in the previous step
- Verify the design, set up pilot runs, implement the production process and hand it over to the process owner(s)

The practical issue in Six Sigma measurement of service processes is the careful characterization of what a defect is – qualitative or quantitative. The measurement data can be discrete or continuous depending upon the context. Customer satisfaction when measured qualitatively needs to be converted into an equivalent quantitative measure such as “overall satisfaction on a scale of 1 to 7.” Any score below 6 could be considered a defect in the case of a strong customer service-critical process, while in a less customer service-oriented process a lower score could be acceptable. In fast food industries, the highlighted area is quality of time and the defect in speed of supply will not be tolerated.

3. Research Methodology : Based on the interview of restaurant owners, they can use the methodology of Six Sigma DMAIC (Define, Measure, Analyze, Improve and Control) to learn what works – and what doesn’t – in their restaurants. Instead of basing decisions on guesswork and reacting to new challenges, training for Six Sigma will

teach them how to gather and analyze real data, measure the effectiveness of their decisions and implement processes for improvement in real-time.

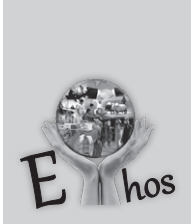
The critical error we see in restaurants and hotels every day is the manager or owner running from small fire to small fire every day attempting to solve the obvious symptoms of a problem that arises. If an owner could stand back and recognize that identification and elimination of the root cause of a problem is actually the correct process then naturally the business becomes more efficient and the problems are eliminated. This situation seems so obvious but is so rarely implemented. Root Cause Analysis (RCA) is a Six Sigma method which forms part of continuous improvement and most importantly is best applied to restaurants due to the reactive nature of management and the net result is by default the decrease in problem recurrence. The Six Sigma RCA allows one to understand there is probably more than one root cause of a single problem and therefore more than one corrective action. It also defines the process to find/identify the root causes ranging from the “5 Whys” to the “Ishikawa Diagrams” all designed to find the right tool to find the root cause of a problem. The application of RCA within our clients has had dramatic results almost instantly, moving past the theoretical problem solving and actually creating a turnkey restaurant with process driven problem solving and eventually the ability to predict probable failures.

The largest issue we found for application of Six Sigma to fast food restaurant clients is identifying and understanding the difference between the standard product based six sigma studies (manufacturing) and the service base, in general, the new issues in service arise based on 3 core differences:

Inseparability : The customer is involved in the actual production process, the service is delivered and consumed at the same time.

Perishability : Being intangible, the service cannot be stored.

Heterogeneity : difficulties in standardizing services every time for every customer. The goal however, remains the same, reduce costs by eliminating defects. It creates the recognition that six sigma alone does not suffice, because a restaurant does have a production line (manufacturing) as well as a service component which is where the importance of LEAN comes in and its execution alongside that of six sigma can truly yield the greatest results. Six sigma is based upon philosophy and lean is based upon techniques but technically Lean is part of the six sigma methodology. If Six Sigma is the culture and Lean is the process, then it is achievable. Lean thinking tells us that quality is the extent to which goods or services meet or exceed customer expectations. Customer satisfaction should lead to repeat utilization of the service (recurring guests); so if ‘zero defects’ are the goals of manufacturing then ‘zero defection’



should be the sign of quality coming to a restaurant.

The core of Six Sigma is defined as $Y = f(x)$, where Y is the product or service that has to be improved and 'x' is a set of factors that influence Y. 'f' is the function that defines the relationship between 'Y' and 'x'. Six Sigma is all about finding the critical 'x' which affect the 'Y' or output of the process (Product or service).

Six Sigma technique of DMAIC helps to create more effective marketing for restaurant – which can also help increase sales. Using real data to target best-fit customer and measure results can make a huge difference in a marketing strategy's effectiveness. Instead of a scattershot approach, it helps to focus on the right audience. Results can be measured and helps to immediately implement necessary improvements. DMAIC technique can also be used to improve profitability.

For someone who is familiar with six sigma, would they not prefer to eat in a restaurant or stay at a hotel where they know the principles have been implemented and by default would the restaurant or hotel facility not see a significant increase in both customer experience and bottom line from this process? The question is how to educate our clients on an unknown process that seems too corporate or too out of their league, or in many instances too unknown.

In a new quick serve concept that is looking to test the feasibility of a specific product or cuisine the metric could be number of guests through a door per day and the average transaction achieved per guest. In this instance if the two metrics are in line with expectations, it means the product is viable and now a focus can be on improving the processes to achieve greater financial results – now a focus can be put on customer wait time, speed of food delivery and so forth, all covered by Lean (infinite queue assumptions) and will provide the modifications to the model to see the desired financial return. This is the backbone of Lean and Six Sigma.

In the example of Starbucks, as per Pete Abilla's fantastic series: It seems that the majority of the effort in the Starbucks adoption of lean manufacturing principles is around increasing the quality of the coffee, more consistent taste outcomes, and on reducing the time it takes to make coffee and serve the customer.

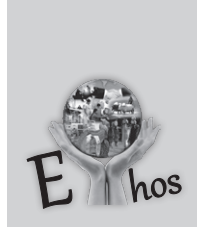
4. Results and Discussion : Six Sigma is very effective and beneficial for fast food chains that need to cut costs and increase revenues. Fast food experiences a lot of waste and problems with inventory control, proper use of staff, and issues with poor process. It points out to fast food management how to spot bottlenecks causing slowing of production and find creative ways to eliminate them. Six Sigma also teaches, in the fast food restaurant industry how to reduce waste. There is a lot of food wasted in this type of business. This only means cost. When an employee goes through 6 sigma,

they will have the ability to identify unnecessary waste. Waste in fast food can include purchasing unnecessary resources for cleaning, production, and employees. It may mean reorganizing staff members and utilizing them more effectively throughout the restaurant too. Inventory control is a big factor with fast food restaurants. It is one of the highest expenses and biggest waste factors. Through Six Sigma, they will learn about how to effectively manage and control inventory so there is as little food wasted as possible. In addition, they will be able to identify how to properly order food necessary to make it through the day without running out of specific products before the closing of the business day.

The six sigma team would most likely do the following :

- To reduce wait times, additional personnel are put on duty at peak times. During these busy times, the function of order taker and cashier are separated from the function of order fulfillment (also improves order accuracy) and a second window used. Drink dispensers are located near the pickup window to reduce walk time. Customers are allowed to phone in or fax in orders.
- To improve the accuracy of the orders, the order is repeated to the customers and confirmation requested. Some fast food chains have computer screens so that the customer both sees and hears the order being repeated. The order is confirmed again at the pickup window.
- To insure that food remains hot until it arrives at the destination, changes have been made in the packaging. A simple aluminum foil wrapper helps to keep the heat in.
- To improve the accuracy of change, the cashier pushes iconic buttons defining the content of the order and the machine calculates the cost plus any tax. The cashier enters the amount received and the machine calculates the correct change.
- As a control mechanism, timers are used to record customers wait times.

Customer satisfaction is a multistage process where levels of satisfaction are multiplied as different facets of the service are exposed to the customer. These facets cover a broad range from ethical practices of the business to timely response to knowledgeable staff etc. So for instance no matter how fresh and tasty a McDonald's burger is, for a customer who has moral issues with the low wages of their employees, fulfillment will never be attained. The key notion is that different customers have different patterns of expectations for the components involved and so, is it possible to have zero customer defection? Not everyone likes the same things and thinks in the same way and thus the service provider must focus on the elements that will



please the majority only. Also as services are intangible, there are greater problems in the measurement of quality, as mentioned, what constitutes quality may be different for different individuals based on their perceptions and past experiences and thus what defines defect in services? Often this will be an obvious matter of simply delivering what is promised, yet in most cases reliance on customer feedback, complaints and measurement will have to be used for awareness of issues. Six Sigma advocated the measurement of such variables as the only way to gain insight into service defects.

In summary, the importance of Lean & Six Sigma in a restaurant or hotel can have incredible returns for the operator in building a stronger customer, increased efficiency and most importantly impact on the bottom line

5. Conclusion : As a management philosophy, Six Sigma has transformed countless organizations worldwide and hence, every fast food restaurant owner can use Six Sigma methodologies as a strategy to run their restaurants more efficiently and profitably. Six Sigma efforts in service processes can increase customer satisfaction and, consequently, increase sales. They also have the potential to increase operating margins by reducing processing time and/or human resources needed. Both of these have the effect of boosting revenues and profits for any company. To realize the full potential, it is essential to pay attention to sensible and wise measurement in the application of Six Sigma to service processes.

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“Jugaad” - The Flexible Way to Enhance Software Development Productivity

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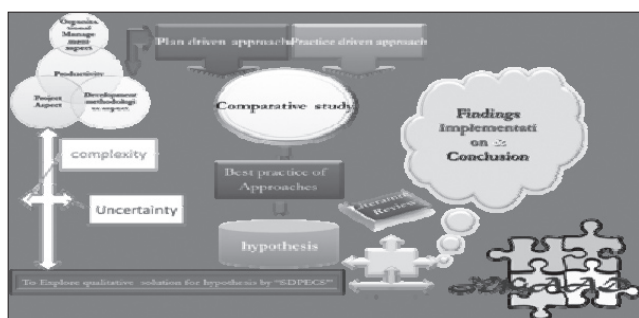
Abstract : Globalization and technical revaluation is raising several challenges to the software development sector. Over the past 50 years, software has evolved from a specialized problem solving and information analysis tool to an industry, but in itself having traversed a progressive path to sustainable business. The objective of this study is to plot the landscape of current knowledge in the terms of the aspect of productivity and find out the impact factor on the software development productivity. To resolve such problems, “Software Development Practitioner” must find out a flexible way for development like “JUGAAD” the Indian common man’s philosophy to achieve dream goal with passion. With the baseline “Technology never fail it will failure to produce best result due to opponent opportune.” The researcher has made earnest attempt to study the steps to be undertaken for the flexible module for development of required software. The goal of this paper is to rectify the of present hurdles and hassles in development approaches and to explore need of flexible approach by “Software development methodologies process efficiency calculation system” on the basis of reference of available economic model and its application of software development process.

Key Words : Software Development Approach, Factor Affect Software Development Process, Economic Model, JUGAAD- The Flexible Approach

1. Introduction : Since 1960 software has become part of society and brings revolution of “change and improvement of economic growth”. But still today Software Development Organization is facing the problem of failures [7, 8]. It is quite natural that one can recognize the question “Why is the development results trip down?” With this Inspiration to rectify the failure part, this study is carried out. The researchers has made workaholic ardent efforts by way of distinctive permutations and combinations variables in the Technological factors and review of relevant literature on “software development productivity and analyze its impact factors to reformulate and customize software and its policy to gain expected and design results.

2. Article Architecture :

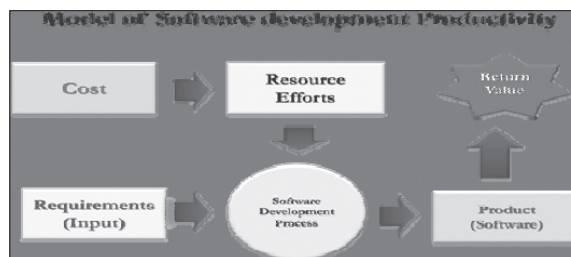
Figure 1: Articles study flow diagram

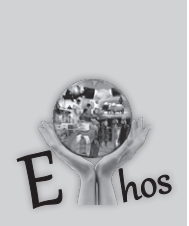


The aim of this paper is understand realistic values of the approach. In section I article outline diagram. In section II introduce Software development Productivity by its existence, affecting Factors, Strategies for enhance software development productivity and Challenge for software development Process. In section III introduce methodology and observation. In section IV Discussion included by Implication, Interpretation, and Suggestion. In section V is concluding and scope of further work.

Software Development Productivity : Traditionally software development is measurement of thousands of line of code (kloc) per week hours [9, 13]. But software development activity is transformation of ideas of users in to product [9, 11]. To measure the real productivity of software development, it need to look at how efficiently and effectively developer turns idea into software.

Figure 2 : Model Of Software development Productivity





Existence of Software Development Productivity :

The existence of software development productivity, can analyses from its success rate of project [11]. A project success rate from reported survey interprets Minimum 10% project fails and 45% project fetch the challenging state. Means 45 % project it is not fails or success [6, 12]. This is motivated to carry out the study with quite natural but very sensitive question “If we have such a great tool in our hand in the sense of existing software development approach then why are the development results so ragged? What causes behind it.

Figure 3 :

Secrete of Software development approach or methodologies Success



Success rates by development paradigm Standish Chaos Report : 2004-2011. Copyright © 2012 by The Standish Group International, Inc.



Success rates by development paradigm Report: 2004 – 2009. adopted from Dr. Kevin Thompson

Causes behind Software Development Productivity trip-down : In this consideration, basic thought of system is every output having two aspect, participant and process aspect. So, if software project productivity is output then it must having project is participant and its developing methodology is process.

The study reveals that, every project is unique with more than one successful option available in the sense of developing software methodology. But, unfortunately there is not definite about which methodology will give us success or help us to get best productivity because each one having pitfalls [1, 2]. This will create confuse environment and increase level of uncertainty and complexity. It is one of the strong causes behind software project trip down

Challenges for Software Development Process : The baseline of this study is “Technology never fails it will fails due to utilization of it in opponent opportune” So it is necessity to utilize suitable methodology in suitable opportune or Project for enhance software development productivity [1, 2, 3]. But, in that concern, there is not much more attention reported or received so far.

Thus our hypothesis is “Feasible formation of the project and its development methodology transfer opportunity of flexible approach”.

3. Research Methodology :

Qualitative Solution for hypothesis by The Economic Model :

In this consideration, here we consider over quantitative solution by prototype model “Software development methodologies process efficiency calculation system” on the basis of literature review and publish literature [4, 5]. This prototype module is constructed by using platform: (Trial version of Visual Basic 6.0, Ms-Access 7, Fusion Chart) This module is implemented only for projected study purpose.

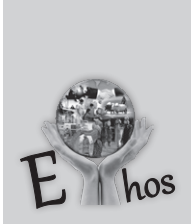
Figure 4 : Output screen of Economic Model



Observation : Result by exploiting above “software development methodologies efficiency calculation system” model specifies that level of uncertainty, duration or development time, requirement change rate and the level of preplanned cost of project or module has a playing vital role and has influence on effectiveness in the process and its impact over project success or productivity.

We come across that,

- At high planning cost oriented organisation or development methodology are not suitable to the change of development or increased uncertainty level while low planning cost oriented organisation or development methodology are suitable in such environment.
- At high uncertain environment the process effectiveness reduces rapidly because of longer project duration and/or higher level of preplanning project costs.



4. Discussion :

Implications : Uncertainty level, development time, requirement change rate and anticipated project or module planned cost level is sketch line of control for process efficiency. At a same time that development approaches having own suitable situation where produce the best result.

It directly reflects to get better efficiency in entire process, it is must to settle uncertainty level, development time, requirement change rate and project or module planned cost level by utilizing suitable development approach with consideration projects contributing modules aspect.

Interpretation : Based on the above study the interpretation state that, “Projects has diverse aspects, which can be customize (developed) as per the demand for efficient application as well as it may reduce the development expenditure, if any”. Though this is conflict to current trend of development process but it required for better productivity.

Let’s consider project “a” having 3 contributory modules form that 2 modules having uncertain and 1 module having certain aspect then by the mean of aspect project is having uncertain aspect. For this project development practitioner surly allocate practice driven approach with outward appearance of agile development methodologies family. As a resultant project may be success in development with increasing development cost due to one module heaving certain aspect it is develop by practice driven instead of plan driven.

Thus the configuration of ‘Project Modules’ and ‘Software Development Methodology’ should be on the need base. Application of such project or software development certainly enhances the productivity. But to establish such kind of configuration, it requires formation opportunity of flexibility for better performance.

Suggestion : In this consideration, this study hopefully suggests to development practitioner to concentrating over “JUGAAD” –the philosophy used by people in India, Pakistan and South Asian countries. The word originate Jugaad, (Hindi : जुगाड) is a Hindi-Urdu term. These people applied this term “Jugaad” to a creative or innovative idea providing a quick, alternative way of solving or fixing a problem with available resources on the basis of feasible and flexible consideration like “Just Utilization Gaining Architectural Arrangement Development” for achieve dream goal with feasible and flexible consideration.

By this inspiration study interprets “Jugaad” is way to enhance software development productivity. There is various definitions available in different manner and reflect the underlying scientific philosophical way of thinking and disciplines [10].

Figure 5 : A Practical application of “JUGAAD” in live experiment.



“JUGAAD” is anchor the practice of highly effective innovators in complex settings like emerging economies a live experience with feasible and flexible consideration.



5. Conclusions & Recommendations :

Conclusion : So to avoid complexity and problem in developing the software, it should be need base by taking into account the certainty or uncertainty aspect separately. Based on the actual need and situation the allocation of suitable Development Methodology can be made. The practice of concentrate over projects contributory modules and subsequent state may be less effective and not flexible.

Scope of further work : Here one more important thing there is no any publication or notification which will identified, analyze uncertainty at modeling process and before estimation process. That will assist to the developer to choose and design accurate software development methodology for efficient development on the basis of CMMI Level- 5, “past experience and continuous improvement is best guide to development process.”

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Monetary Entrepreneurship and Asset Diversification by the Banks - A Review of the Recent Trends in Indian Commercial Banking

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Abstract : *Commercial banks as financial intermediaries between the savers and lenders, on the one hand, and the borrowers and investors, on the other, in an economy play a significant role in mobilising the savings of the people for productive investment. Besides, the presence of banks and the different types of savings schemes/products which they offer to the savers and the loan products they create and offer to the borrowers, investors and consumers encourage the habit of thrift and savings in the economy. Since the loans granted by the banks are their assets, the nature of their lending activity and the extent of its diversification can be understood from the nature and composition of their assets. The creation of saving and loan products of different types that suit the levels of income and saving habits of the people and the needs of the borrowers require entrepreneurship on the part of the banks in creating such financial products and services.. Banks are, in reality, monetary entrepreneurs and the asset composition of the banks show the extent of their entrepreneurial ingenuity. This paper attempts to review the nature of the commercial banks as monetary entrepreneurs and the extent of sectoral coverage and asset diversification by the banks in India in recent years so as to highlight their entrepreneurial role in the monetary field.*

Keywords : Banks, Monetary-entrepreneurship, Deposit-diversification, Asset-diversification, Asset-selection

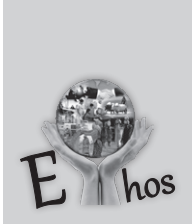
1. Introduction : Commercial banks as financial intermediaries and institutions play a significant role in a modern economy based on the large scale system of production and exchange which is increasingly becoming credit – financed. As financial intermediaries banks act as the link between the savers and the lenders on the one hand and the investors and the borrowers on the other. The increasing intermediation by the banks between the savers and the investors leads to the productive investment of the savings of the people which would, in the absence of the banks, go waste in the form of idle cash or money balances held by the people since money acts as the ready and convenient store of value or store of savings for the people in a money economy. Banks, as monetary intermediaries among the people, savers and investors, facilitate the mobilisation of the savings of the people for productive investment which leads to the growth of the economy, employment and income through the multiplier effect of such investment on the economy. This requires a well-developed and balanced development of the banking network, which is extensive as well as inclusive, in the country. Such extensive, intensive and inclusive banking in the country requires entrepreneurship on the part of the banks in devising the ways of expanding the banking system so as to increase banking intensity in the country and to

increase its geographical coverage and inclusiveness in the economy. The banks are basically, and in reality, monetary entrepreneurs.¹

This paper is an attempt to review the nature of the commercial banks as monetary entrepreneurs and the extent of sectoral coverage and asset diversification by the banks in India in recent years and to bring out their trends and implications.

2. Banking Coverage in India : While the presence of a bank branch in a locality implies the availability of banking or financial facility for the people in the locality, the extent of the use of the facility by the people, individuals, agriculturists, businessmen and traders for undertaking productive activity or consumption activity, which generates demand for goods and services that spur productive activity, is indicated by the nature of the sectoral financing by the commercial banks in the country. A scheme of financing by the banks that makes bank credit available to the different types of economic and productive activity in the country will accelerate the rate economic development of its economy.

Commercial banks were traditionally concentrating on the financing of trade and commercial activity in the country



and were neglecting the credit needs of agriculture, small scale industries, retail trade, education, consumption activities the growth of which are important for the rapid and balanced development of the country's economy.² The rapid development of the economy of the country, however, requires a balanced development of the different sectors of the economy. This requires the extension of timely credit to such activities by the banks through convenient schemes of financing. It is here that the banks have to develop different types of financing schemes that are convenient and suit the needs and requirements of the borrowers in the different sectors of the economy.³

3. Banks and Monetary Entrepreneurship : The basic function of banks as monetary intermediaries between the savers and the borrowers involves. First, the creation of different types of savings schemes that are offered to the savers for encouraging the individuals to save and hand them over to the banks in exchange for such savings schemes; and Second, the creation of different types of lending schemes through which the funds collected from the savers are lent to the borrowers who use such funds for productive purposes.

These two aspects of the functioning of the banks require entrepreneurship on the part of the banks in devising different types of savings schemes, savings products or financial products that are attractive to the savers in terms of their yield, or the rates of interest that they earn for the savers, so that they are encouraged to save and deposit such savings with the banks.

4. Individuals' Use of Bank Deposits : Money acts as a medium and a convenient store of value for individuals in a modern money economy. Though money acts as a convenient medium that does these functions, it is an idle asset and earns no income for the individuals.⁴ It is here that bank deposits act as an income yielding medium of saving for the people. For majority of the small savers the only medium of investment is depositing their savings with the banks, which in their turn use such deposits/savings of the people for lending to the borrowers who use such money for productive purposes. This intermediation function of the banks can be speeded up if banks use entrepreneurial ingenuity in devising appropriate and attractive deposit schemes that are i) liquid like cash; and ii) income yielding.

5. Liquidity of Deposits : Since individuals save with the motive of utilising such savings in the future for transactions, such schemes should be sufficiently liquid in nature so that they can get cash without delay. While the savings deposits, which can be withdrawn by the depositors when they want, the term or fixed deposits cannot be withdrawn before maturity and hence are not liquid in nature.

Banks have devised different methods of imparting liquidity into their deposit schemes, such as facility of closing the deposits prior to their maturity, provision of overdraft

facility, which is basically a loan facility, on their deposits, provision of loans against the security of the deposits, etc.

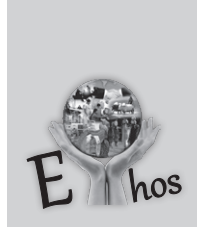
6. Income Yielding : Depositing savings in the bank by the savers involves a sacrifice, the sacrifice of parting with liquidity as Keynes⁵ had put it, which needs to be compensated in the form of interest. Besides, the travel to the bank for depositing savings and for their withdrawal in times of need involves cost and inconvenience.⁶ These have to be adequately compensated by the banks in the form of interest on deposits. Besides, the deposits of the banks are a source of the funds they use for lending and earn an income in the form interest, which is facilitated by the depositors and hence they have to be remunerated by way of interest on deposits.

Hence, the deposits of the banks have to be income yielding, by way of the interest earned on them, in order to attract deposits. A well thought out structure of rates of interest on deposits of different types and maturity, irrespective of the size of the deposits, is important for attracting deposits by the banks from the savers.

7. Deposit Diversification : The resources which the banks receive in the form of deposits come from people with different levels of income, financial responsibilities and commitments and with different consumption habits, patterns and saving abilities and habits. The deposits that the banks offer to the depositors have to be diversified in order to cater to the needs of the different people. The success of the banks in devising such deposit schemes depends on their entrepreneurial skill and sagacity. The banks now have a much diversified portfolio of deposits, unlike the two types of deposits, current deposits and term or fixed deposits, which they were offering during the initial years of commercial banking. Even the savings deposit scheme was an innovation when it was introduced, combining in it the elements of earning income like the term deposit and liquidity like the current deposit.

The banks now offer a variety of deposit schemes to the depositors, besides the traditional current and time deposits, such as daily deposits of small amounts, deposits linked for specific purposes, minors' deposits, deposits schemes attached with insurance benefits, pension benefits, etc. in order to encourage the savers to save and collect them for lending to the borrowers. Such deposit schemes not only induce the people to deposit their savings with banks, but also encourage the habit of thrift and saving among them.

8. The Pigmy Deposit Scheme - An Early Innovative Deposit Scheme- A Step Towards Inclusive Banking : Mention needs to be made in this context of an early innovative small savings daily deposit scheme, called the Pigmy Deposit⁷ scheme by the South Kanara based Syndicate Bank that can be described as the pioneering step towards inclusive banking in the country



in 1928, long before the present day official stress on inclusive banking and financial inclusion in the country. The scheme became popular among the people very soon and its popularity led to the introduction of similar schemes by other commercial banks as well.

The scheme is a daily deposit scheme under which a depositor can deposit daily an amount as low as two Annas, (which is twelve Paise now), raised later to twenty five Paise in a couple of years. The deposits are collected daily at the door steps of the depositors by the agents of the bank. The depositors can avail themselves of loan facilities against the deposit in case of need before its maturity, a scheme that adds an element of liquidity to the deposit. The fact that the deposits are collected at the door steps of the depositors makes it very convenient to the small depositors to deposit their savings with the banks, a method of making the bank move virtually to the door steps of the depositors, rather than the depositors going to the banks, spreading the message of thrift and saving among the poor sections of the society.

9. The Financing or Lending Aspect of the Banks :

While accepting deposits from the people is one aspect of the functioning of the banks, the aspect of gathering the resources, lending to the borrowers is the other aspect of the primary function of banks as monetary intermediaries, an aspect that earns income for the banks since the loans granted by the banks form the major source of their income.

The successful functioning of the banks requires devising and introducing different lending or financing schemes that suit the different purposes of the borrowers, industrialists, businessmen, agriculturists, consumers and other individuals, who borrow from the banks for various purposes. The commercial banks in India were traditionally lending only for a narrow range of economic activities in the field of trade and industry in the country and a large section of the country's economy was devoid of credit from the banks.

For instance, out of a total amount of credit of Rs. 583.28 lakh lent by the commercial banks in India as on December 31, 1951 an amount of Rs. 308.11 lakh, forming 52.8 per cent of the total, was lent to commerce, an amount of Rs.194.91 lakh, forming 33.4 per cent of the total, was lent to industry and the remaining 13.8 per cent of the total credit lent by the banks went to all the other sectors of the economy. The pattern of asset selection by the banks was no different even as at the end of December 1970, a year after the nationalisation of the fourteen major commercial banks in the country on July 19, 1969, with 63.5 per cent of the total credit of Rs.4,108.34 lakh going to industry and 17.3 percent going to trade and commerce. Agricultural credit formed 7.1 per cent of the total, professional and personal loans formed 4.4 per cent, financial institutions received 3.6 per cent and all the other sectors of the economy together

received only 4.1 per cent of the total credit extended by the commercial banks in the country as at the end of December 1970.⁸

Post 1969 Trends in Credit Deployment by Commercial Banks in India: An important aspect of the lending activities of the commercial banks in India since 1969, during Nationalised Banking,⁹ is the increasing diversification of their lending activities. The banks devised, under the direction of the Government, different schemes of lending in order to diversify their assets required to use the resources raised by them productively and also to spread the risk involved in lending. Further, a sectorally diversified lending portfolio of the banks leads to a balanced growth of the different sectors of the economy and results in the rapid growth of the country's economy. A diversified loan portfolio of the banks, thus, have a socio-economic significance for the economy, besides its spreading effect on the risks involved in lending by the banks.

10. Need for Entrepreneurship : A diversified loan portfolio of the banks requires entrepreneurship on their part in devising lending schemes of loan products that will suit the business needs, levels of income and repaying capacities of the borrowers. A close follow up action on the part of the banks in supervising the proper productive use of the funds by the borrowers, end use supervision of the loans, is also necessary in order to ensure the productive use of the resources so as to generate the income required to service the loans in time and thereby avoid, at least minimise, the risk of their assets becoming non-performing assets. The entrepreneurial role of the banks, thus, does not end with the granting of a loan tailored to suit the needs of the borrower, but extends till the loan is finally repaid by the borrower in time.

The effectiveness of these two aspects, deposit mobilisation and financing the credit needs of the economy requires entrepreneurial ingenuity on the part of the banks. The non-credit services of the banks, subsidiary functions of the banks, to the customers and to the economy and society are equally important in enlarging the business of the banks since the efficient and cordial rendering of such services attract new customers to the banks and increase their earnings and financial strength and stability.

11. Asset Selection and Diversification by the Banks in India : The Indian commercial banks have been showing an inclination to diversify their assets in recent years, first, during the period of nationalised banking from 1969 to 1991, under the direction of the government, under what was popularly called the administered credit policy, and second, on their own initiative since 1991 after the introduction of banking sector reforms in 1991. Consequently, the loan portfolios or asset-structure of the banks in India are more diversified in nature in recent years than in the past, prior to



bank nationalisation.

The pattern of the sectoral distribution of bank credit or the asset portfolios of the commercial banks in India during the period 1991 to 2004, at intervals, can be seen from the data presented in Table-I. Since banking sector reforms were launched in the country in 1991, marking the end of the period of nationalised banking in the country, the data in the table for the year 1991 show the intersectoral distribution of bank credit achieved in the country during the period of nationalised banking through a policy of directed lending or directed credit policy in the country during the period.

The data presented in Table-I show that out of the non-food gross bank credit of Rs.7,28,422 crore extended by the commercial banks in India as on March 19, 2004, the priority sector received 36.2 per cent, the industrial sector received 34.0 per cent, wholesale trade received 3.4 per cent and all the other sectors of the economy received the remaining 26.4 per cent of the non-food gross bank credit in the country. The corresponding figures for the end of June 1991 were 38.0 per cent, 39.4 per cent, 5.3 per cent and 17.3 per cent of the non-food gross bank credit of Rs.1,19,821 crore extended by the banks in India as on that date.

Table - 1 : Sectoral Distribution Of Commercial Bank Credit In India In Recent Years, 1991-2004

(Amount in Rs. Crore)

Sector	Amount outstanding as on			
	28 June '91	29 Mar. '96	23 Mar. 01	19 Mar 04
I. Gross Bank Credit	1,19,821	2,31,697	4,69,153	7,64,383
II. Public Food Procurement credit	5,316	9,791	39,991	35,961
III. Non-food Gross Bank Credit	1,14,505 (100.0)	2,21,906 (100.0)	4,29,162 (100.0)	7,28,422 (100.0)
a) Priority Sector Credit	43,548 (38.0)	73,391 (33.1)	1,54,414 (36.0)	2,63,834 (36.2)
b) Industry (Medium and Large)	45,116 (39.4)	93,108 (42.0)	1,62,837 (38.0)	2,47,210 (34.0)
c) Wholesale Trade (Other than Food Procurement Credit)	6,028 (5.3)	11,993 (5.4)	17,845 (4.1)	24,867 (3.4)
d) Other Sectors	19,813 (17.3)	43,414 (19.6)	94,066 (21.9)	1,92,511 (26.4)

Source : Reserve Bank of India- Report on Trend and Progress of Banking in India, Different Issues.

Note: Figures within brackets indicate percentage to non-food gross bank credit.

These data show that besides financing the credit needs of the traditional sectors of commercial bank lending in the country, the banks have been exploring newer areas for their financing activities. Personal loans or retail banking or retail lending is a new and growing area for commercial

bank lending in recent years.

12. Retail Banking or Retail Lending by the Commercial Banks in India :

Lending to individuals in the form of personal loans for various purposes, popularly called retail lending by the banks, has been an innovation in commercial bank financing in India in recent years. The field has an increasing scope for bank lending particularly when the Indian economy is gradually transforming itself to a credit- economy from a cash- economy. The data presented in Table-II shows the extent of retail lending by the commercial banks in India in recent years. Personal loans amounted to Rs. 2,56,348 Crore out of a total amount of non-food gross bank credit of Rs. 10,04,833 Crore as on March 18, 2005, forming as high as 25.5 per cent of the total. The share of personal loans in total non-food bank credit declined to 21.6 per cent as on March 27, 2009 and then to 18.5 per cent at the end of March 2013. Personal Loans or Retail Lending by commercial banks include such loans as loans for the purchase of Consumer Durables, Housing, Advances against Fixed Deposits, (including FCNR(B), NRNR Deposits, etc.) advances to individuals against Shares, Bonds, etc., Credit Card Out-standings, Education and other Personal Loans. The exploitation of this new field for commercial banks' lending requires the development of credit schemes of different types to suit the income and the consumption levels that the borrowers can successfully bear and service the loans in time without generating non- performing assets for the financing banks. Entrepreneurship and initiative is needed on the part of the banks for exploiting this emerging field of bank lending in India not only for enlarging the volume of credit extended by the banks but also to encourage the rapid expansion of the Indian economy through what is technically called consumption induced economic growth..

13. Technology-based Entrepreneurship :

Modern advances in information technology and its applications have given rise to wide scope for entrepreneurship and innovation in the field of banking and financial transactions in the country nationally, and internationally. Such entrepreneurship and innovations take different forms such as computerisation of banking transactions, core banking, electronic banking transactions like depositing cash and withdrawals, money transfers, credit cards, debit card payment systems, etc. that have facilitated rapid expansion of banking transactions in the country in forms that reduce the necessity for hand to hand cash payments and transfers giving rise to benefits to the banks concerned at the micro level and economy in the use of currency and the accompanying advantages to the economy as a whole at the macro level..

The Prime Minister's Jan Dhan Yojana: Mention should also be made of the initiation taken by the Prime Minister Mr. Narendra Modi in introducing the Jan Dhan Yojana in

**Table 2 : Sectoral Distribution Of Commercial Bank Credit In India In Recent Years, 2005- 2013**

(Amount in Rs.Crore)

Sector	Amount outstanding as on				
	18 Mar 2005	28 Mar 2008	27 Mar 2009	Mar 2011	Mar 2013
I. Gross Bank Credit	10,45,954	22,47,289	26,48,501	37,315	49,642
II. Food Credit	41,121	44,399	46,211	NA	NA
III. Non-food Gross Bank Credit	10,04,833	22,02,890	26,02,290	36,674	48,696
	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
1. Agriculture and Allied Activities	1,24,269	2,75,343	3,38,656	4,603	5,899
	(12.4)	(12.5)	(13.0)	(12.5)	(12.1)
2. Industry (Small, Medium and Large)	4,23,136	8,66,875	10,54,390	16,208	22,302
	(42.1)	(39.4)	(40.5)	(44.2)	(45.8)
3.Services	2,01,080	5,53,185	6,46,765	9,008	11,486
	(20.0)	(25.1)	(24.9)	(24.6)	(23.6)
4. Personal Loans	2,56,348	5,07,488	5,62,479	6,854	9,009
	(25.5)	(23.0)	(21.6)	(18.7)	(18.5)
Memo	3,74,953	7,47,380	9,15,886	N.A.	N.A.
5. Priority Sector	(37.3)	(33.9)	(35.2)		

Source : Reserve Bank of India- Report on Trend and Progress of Banking in India, Different Issues.

Note : 1. Figures within brackets indicate percentage to non-food gross bank credit. 2. Amounts for 2011 and 2013 are in Rs. Billion

the country, launched on the 28th of August, 2014, as an innovative measure to ensure total financial inclusion in the country. The scheme envisages a target of providing bank accounts to 75 million households in the country, which are now out of the banking ambit in the country, by January 26, 2015 against the earlier deadline of August 14, 2015. The scheme, announced by the Prime Minister in his Independence Day address to the nation on August 15, 2014, was launched across the country on August 28, 2014. The account opened under the scheme is attached with a RuPay debit card with an accident insurance cover of Rs. One Lakh and a Life Insurance cover of Rs.30,000 which aim at making the scheme attractive. The account holder will also get an overdraft facility of Rs.5,000 based on his performance after a period of six months. The banks organised 77,852 camps at different places across the country on August 28, 2014, the launching day of the scheme, and opened around 1.5 crore accounts on the opening day.¹⁰

14. Conclusion : The above analysis shows that the Indian commercial banks have taken initiative in developing different deposit schemes and innovative lending or financing schemes in the country since 1969, since bank nationalisation, and in recent years since 1991, the year in which comprehensive banking sector reforms were launched in the country. Consequently, the pattern of credit deployment in the country by the commercial banks and the structure of their asset portfolio are more diversified at present than the pattern that prevailed in the country prior to 1969. Since the availability of timely credit at reasonable cost, rates of interest, is crucial for the rapid and balanced

development of an economy, the increasingly balanced sectoral deployment of bank credit in the country in recent years will pave the way for a rapid and diversified economic development of the country.

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2. See for details; *The Hindu Business Line*, Friday, August 29, 2014.
3. It may be noted that no sector of the economy is unproductive from the point of the economy in the macro context. Even the demolition of existing productive or infrastructural facilities is a productive activity since the labourers employed in such activities earn income and generate demand for other productive activities. It is the timing and prioritisation of different types of activities that is relevant and important in the economic scheme of things and activities.
4. This interpretation that money is an idle asset and earns no income for the individuals who hold their savings in the form of money ignores the fact that the certainty and convenience that money balances give to the people is, by itself, a real yield or real income to the people that holding money balances yields.
5. Keynes asserts that “..... the mere definition of the rate of interest tells us in so many words that the rate of interest is the reward for parting with liquidity for a specified period.”- Keynes J. M. (1936)- *The General Theory of Employment, Interest and Money*: Macmillan & Co Ltd, London; P.167 (1961 Print).
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A Study of Ethical Business Practices

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Abstract : *Ethics is a set of principle of right conduct or a system of moral principle. It refers to moral values and principles that guide action and behavior. There are certain solutions to meet the ethical challenges they are imparting of training in business ethics and morality, develop a professional code of conduct and follow of Uniform Commercial Code (UCC). Ethical values are important as they reduces the risks and costs, builds strong competitive position, attract more capital and foreign investment, gives international respects, brings reputation, ensures the sustainability of a business.*

Keywords : *Ethics, Ethical challenges, Training, Uniform Commercial Code*

1. Introduction : Ethics is a set of principle of right conduct or a system of moral principle. It refers to moral values and principles that guide action and behavior. There are certain solutions to meet the ethical challenges they are imparting of training in business ethics and morality, develop a professional code of conduct and follow of Uniform Commercial Code (UCC). Ethical values are important as they reduces the risks and costs, builds strong competitive position, attract more capital and foreign investment, gives international respects, brings reputation, ensures the sustainability of a business.

2. Review of Literature : Ethics concern an individual's moral judgement about right and wrong. Ethics refers to the moral values and principle that guide action and behaviour. According to Towmey and Jennings (2011) business ethics refers to the application of ethics to business practices. It specifically refers to a branch of philosophy dealing with values related to the nature of individual's conduct and business ethics translates to 'balancing the goal of profits with values of individuals and society'. Ethics is a set of principles of right conduct or a system of moral principle. It is the study of business situations, activities and decisions where issues of right and wrong are addressed. Business ethics are the "the application of a moral code of conduct to the strategic and operational management of a business".

Post, Lawerance and Weber (1999) defines business ethics as the application of general ethical ideas to business behaviour. The owner of the business firm must understand that he or she is part of a community, group, society and a groups of professionals with ethical values and certain ideals concerning what is right and wrong or ethical and unethical. These ideals must be observed in the course of conducting business. Further they state that business ethics is not a special set of ethical ideas different from ethics in general

and applicable only to business. Most importantly the owner must believe that he or she has ethical responsibilities as owner values are often the source for business culture and norms. Business owners must recognize that the right way to do business is also the ethical way.

3. Research Methodology :

Information is collected through various secondary sources. The Objectives of the study are:

- To study the importance of ethics in business
- To study the approaches or solutions in addressing the challenges in business

4. Discussion on Importance of Business Ethics :

In world disillusioned with globalization the importance of business ethics is greater than ever. Business needs to be a truly acting in a way which goes beyond purely profit based motivations, towards a model which works for everyone. What we can call the Triple Bottom Line; people, planet, profit. In the study "Does Business Ethics Pay" by the Institute of Business Ethics (IBE) it was found that companies displaying a "clear commitment to ethical conduct" consistently outperform that do not display ethical conduct. The following are benefits of ethics.

- Ethics is cornerstone of corporate governance
- It ensures the sustainability of a business
- Good corporate reputation is built on a solid foundation of ethical culture
- It plays a major role in prevention of fraud
- It reduces risks and costs
- It creates strong competitive position
- It attracts more capital and foreign investment



- It increases profits
- It gives international respect for enterprises and emerging market
- It attracts more employees and enable the company to get the most talented employees.
- It enhances leadership.
- It reduces stress for corporate managers and other employees.

5. Research Solutions in Meeting Ethical Challenges:

Business ventures must increasingly recognize the value of people if they are to continually achieve competitive success. There are three areas on which businessmen should focus in order to meet their ethical challenges and responsibilities.

- Training in Business Ethics and Morality :** Business firms and their employees need to become more educated and more aware of the need for ethics in business. They need to understand what ethics means and how to apply it.
- Develop a professional code of ethics :** Many businessmen lack a professional code of ethics for their business. This creates a challenge when such a code does not become part of business. Simply having a code of ethics will not do, it must become part of the institutional culture and practices and must be made visible, displayed visibly and promoted for stakeholders, such as customers, and community to see and understand that the business is dedicated to being honest, working with integrity, values and respecting stakeholders' safety and well being
- Legal requirements :** Good faith and Uniform Commercial Code (UCC) Business firms must make a good faith practice, the foundation of business engagement with stakeholders. The most certain way of ensuring ethical compliance is to obey the law- especially the Uniform Commercial Code which is a comprehensive uniform law covering most commercial transactions. A merchant must endeavour to act with honesty and in accordance with the reasonable commercial standards of fair dealings in trade.

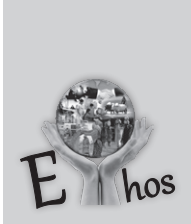
Merchants must fully come to appreciate that doing business requires exercising good faith and honouring their promises and carrying out their responsibilities towards customers and stakeholders with goodwill and good intentions. When comes to contracts and other agreements business owners are expected to accurately represent their products and services, be honest in transactions, and deliver what they promise.

6. Conclusion : Businesses are faced with numerous ethical dilemmas daily and annually. And lack of business ethics has contributed to organizational failure, declining customer loyalty, loss of reputation, and market share, and in worst case scenarios, death of customers, employees and business partners, and the prosecution and imprisonment of business owners. Hence businesses must seek to avoid falling prey to the consequences of lacking business ethics. In order to escape from such failure the following points must be noted- know and obey the law, conduct business in good faith and make a good will a broad philosophy of doing business, emphasize and value based business relationships, exercise moral courage by doing the right thing, even if its costs the business in terms of losses or decreased profits, practice innovation and improvise with ethical and moral values, while striving for innovation, do not take shortcuts that can result in ethical compromise and cause damage to credibility and stakeholders trust, develop a mission and strong strategic vision around ethics and social responsibility and work consistently and honestly to achieve them, make a socially and ethically responsible action and behavior and develop and follow a strong code of ethics that drives actions and decisions.

Nelson Mandela said that “We must use time creatively and forever realize that the time is always ripe to do right”

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Ethical Behavior and Morality in Marketing - A Gateway to Build Brand Image in Global Business Era

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Abstract : *As we know that, the entire business world, marketing has its own ethics problems. Numerous that marketing specialists or their representatives have intentionally declared and adopted different engagements, declarations or codes of rules regarding the necessity that marketing people consider ethics regulations and values, so that they become much more responsible towards society. These rules concern marketing practices in their community or are guided towards certain specific fields. Among these fields, special place is occupied by marketing which has to be guided by ethical regulations and moral values.*

Keywords : *Ethics, Morality, Types Of Ethical Approaches, Marketing Ethics*

1. Introduction : Business world reforms, and the changes of mentality regarding the way business transactions have to the necessity of analysing the fairness of business process not only from a judicial point of view, but also from the moral point of view. As a result, a new discipline has been conceptualized and i.e. business ethics. This disciplines situated on the line between moral philosophy and management, which implies the utilisation of a set of useful instruments for deciding upon company strategies, solving conflicts between different groups that interact within a business: employers and employees, managers and stake holders, company and the local community, state institutions, marketing etc. As moral principles or ethics codes, ethics is applied in all management functions, crisis management, marketing communication of all kind: branding, public relations, publicity etc.

2. Review of Literature : Ethics- Ethics is a branch of philosophy that studies morals and values. Centuries ago, Aristotle referred to character, which he called “ethos”, as the most powerful means of impact. He also identified elements of virtue as “justice, courage, temperance, magnificence, magnanimity, liberality, gentleness, prudence, and wisdom”. Ethics studies the differences between right and wrong. Ethics is also known as moral philosophy. It is the branch of philosophy which addresses questions of morality. The word ‘ethics’ is “commonly used interchangeably with ‘morality’ ... and sometimes it is used more narrowly to mean the moral principles of a particular tradition, group, or individual.

Morality- Morality this word derived from the Latin language. Moralitas means “manner, character, and proper behaviour. It is the differentiation of goals, decisions, and activities between those which are “good” (or right) and those that are “bad” or wrong. Morality can be a body of standards or principles derived from a code of conduct from

a particular philosophy, religion, culture, etc., Morality may also be specifically synonymous with “goodness” or “rightness.”

We observe Importance of Ethics and Morality in Marketing. It built trust, brand loyalty and increases profitability. Making ethical choices results in lower stress for corporate managers and other employees. It creates and improves good reputation of business in market. Ethical behavior enhances virtual leadership.

3. A Discussion on Moral and Ethical Approaches in Marketing : Due to the globalization of markets and production, ever increasing number of international marketing personnel have to deal with ethical issues in cross-cultural settings. Murphy and Lacznia in 1981 asserted two decades ago that “as more firms move into multinational marketing, ethical issues tend to increase”.

Actually, international marketers are often criticized for ethical misconduct. In a cross-cultural environment, marketers are exposed to different values and ethical norms. In International Marketing, ethical decision-making process can be influenced by many ethical approaches. These approaches can be classified as-

- a. Descriptive Ethics Approach
- b. Normative Ethics Approach
- c. Dialogic Ethics Approach

a. Descriptive Ethics Approach : Descriptive ethics describe the values and moral thinking of individuals and groups and attempt to provide an understanding of the ethical decision-making process. It is assumed that the ethical decision-making process affected by a variety of individual, situational, and contextual factors such as personal experiences, opportunity, the organizational environment and the cultural environment.



b. Normative Ethics Approach : Normative ethics suggest an answer to the general moral question of what ought to do. Schlegelmilch, 1998; Murphy and Lacznia, 1981, Chonko, 1995, these researchers are concerned with the justification of moral norms and ethical values. It has been discussed for many years whether moral responsibility can be recognized to business organizations. Some years ago, ethics have nothing to do with international business; then, normative ethics cannot be a concern for business corporations. Some scholars discuss that business organizations cannot assume moral responsibility. Only individuals acting on behalf of the corporation are morally motivated, have intentions, and can be held accountable. On the other hand, some scholars argue that some aspects of the organization are not reconcilable with moral responsibility. Organizations serve a purpose and in that sense are not entirely autonomous. Organizations can never end in themselves; they have been created for a specific purpose. The organization cannot be held responsible for actions that go beyond or against that purpose (Wilmot, 2001: 161-169).

Normative approaches can be classified as :

- i. Deontological Theories and
- ii. Teleological theories

Most important purposes of these theories is to develop guidelines or rules to assist international marketers in their efforts to behave in an ethical way, Fundamental difference between these theories is that deontological theories.

Focus on the specific actions or behaviors of an individual, whereas teleological theories focus on the consequences of the actions or behaviors.

- 1. Deontological Evaluations :** Deontologists believe that “certain features of the act itself other than the value it brings into existence” make an action or rule right (Frankena, 1963). Deontological views have a rich intellectual history dating back at least as far as Socrates. According to Lacznia; international marketers have certain duties, under most circumstances, constitute moral obligations that include the duties of loyalty, gratitude, justice, kindness, self-improvement and no injury.
- 2. Teleological Evaluation :** Teleologists suggest that people ought to determine the results of various behaviors in a situation and evaluate the goodness or badness of all the consequences. A behavior is then ethical if it produces a greater balance of good over evil than any available alternative.
- c. Dialogic Ethics Approach :** This third approach proposed by Nill and Shultz (1997:4). Nill argues that “more work is needed to find out how a communicative approach can be implemented as a real world corporate ethical responsibility approach”. Its communicative

approach, and have an alternative ethical framework for macro marketers. Dialogic idealism combines moral universalism with moral relativism by suggesting universally valid rules that prescribe how an ideal dialogue is to be conducted without imposing moral core values or hyper norms. Depending on the nature of the ethical problem and specific situational requirements dialogic approach could be a helpful tool for marketers.

Ethical Problems in International Marketing : The moral question of what is right or appropriate poses many problems for domestic marketers. Even within a country, ethical standards are frequently not defined or always clear. The problem of business ethics is infinitely more complex in international marketplace, because value judgments differ widely among culturally diverse groups.

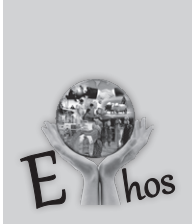
Some basic moral values could be used in evaluating international marketing ethical issues. Violations of basic moral values in international marketing settings should be accepted as ethical problems. After studying the literature related to international marketing, it is seen that most of the marketing ethics studies involve the use of setups as research instruments and relate to the following marketing sub-disciplines , and those are-

- Market Research,
- Retail Management,
- Purchasing Management,
- Advertising Management,
- Marketing Management,
- Industrial Marketing, And
- Marketing Education.

Few studies relate to International Marketing Ethics have been most prominent, those are, Globalization of markets, marketing ethics and social responsibility.

Major International Marketing Ethical Problems derived from applied researches by Armstrong are presented with their short definitions as follows:-

- **Traditional Small Scale Bribery :** involves the payment of small sums of money, typically to a foreign official in exchange for him/her violating some official duty or responsibility or to speed routine government actions (grease payments, kickbacks).
- **Large Scale Bribery :** a relatively large payment intended to allow a violation of the law or designed to influence policy directly or indirectly (e.g., political contribution).
- **Gifts/Favors/Entertainment :** includes a range of items such as: lavish physical gifts, call girls, opportunities for personal travel at the company's expense, gifts received after the completion of transaction and other extravagant expensive entertainment.
- **Pricing :** includes unfair differential pricing,



questionable invoicing – where the buyer requests a written invoice showing a price other than the actual price paid, pricing to force out local competition, dumping products at prices well below that in the home country, pricing practices that are illegal in the home country but legal in host country (e.g., price fixing agreements).

- **Products/Technology** : includes products and technology that are banned for use in the home country but permitted in the host country and/or appear unsuitable or inappropriate for use by the people of the host country.
- **Tax Evasion Practices** : used specifically to evade tax such as transfer pricing (i.e., where prices paid between affiliates and/or parent company adjusted to affect profit allocation) including the use of tax havens, where any profit made is in low tax jurisdiction, adjusted interest payments on intra-firm loans, questionable management and service fees charged between affiliates and /or the parent company.
- **Illegal/Immoral Activities in the Host Country - practices such as** : polluting the environment, maintaining unsafe working conditions; product/technology copying where protection of patents, trademarks or copyrights has not been enforced and short weighting overseas shipments so as to charge a country a phantom weight.
- **Questionable Commissions to Channel Members** : unreasonably large Commissions of fees paid to channel members, such as sales agents, middlemen, consultants, dealers and importers.
- **Cultural Differences** : between cultures involving potential misunderstandings related to the traditional requirements of the exchange process (e.g., transactions) may be regarded by one culture as bribes but be acceptable business practices in another culture. These practices include: gifts, monetary payments, favors, entertainment and political contributions.
- **Involvement in Political Affairs** : related to the combination of marketing activities and politics including the following: the exertion of political influence by multinationals, engaging in marketing activities when either home or host countries are at war and illegal technology transfers (Armstrong, Ibid).

4. Recommendations and Remedies : It is accepted that globalization is an unavoidable process and will progress forever. All business that firms desire to compete successfully in international environment, should obey to legal and ethical rules and regulations. To behave in an ethically and socially responsible way should be a hallmark of every marketer's behavior, domestic or international. It requires little thought for most of us to know the socially responsible or ethically correct response to questions about breaking the law, destroying the environment, denying

someone his or her rights, taking unfair advantage, or behaving in a manner that would bring harm or damage.

Because of unethical deals and transactions of large-scaled corporations such as Enron Company of USA and many others from America, Europe, Asia and Australia gave rise to global financial crises and as a result of these crises stockholders, investors, company workers, suppliers and the whole public faced serious financial losses. For this reason, companies should deal with their all partners ethically and behave in socially responsible.

In many countries, laws may help define the borders of minimal ethical or social responsibility, but the law is only the basis above which one's social and personal morality is tested.

DeGeorge (Ibid) proposes to solve international business ethics problems in five guidelines:

- a. Do not direct intentional harm.
- b. Produce more good than harm for the host country.
- c. Respect the rights of employees and of all others affected by one's actions or policies.
- d. To the extent consistent with ethical norms, respect the local culture and work with and not against it.
- e. Multinationals should pay their fair share of taxes and cooperate with the local governments in developing equitable laws and other back ground institutions.

5. Conclusion : In conclusion, globalization comes with many challenges and has different aspects but it is developing countries that have to confront many of the most difficult-to-manage risks relating to the global markets. A direct concern of this is that globalization increases inequality, raising its political risks. The challenge is to ensure an orderly transition to more competitive, less rent-seeking and rules-based economic systems, business transactions with more ready access to social assets, especially education and health etc. Under these circumstances, to solve international marketing ethics problems: international institutions should manage, regulate the global marketplace, and to promote the establishment of multinational settlements to govern the global business system which would be helpful to businessman to build his brand image.

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Evaluation of Kisan Credit Card Scheme: A Case Study of Amanapur Branch of Sangli District Central Co-Operative Bank

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Abstract : Agriculture is the backbone of the Indian economy, with nearly 70% of the population of the country continuing to depend on it either directly or indirectly for their livelihood, considering the dominant role of the sector and the importance of credit as an input, a multi-agency approach has been adopted by the Reserve Bank of India (RBI) for ensuring credit flow to the sector. In spite of several improvements in the delivery systems that have been undertaken over time, making institutional credit available to a large number of farmers, particularly small and marginal farmers, continues to be a challenge to the banking industry. Financing for agriculture has been a gigantic task for banks, given the enormity of the credit requirements on the one hand and vagaries of nature on the other. Both RBI and National bank for Agricultural and Rural Development (NABARD) have taken several initiatives for simplification of systems and procedures and designing of innovative credit delivery products in dispensation of agricultural credit. However, the traditional system of procedures, documentation etc. adopted by the banking system had rendered ailment of credit by the farmers rather cumbersome. Provision of timely, adequate and hassle-free credit to farmers continues to be one of the major tasks for banks in India. The encouraging progress in the implementation of the Kisan Credit Cards schemes indicated that it has been found beneficial to all farmers to the further unexpected condition are more useful to the development of our country

Key Words : KCC scheme, Amnapur Village

1. Introduction : Kisan Credit Card (KCC) scheme was launched in 1998-99 with three different sub-limits viz. Production, assets. Maintenance and Consumption needs is a step-in this direction. This brings integration into the multi - credit product system by offering farm entrepreneurs a single line of credit through a single Window for multiple purposes. The KCC instrument would allow farmers to purchase agriculture inputs such as seeds, Fertilizers, pesticides and also allow them to withdraw some cash for meeting their other crop production related requirements. The Kisan credit card scheme was a step towards facilitating the access to short- term credit for the borrowers from the formal financial institutions.

2. Research Methodology :

Statement of Problem : The institutional finance must be adequate enough to provide loans to the farmers, particularly to small farmers at cheaper rates the expansion of credit alone does not bring about. An adequate increase in agricultural production. KCC holders are not aware of the modalities, usefulness/benefits of KCC scheme, but they were not aware of its positive aspects, like, revolving cash credit facility (RCCF) involving any number of drawls and

repayments.

Objectives of the Study : The main objective of the study is to Kisan Credit Card scheme in Amnapur Area. The specific objectives are as follows:-

- To study awareness among the farmers regarding KCC scheme.
- To make Economic evaluation of KCC.
- To examine the practical problems faced by the Kisan Credit Card holders.
- To understand the effect of change in cropping pattern on uses of KCC.

Scope of the Study : The present study aims at analysing the farmers Kisan Credit Card scheme in order to exhibit the farmers awareness about the scheme factors influenced them towards this scheme, ways and mean of utilizing loan provided under this scheme and opinions regarding the service charges, validity period & maximum ceiling limit. This study is also mainly concerned with the farmers problems & suggestions in order to improve the effectiveness about the KCC.



Significance of the Study : The present study aims at analysing the farmers Kisan Credit Card scheme in order to exhibit the farmers awareness about the scheme factors influenced them towards this scheme, ways and mean of utilizing loan provided under this scheme and opinions regarding the service charges, validity period & maximum ceiling limit. This study is also mainly concerned with the farmers problems & suggestions in order to improve the effectiveness about the KCC.

Profile of the Bank : Sangli District Central Co-Operative Bank, Amnapur Branch comes under Palus Circle (Tehsil). The bank was established in the year 24th April, 1995 with a view to provide finance to agriculturist through the primary agriculture credit society in the Amnapur village.

It provide finance to various Co-operative societies. These are as follows-

1. Amnapur Vividh Karyakari Sahakari Seva Sanstha, Amnapur.
2. Gesudraj Vividh Karyakari Sahakari Seva Sanstha, Anugadewadi.
3. Krushnamai Co-operative Seva Sanstha.
4. Vitthal Vividh Karyakari Co-Operative Seva Sanstha-Vitthalwadi, Amnapur.

Sangli District Central Co-Operative Bank, Amnapur provides short term as well as long term loan for the various crops to the agriculturist in the Amnapur Village. Bank provides loans mainly for the major crops, sugarcane, grapes etc.

Methodology : The present study is on economic evaluation Kisan Credit Card scheme. The have been collected through primary and secondary sources.

Data Collection :

Primary Data : The researcher has used primary data and including the various sources of the primary data. Interview schedule and Observation.

Secondary Data : The researcher has been collected secondary data through the various sources. The researcher will collect the data from books, annual Report of selected Bank, research paper, Articles and internet.

Limitations of the Study : Now a day's service area Limitation has been removed of commercial banks. So the KCC accounts of Farmers have been dividing in no. of dist. Commercial / co-operative banks. Each over there was one major Nationalize bank at Tehsil places so the farmers used to take loan from one bank. Now due to competition in banking industry and adding of new bank branches no of account. Holders has been divided. While collecting data bank officers refuse to give KCC data of existing KCC holders to keep data confidential. Therefore we have to collect data from only one co-operative bank by connecting

the bank manager with giving the assurance that data will be kept confidential Farmers don't want to disclose the financial data/ Transactions with third party because of fear in their mind. Why somebody is asking about his/her financial details/ income details since farmers and giving clear idea about the project we became able to collect primary data farm farmers by sampling.

3. Data Analysis & Data Interpretation

Table/Chart No.1

Gender wise Classification of Respondents

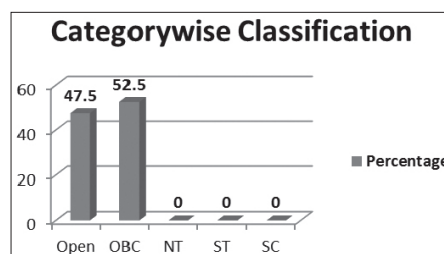
No	Gender	No. of Respondents	Percentage
1	Female	02	5
2	Male	38	95
Total		40	100

Source: Field Work

Table/Chart No. 1 shows that the 95% of the male respondents and 5% of the female's respondents were used the banking services of KCC. It means majority of male KCC holders are more in numbers against female KCC holders.

Table/Chart No. 2

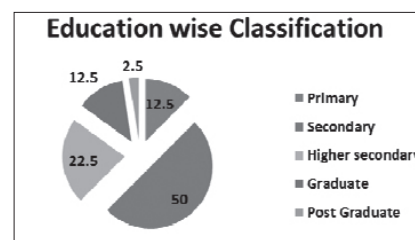
Category wise Classification of Respondents



Table/Chart No.2 reveals that the category wise classification of the respondents. There are 52.5% of OBC people having benefits of KCC, From the Open category. They have 47.5% uses of KCC. It means other category has not have any uses of KCC. It is limited to only OBC and Open category.

Table/Chart No. 3

Education wise Classification of Respondents

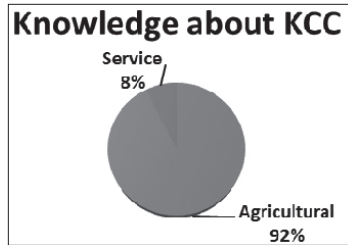


Table/Chart No. 3 focused on the education wise classification of respondents. It shows that 50% of the respondents were taken education up to secondary level. There are only 22.5% respondents having education up to higher secondary. The primary and graduate levels are only 12.5% respectively. Only 2.5 % respondents were



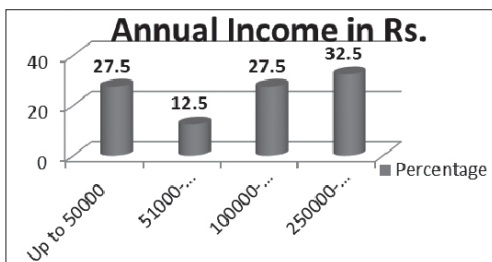
education having Post Graduate. It means more numbers of respondents are educated up to secondary level.

Table/Chart No.4
Classification of KCC holder Background



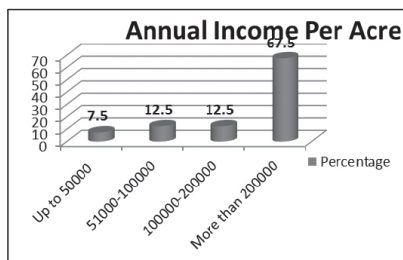
Table/Chart No. 4 were focused on the background of the KCC holders. It shows that 92.5 % of the respondents having agriculture background and 7.5 %were background having services. It means the majority people who used KCC having agriculture background.

Table /Chart No.5
Classification of Annual Income



Table/Chart No.5 shows that the classification of annual Income of respondents in study area. There are 32.5% people having annual income of Rs.2, 50,000 to 5, 00,000 and 27.5% only from the income group of 1, 00,000 and only 12.5% from the annual group of up to 50,000 to 2, 50,000. It means those who have higher income group that persons have more members of KCC.

Table /Chart No.6
Classification of Income per Acre



Table/Chart No. 6 focused on the Income per acre of the respondents. There are 67.5% respondents are from more than 2,00,000 per acre income group whose only 7.5 are from up to 50,000 and remaining have the same percentage of Income per acre. It means the per acre income level decided to have KCC or not.

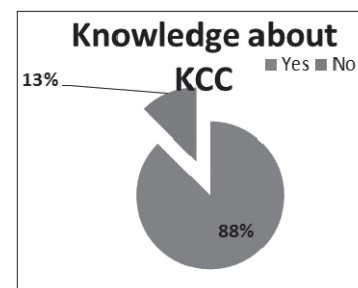
Table /Chart No.7
Classification of taking a KCC Crop Loan

No.	KCC loan crop	No of Respondent	Percentage
1	Grapes	5	12.5
2	Grapes, Sugarcane	7	17.5
3	Sugarcane	28	70
Total		40	100

Source: Field Work

Table/Chart No. 7 reveals that the numbers of respondents who has taken the crop loan. There are 70% respondents having crop loan on the sugarcane and 17.5% and 12.5% were taken as grapes and grapes sugarcane respectively. It means the numbers of respondents having majority to take crop loan on the mortgage on sugarcane.

Table/Chart No. 8.
Classification of KCC Knowledge



Table/Chart No. 8 shows the information about the knowledge of KCC. It reflects that 87.5% respondents knowing about the KCC, and only 12.5% were unknown about it. It means the knowledge of KCC has spread over the respondents.

Table /Chart No.9
Classification of Source of KCC information

No.	Source of KCC Information	Yes	No	Yes	No.
1	Bank	26	14	65%	35%
2	Society	13	27	32.5%	67.5%
3	Gram panchayat	40	40	100%	100%

Source: Field Work

Table/Chart No. 9 reflect the data about the KCC information source. There are 65% respondents were having information about KCC through bank and rest of the people got information from the society. It means till the society has not aware totally about the KCC.

Table/Chart No.10 reveals the information about the types of KCC. The data shows that the 100% respondents having only passbook. It shows the nobody has gone for KCC Card only KCC has a passbook.



Table /Chart No. 10
Classification of Types of KCC

No.	Type of KCC	Respondent	Percentage
1	Passbook	40	100
2	Card	-	-
Total		40	100

Source: Field Work

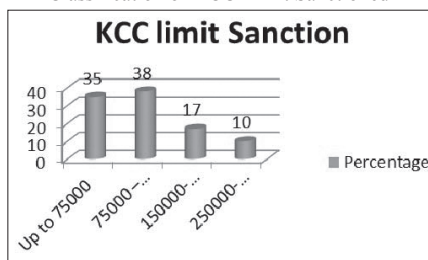
Table /Chart No.11
Classification of KCC Crop insurance Knowledge

No.	KCC Crop insurance	Respondent	Percentage
1	Yes	16	40
2	No	24	60
Total		40	100

Source: Field Work

Table/Chart No. 11 reflect the information about the crop insurance knowledge. There are 60% respondents has not any knowledge about the crop insurance and only 40% having the knowledge about it. It shows the unawareness about the crop insurance knowledge in society.

Table/Chart No.12
Classification of KCC Limit Sanctioned



Table/Chart No.12 shows the information about the KCC limit sanctioned. The information said that 17 % having the limit sanctioned up to Rs.1, 50,000 to 2, 50,000 and 38 % from The Rs.75.000 to 1, 50,000. It shows that there are conventional KCC limit sanctioned to the KCC holders.

Table /Chart No. 13
Classification KCC Limit Request

No	KCC limit Request	No of Respondent	Percentage
1	Up to 75000	7	17.5
2	75000 – 150000	16	40
3	150000-250000	12	30
4	250000-500000	5	12.5
Total		40	100

Source: Field Work

Table/Chart No. 13 focused on the KCC limit request. There are 40% respondent having limit request up to Rs.1,50, 000 and 30% having the request up to Rs. 2,5,000 and only 12.5% respondents having only up to Rs. 5,00000 limit request . It means only medium limit request were followed to KCC.

4. Findings :

- It indicates that maximum farmers are male in percentage
- It shows that OBC category framers are maximum in percentage
- It expressed that the maximum 50% farmers are secondary educated
- It indicates that no single farmers has Undergone agriculture training
- The annual net income of farmers is maximum between Rs. 250000-500000 in percentage 32.5%.
- It indicates that the 52.5% respondents are using KCC to loan for sugarcane and grapes.
- The maximum 87.5% respondents are having Knowledge Kisan Credit Card scheme
- It indicates that the 67.5% respondents having society as source of KCC information.
- It expressed that 72.5% respondents are having details of KCC before the card has the given.
- 100% farmers has been take the KCC loan under passbook facility.
- The maximum 60% respondents are not having about KCC crop insurance.
- It has been shown that only 40% respondents having demand of loan for Agriculture purpose is between Rs.75000-150000.
- The 37.5% respondent are having in 75000-150000 loan sanctioned by KCC.
- The 70% farmers are taking sugarcane as a major crop under KCC loan.
- The maximum 75% respondents are having KCC use time period is 3 to 5 years.

5. Suggestions :

- The bank should provide necessary information about loan credit card facilities to farmers available under KCC.
- The bank have to organize advertisement campaign as well as in awareness program me in rural areas especially in KCC.
- The farmers who are in critical condition, they can get the benefit of KCC. It they are informal properly, by this activity suicides of farmers can be avoided.
- The bank should arrange KCC scheme training for farmers as to less KCC loan availing. The KCC limit should be count on production cost and not on land hold by farmer.



- e. The awareness of KCC scheme is good among the farmers, so the bank should try to increase the number of KCC holder more. The bank should provide or arrange crop insurance training or workshop the farmers, as there is less awareness among the for farmers about crop insurance.
- f. There is a need to adopt measures to reduce paper work and time in sanctioning a loan under KCC scheme. The government should launch awareness generation programmes about the benefits of this scheme.
- g. The limit of the loan amount per account should be raised to attract more farmers.
- h. The process of opening a bank account should be simplified to bring more farmers under the scheme.
- i. There is a need to strengthen the cooperative banking system in the rural areas by infusing more resources.
- j. The government should ensure the timely availability of good quality inputs like seed, manure, plant protection materials by improving marketing infrastructure so that farmers could properly utilize the loan taken under KCC scheme.

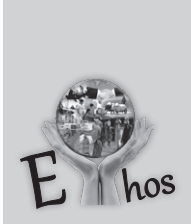
6. Conclusion : The project report was carried out of the KCC scheme A case study with special reference to sangli district central co-operative bank branch Amanapur the primary data has collected by through carried out within 40 farmers. In the end it is important to observe that while streamlining credit delivery mechanisms is necessary, it is not sufficient because there are several improvements that need to be made to make agriculture as a production. Only an efficient and optimum production level of agriculture will be able to sustain long-term viability. Hence there is a need to take appropriate policy measures on long-term viability of various initiatives on facilitating farmers' access to short term credit in the form of KCC.

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Green Marketing and Companies Marketing Strategy

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Abstract : *Green marketing is the marketing of products that are presumed to be environmentally safe. This topic is going to be proactive with its steps into the world of the consumers where consumers are not only aware of the multiple brands and their perceived quality but also they have started to pay more attention to the environment and thereby becoming more ecofriendly. Therefore the companies are applying various strategies for green marketing, they are communicating with the customers so that customers can be retained as loyal for long by adopting green management environment friendly, so called green marketing has become a discussed subject and companies are constantly trying to find the best ways to reach the customers with their green message. Customers are becoming more demanding and they have started to pay more attention to the environment. What is important with brands is how customers perceive them, what the image of the brand is? The aim of this study is to find out how strategic issues in green marketing are addressed by Companies. Green marketing incorporates a variety of activities, including modifications of products, changes to the production and distribution processes, packaging, and modifications to marketing communications. The objective of this paper is to try to explain the need and importance of Green Marketing and strategies for Green Marketing.*

Keywords : *Green marketing, Strategy, Consumer behavior.*

1. Introduction : Green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing. So, in this scenario of global concern, corporate houses have taken green marketing as a visible part of their strategic planning to promote products by employing environmental claims either about their attributes or about their systems, policies and processes of the firm that manufacture or sell them. Every Organization has its own favourite marketing mix. We have 4 Ps and some have 7 Ps of marketing Mix. The 4 Ps of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 Ps in an innovative manner. The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources. The products have to be developed depending on the needs of the customers who prefer environment friendly products. Price is a critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. Green pricing takes into

consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, signage, white papers, web sites, videos and presentations.

By keeping people, planet and profits in mind. The choice of where and when to make a product available will have significant impact on the customers. Very few customers will go out of their way to buy green products. Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint.

2. Review of Literature : According to Mustafa (2007), green purchase behavior refers to the consumption of products that are benevolent or beneficial to the environment, recyclable or conservable and sensitive or responsive to ecological concerns.

Clem (2008) reveals that going green reflects a social consciousness around saving and advancing the Earth's natural resources, preserving and protecting them for the sake of civilization. Consumers are becoming more and more aware of environmental issue and this has increased the demand for ecological products. If consumers have a favorable attitude toward greening environment, they are more inclined to purchase green products.



3. Research Methodology :

Research Objectives :

- i. To bring out product modification.
- ii. The aim of this study is to find out how consumer behavior is influenced by Green Marketing.
- iii. To exhibit the challenges being faced by companies pursuing green marketing.
- iv. To study the strategies adopted by the companies in green marketing.
- v. To analyze consumer's willingness to pay high for green products.

Hypothesis :

- a. People are not aware about green marketing concept.
- b. Companies need to modify its strategy according to green marketing concepts.
- c. Consumer consider green marketing concept before buy goods and services.
- d. Advertisement is best sources of communication regarding green marketing.

Methods : The present study utilizes the exploratory research methodology to explore the extent of the establish relationship between green marketing and companies strategy. The population for this study was all consumers of the market who make the purchases of green products. Convenience sampling method was adopted to select the total sample size of 50 respondents consisting of 25 males and 24 females living in the Solapur district. Both the primary and secondary data collection methods were considered. However, primary data was collected from the respondents with the help of pre-tested structured opened and closed-ended questionnaires. Primary data was complemented with secondary data sources such as publications on the topic from journals, magazines, and internet. The measurement items of the variables were created based on the literature review. Simple average, percentage were used to establish the relationships that exist between the hypotheses. The analyses have been in conformity with the objectives and the hypotheses of the study.

4. Data Analysis & Data Interpretation :

Graph No. 1 : Have you heard of any campaign related to green marketing?

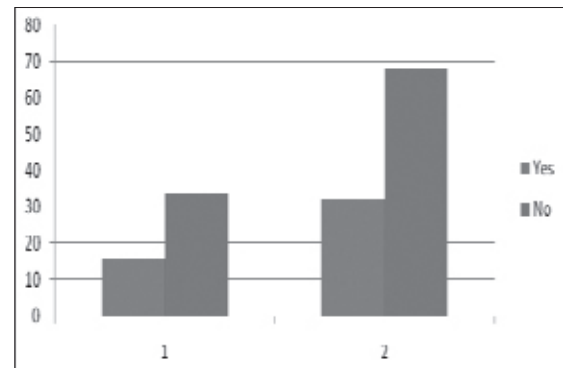


Figure 1 : Shows the view of the respondents did they heard about any campaign related to green marketing. The view is such that 16 % have heard properly, 30% not heard properly and 55% never heard about green marketing.

**Graph No. 2 :
Have you been part of any such campaign?**

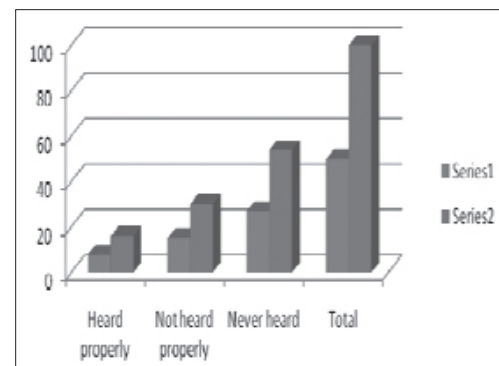


Figure 2 : shows that 28% respondents are been part of green campaign and 72% respondents are not part of any such campaign of green marketing.

Graph No. 3 : Do you consider the environmental aspects of the products before paying them?

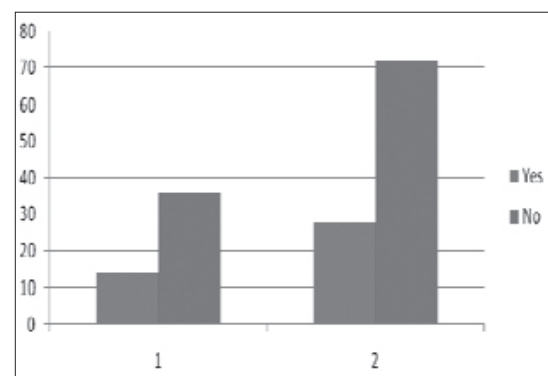


Figure 3 : explain about environmental aspects before buying goods or services, 32% respondents says there is environmental aspects before buying products and 68% respondents says no.



Graph No. 4 : do you think green marketing and advertising are good sources of information about green products and services?

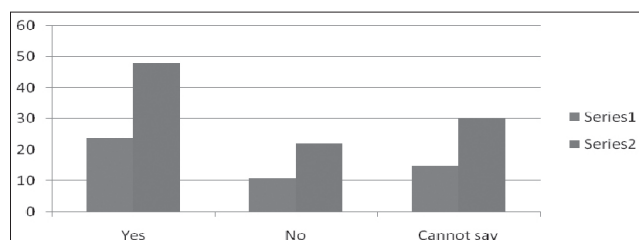


Figure 4 : explains advertising is a sources of information about green products says 48% respondents, 22% says no and 30% says cannot say.

Graph No. 5 : Do you think that green marketing activities activities are good at addressing environmental issues.

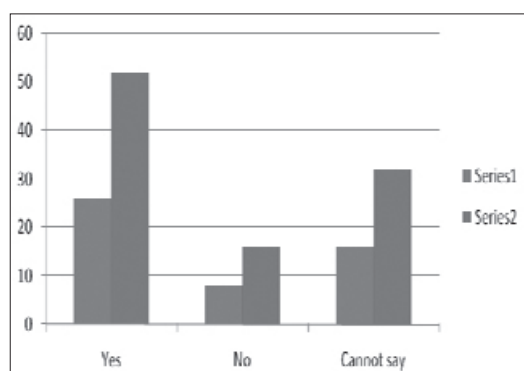


Figure 5 : shows respondents view n green marketing as good addressing agents on environmental issues. 52% respondent's say the green activities are good, 16% say no and 32% says cannot say.

Graph No. 6 : Do you think green marketing activities results in better products?

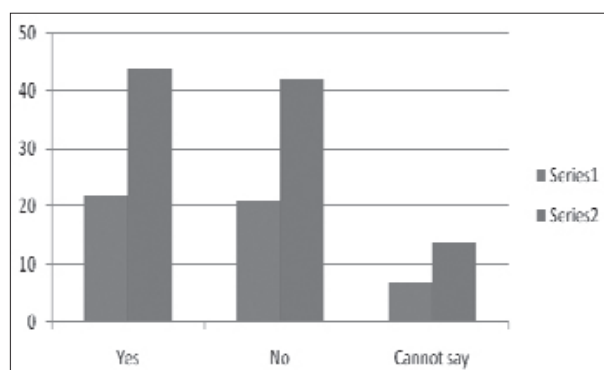


Figure 6 : shows green marketing results in better products says 44% respondents, 42% says no and 14% says cannot say.

Graph No. 7 : Do you think that green marketing strengthen company's image in the mind of consumers?

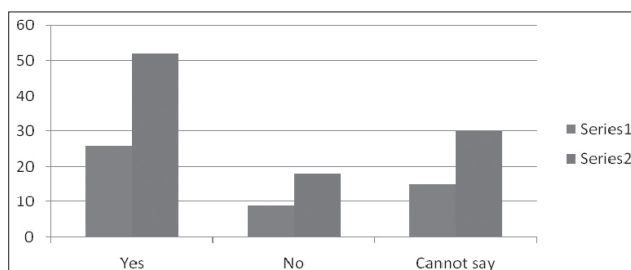


Figure 7 : shows respondents views on do green on green marketing strengthen company's image in mind of consumers. The view in such that 52% says yes, 18% says no and 30% says cannot say.

Graph No. 8 : Do you think that companies that focus on environmental concerns persuade consumers to buy products?

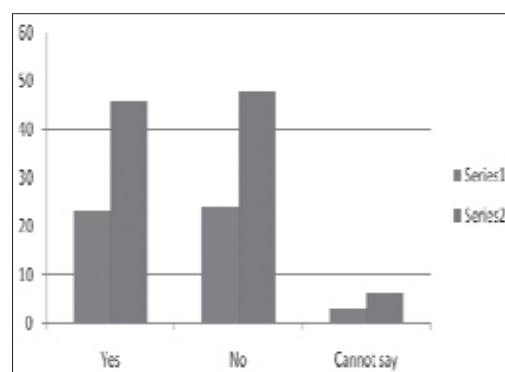


Figure 8 : explain environmental concerns persuade consumers to buy product, 46% respondents says, 48% says no and 6% respondents says cannot say.

Graph No. 9 : Are you aware of the eco-labeling initiatives of the government?

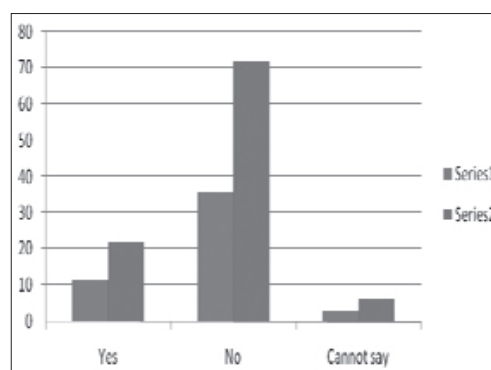
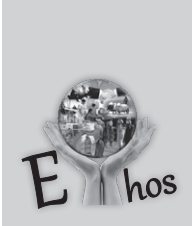


Figure 9 : shows the awareness level of eco-labeling initiatives of the government. It shows that 22% respondents people are aware, 72% says no and 6% respondents says cannot say.



Graph No. 10 : Respondents view on green marketing

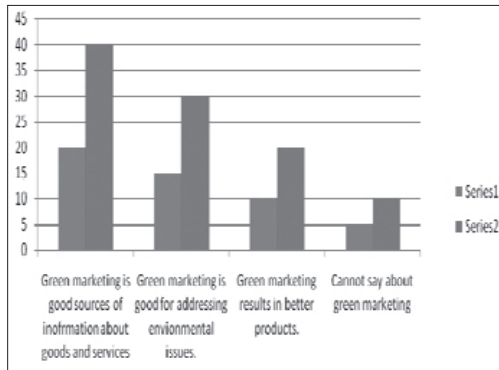


Figure 10 : shows the respondents view on green marketing is that only 40% believe that green marketing is a good sources of information about goods and services, 30% of them say that green marketing is good at addressing environmental issues. 20% of them says that green marketing results in better products and 10% of them were not interested in green issues

5. Findings : On the basis of the above study following findings are:

- More than 55% respondents are not aware about green marking, and very few people are part of green marketing campaign.
- Few people take environmental aspect into consideration before buying goods and services.
- Advertisement is a best source of information.
- Green marketing results eco-friendly products and strengthen company's image in consumers mind.
- Environmental concerns persuade consumers to buy product, eco-labeling initiatives of the government create awareness.

6. Conclusions : Green marketing covers more than firms marketing claims. While firms must bear much of the responsibility for environmental degradation, ultimately it is consumers who demand goods, and thus create environmental problems. Firms have a great impact on the natural environment; the responsibility should not their alone. It appears that consumers are not overly committed to improving their environment and may be looking to lay too much responsibility on industry and government. Ultimately green marketing requires that consumers want a cleaner environment and are willing to pay for it.

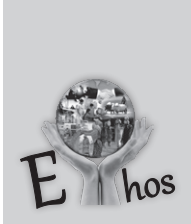
7. Suggestions :

- Very few peoples are part of the green marketing so make awareness programme to add maximum number of people in green marketing campaign.
- Advertisement is best sources of information about green marketing and proper channel of advertisement make more effective green marketing.

- Eco-friendly products will protect eco-system and idle utilization of natural resources.
- Green marketing will strengthen company's image it helpful to create loyal consumers. And company's growth depends on it.

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Planned Economic Growth and Employment in India

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Abstract : During the last five decades a stagnant and decadent economy has been modernized and made more self-reliant. In qualitative terms the economy today is much stronger, more resilient than at the inception of planning. It is evident that economic growth which started after independence took momentum after economic reforms were introduced in the economy. It will not be an exaggeration to say that India is recognized as second fast growing country after china and is emerging as a superpower in the years to come. GDP and per capita income is growing, unemployment is coming down and employment is generated. However employment is not growing in the ratio the GDP is growing. There are growing income differences among different income groups. What we are lacking today is inclusive growth which has to be addressed without time lag.

Keywords : Economic Growth, Employment, GDP

1. Introduction : We find no examples in history where democracy has failed because of too much state intervention and planning but plenty of examples on the contrary. We firmly believe that planning from bottom to top paves way for economic growth. The economic development in India followed socialist-inspired policies for most of its independent history, including state-ownership of many sectors. India's per capita income increased at only around 1% annualised rate in the three decades after its independence. Since the mid-1980s, India has slowly opened up its markets through economic liberalisation. After more fundamental reforms since 1991 and their renewal in the 2000s, India has progressed towards a free market economy.

Throughout the ages Income and Employment has always been crucial for economists, sociologists and politicians. Even when the state was governed by kings their performance was adjudged on the basis of prosperity and employment status of its subjects. Economic prosperity of a country is perceived to be at its maximum, when all when we reach the level of full employment. Employment provides income to a person, which is used to create effective demand for consumption and capital goods in the country. According to J M Keynes effective demand leads to increased production of goods and services. This increased production again leads to more employment opportunities and thus an Employment – Income – Demand – Production – Employment cycle is created. Employment is indispensable for economic growth but its ramifications have also been on social and political stability and peace in the country.

The Directive principles in our constitution underscored the importance of growth and employment which lays down that “the State shall in particular, direct its policy towards securing: (a) that citizens, men and woman equally

have the right to an adequate means of livelihood, (b) that ownership and control of the measures of the community are so distributed as best to sub serve the common good, (c) that the operation of economic system does not result in concentration of wealth and means of production to common determinant.” Government of India believes that planning as a means of fostering economic development. The Planning Commission of India set out four long term objectives of planning: (a) to increase the production to the maximum possible extent so as to achieve higher level of national and per capita income (b) to achieve full employment (c) to achieve inequalities of income and wealth, (d) to set up socialist society based on equality, justice and absence of exploitation. In this paper an attempt has been made to verify the conceptual issue of links between economic growth and employment generation with regard to India.

The economic growth has been driven by the expansion of services that have been growing consistently faster than other sectors. It is argued that the pattern of Indian development has been a specific one and that the country may be able to skip the intermediate industrialization-led phase in the transformation of its economic structure. Serious concerns have been raised about the jobless nature of the economic growth.

Economic growth refers to increase in goods and services produced by an economy over time. It is conventionally measured as percentage of increase in real gross domestic product (GDP). Growth is usually calculated in real terms i.e. inflation adjusted term to make it comparable nationally and internationally. The increase in GDP is supported in increase in agricultural and industrial production. When there is economic growth in the country there should be increase in export and imports as well. The increase in



export should result in increase in foreign exchange reserve in the country. The increase in income of the people should be able to increasing in saving and capital formation of the country. Besides, there are some social indicators of economic growth, as well, like falling birth and death rates, increasing life expectancy at birth & literacy rates.

Table 1: GDP Growth Rate

Year	Growth (real) (%)	Year	Growth (real) (%)
2000	5.6	2008	7.4
2001	6.0	2009	7.4
2002	4.3	2010	7.1
2003	8.3	2011	6.8
2004	6.2	2012	6.5
2005	8.4	2013	4.4
2006	9.2	2014	5.7
2007	9.0		

Since the economic liberalization of 1991, India's GDP has been growing at a higher rate.

Table 1 reveals that Indian economy is growing in a fluctuating manner. The real growth rate in 2000 was 5.6 which increased to 9.2 in 2006 where as it came down to 5.7 in the year 2014. This fluctuations are due to changes in the level of employment which is directly correlated to entrepreneurship development in India. Engagement of a person in a productive work either self-employment or wage-employment is referred as employment.

2. Economic Growth in India after 1947 : The motto of Indian government after independence was planned growth of the economy on the pattern of Soviet Union. Economic growth refers to increase in production of goods or services or the GDP at constant prices. For economic growth to be meaningful it should not only increase in Gross Domestic Product (GDP) and per capita income of the people, but there should also be corresponding increase in saving and capital formation in the country. Besides the export and import of the country should also shows the increasing trend. On the other hand the growth should have the positive impact on the quality of the life of the people. The better quality of life of the people is reflected by falling birth and death rates and increasing life expectancy and literacy of the people.

The growth of the country have been shown in Table-2 which shows that the GDP of India has grown from 3896636 crores in 2007-08 to 5222027 crores in 2011-12 and it has constantly risen. The pace of growth has come down from 9.3 percent in 2007-08 to 6.9 per cent in 2011-12. The slowdown of growth rate is due to financial crisis erupting in European countries and spreading all over the world.

The impact of increasing GDP has positive impact on the quality of life of the people as the social indicators presented in table-3. which shows the birth rates and death rates (per 000)

Table No. 2: Economic Indicators of Growth

Year	GDP at constant prices Rs. crores	Per capita NNP at constant prices Rs.	GDP Growth Rate(at 04-05 prices)	Index of Industrial Production Base 04-05=100	Index of agricultural production Base 80-81=100
2007-08	389663	30332	9.3	141.7	207.1
2008-09	415867	31754	6.7	145.2	191.4
2009-10	450763	33843	8.4	152.9	194.1
2010-11	488595	35993	8.4	165.6	215.3
2011-12	522202	41149	6.9	171.56	220.23

Source : Economic survey 2011 and various issues

which were 25.5 and 8 respectively in 2000-01 has fallen constantly throughout the year and has reached to 22.1 and 7.2 respectively in 2010 -11. Due to fall in death rates life expectancy has increased from 62.9 years in the year 2000-01 to 63.5 years in the year 2010-11. Literacy rates have also gone up from 64.8 percent in 2000-01 to 74 percent in 2010-11.

Table No. 3: Social indicators of Economic Growth

Year	Population in Million	Life expectancy at Birth	Birth rate Per 000	Death Rate Per 000	Literacy Rate %
2000-01	1019	62.9	25.5	8.4	64.8
2007-08	1138	-	23.5	7.4	-
2008-09	1154	-	22.8	7.4	-
2009-10	-	-	-	-	-
2010-11	1210	63.5	22.1	7.2	74.0

Source: Economic survey of India 2011-12 and other issues

Table shows that the macro employment scenario in India from 1983 to 2009-10. As revealed by the table the employment is growing constantly and un employment together with its rate is coming down but the growth of employment is not in pace with population and labor force growth in the country. Employment has grown at the rate of 0.92% during 1972-73 to 1983, 2.08% during 1977-78, 2.43% during 1983 to 1993-94, 1.31% during 1993-94 to 1999-00, 3.05% during 1999-00 to 2004-05, and only 0.05% during 2004-05 to 2009-10. It is important to know that the employment in urban areas have been grown more rapidly while compared to rural areas.

The country has passed through several five year plans. The public sector was playing dominant role in the economy during the period 1950 to 1981. The private sector investment was very limited due to license raj. The private capital investment was very limited and subjected to strict Govt. scrutiny, license and permits. The period 1980-90 is considered as transitory period when the economy was relaxed cautiously and after 1991 new economic era came in. In this period private sector investment was being



Table No. 4 Macro Scenarios on Employment

	Million Persons					Growth rate			
	1983	93-94	99-00	04-05	09-10	1983-93-94	93-94-99-00	99-00-04-05	04-05-2010
All India Population	718.2	894.01	1003.97	1089	1170	2.0	1.95	-	-
Labor force	261.33	335.84	363.3	428.7	438.9	2.43	1.31	3.5	0.05
Work force	239.57	315.84	336.7	415	431.8	2.70	1.07	4.2	0.7
Unemployment rate	8.3	5.99	7.32	8.2	6.6	-	-	-	-
No. Unemployed	21.76	20.13	26.58	13.8	11.1	-0.08	-4.74	-12.28	-4.26

Source: Economic survey 2002-03 to 2010-11

encouraged the boost the economic growth and employment generation in the country. Table -5 shows plan wise growth rate of GDP NNP and per capita income. The table reveals that the economy grows at less than 5 (average 3.5%) annually in the period 1951-1980 due to liberalization. The growth rate increased and reached to more than 5% in the period 1980-90 and later to nearly 8 % after economic reforms was introduced.

Table No. 5 :

Average Annual Growth Rates of GDP NNP and Per capita income

Year	GDP growth rate	NNP growth rate	Per capita Income growth rate
1st plan (1951-56)	3.7	4.2	2.4
2nd plan(1956-61)	4.2	4.2	2.2
3rd plan(1961-66)	2.8	2.6	0.3
3 annual plans	3.9	3.7	1.5
4th plan(1969-74)	3.4	3.2	0.9
5th plan(1974-79)	4.9	4.9	2.6
Annual plan (1979-80)	-5.0	-5.9	8.2
6th plan(1980-85)	5.4	5.4	3.1
7th plan(1985-90)	5.6	5.5	3.3
Annual plan(1990-92)	3.2	2.8	0.8
8th plan(1992-97)	6.6	6.7	4.6
9th plan(1997-02)	5.7	5.5	3.5
10th plan(2002-07)	7.6	7.5	5.9
11th plan(2007-12)	7.9	7.7	6.3

Source: Economic survey 2011-12

Table 5 states that one of the basic aims of economic planning was employment generation in the country after the independence. Government realized that the employment is not increasing at the pace of economy is growing. Due to reduction in the death rates population and work force kept on increasing. Above all the skill development could not kept pace with technological changes in the world and hence the govt. had started various special employment programs.

The economy did grow on an average of 3.5% annually. However the control eased the rate of growth of the

economy. Despite global melt down the economic growth is showing a rising trend in India which is expected to come about 7 percent. The repercussions of global melt down is less pronounced in Indian economy due to a strong banking sectors as rightly optioned by our economist The introduction of econ com ic reforms have generated more employment in the country but the rate of growth of employment have not been accelerated so as to bring full employment.

3. Conclusion : We could claim that during the last five decades a stagnant and decadent economy has been modernized and made more self-reliant. In qualitative terms the economy today is much stronger, more resilient than at the inception of planning. It is evident that economic growth which started after independence took momentum after economic reforms were introduced in the economy. It will not be an exaggeration to say that India is recognized as second fast growing country after china and is emerging as a superpower in the years to come. GDP and per capita income is growing, unemployment is coming down and employment is generated. However employment is not growing in the ratio the GDP is growing. There are growing income differences among different income groups. What we are lacking today is inclusive growth which has to be addressed without time lag.

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Impact of Labour Welfare Measures on Absenteeism and Attrition at GTN Spinning Mills, Baramati Dist-Pune (MH)

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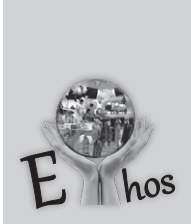
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Abstract : The basic purpose of this study is to find out various labour welfare measures provided to employees by the GTN Spinning Mills, Baramati. The study reveals impact of inadequate welfare measures on employee absenteeism and attrition. The study is carried out for the blue collar and white collar employees of the company by using descriptive research design. The workforce undertaken for this study is divided into two categories viz white collar & blue collar workers. In total 126 samples size is taken to collect relevant information from the employees. Stratified random sampling method with structured questionnaires is chosen for the study. After analyzing the entire data it is found that an inadequate welfare measure does not make an impact on employee absenteeism and attrition. But it is also found that health problem, stress and family problem are the major causes of absenteeism. As far as employees' attrition is concerned non availability or inadequacy of First Aid and Medical facilities lead to blue collar employee's attrition whereas non availability of Canteen and Medical facilities causes white collar employee's attrition. The Industrial worker is indeed a soldier safeguarding the social and economic factors of the industrial economy. Therefore, there is need to take care of the workers, to provide both statutory and non-statutory facilities to them, which has direct influence on the social and economic development of the organization as well as the nation.

Keywords : Labour Welfare Measures, GTN Spinning Mills, Absenteeism and Attrition.

1. Introduction : The term welfare suggests the state of well being and implies wholesomeness of the human being. It is a desirable state of existence involving the mental, physical, moral and emotional factor of a person. Adequate levels of earnings, safe and humane conditions of work and Access to some minimum social security benefits are the major qualitative dimensions of employment. Labour welfare' is dynamic concept. It bears a different interpretation from country to country and from time to time. Different factors like value system, social institutions, degree of industrialization and the general level of social and economic development obtaining in a country at a particular time determine the contents of labour welfare. But broadly speaking, labour welfare should meet the necessary requirements of labour. Labour welfare measures enable workers to live a richer and a more satisfactory life and it contribute to the productivity of labour and efficiency of the enterprise. It also enhances the standard of living of workers by indirectly reducing the burden on their purse. It also promotes harmony with similar Service obtaining in the neighborhood community where the enterprise is situated. An efficient, skilled, cheerful and contented employee will be an asset to any organisation if he is happy, he will concentrate on his work and better results can be achieved. An employee

will be happy only when his needs are fulfilled. Labour is a crucial factor, which is very difficult to manage. The progress of a nation and in particular industrial growth purely depends upon a contented labour force. The Schemes of labour – welfare may be regarded as a “wise investment” which should and usually does bring profitable returns in the form of greater efficiency. The significance of welfare measures was accepted as early as 1931, when the Royal commission on labour stated. The benefits are of great importance to the worker which he is unable to secure by himself. The schemes of labour welfare may be regarded as a wise investment because these would bring a profitable return in the form of greater efficiency. The concept of labour welfare is flexible and elastic and differs widely with times, region to region , industry, country social values and customs, degree of industrialization and general socio-economic development of people. The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labor in textiles. The textile industry continues to be the second largest employment generating sector in India. The share of textiles in total exports was 11.04% during April–July 2010, as per the Ministry of Textiles. India is the second largest producer of fibre in the world and the major fibre produced is



cotton. Other fibres produced in India include silk, jute, wool, and man-made fibers. 60% of the Indian textile Industry is cotton based. Government of India passed the National Textile Policy in 2000. The Indian Textile industries are mainly dominated by some government, semi government and private institutions. As overall textile industries are concerned large numbers of men and women workers are working. The working environment in such industries is hazardous for their health. Due to this the absenteeism, rate of attrition and labour turnover is high. Also labour may suffer from disease and injuries. Therefore to overcome this problem, maintain healthy working conditions and to retain the employees, industries are offering various safety measures along with the various welfare facilities.

In the light of above, the researcher has selected the GTN Spinning Mills, Baramati (MH) to analyze the impact of labour welfare measures on absenteeism and attrition on the basis of responses of sample respondents.

2. Significance of Study : An attempt has been made to highlight the benefits of labour welfare measures accrued to the organization, working employees, society & government in general. The study of labour welfare has great significance in today's scenario. The present study will help organization to focus on the welfare practices not applied in the organization that are the causes of increased absenteeism and attrition. Due to this employees will benefit if neglected welfare practices are implemented properly. This in turn will also help the Government in tax generation, as well as smooth running of company in the Industry can even help reduce the problem of unemployment.

3. Statement of Research Problem : Welfare provisions of Factories Act 1948 are important as far as the nature of the work in the textile industries / factories are concerned where labours are working in harmful environment. It may happen that the labours working in such factories may suffer from serious diseases or injuries at workplace. It may increase the absenteeism and attrition rate. So the present study aims at studying the various aspects of welfare measures in GTN Spinning Mills, Baramati (MH).

To study the various aspects of welfare practices Resarcher has selected topic entitled “Impact of Labour Welfare Measures on Absenteeism and Attrition at GTN Spinning Mills, Baramati Dist-Pune (MH)”. This title justifies the research problems as it covers major aspects like various welfare measures and impact of welfare measures on absenteeism and attrition rate of employees as a whole.

4. Objectives of the Study :

1. To analyze the statutory and non-statutory welfare measures provided.
2. To evaluate the impact of welfare measures on the absenteeism and attrition of employees.

5. Scope : The study covers all statutory & non-statutory welfare measures provided by the GTN Spinning Mills, Baramati (MH) to its employees such as services and amenities, regular wages and other economic benefits etc. and their relative impact on absenteeism and attrition rate. The geographical scope of the study is confined to GTN Spinning Mills, Baramati (MH) only.

6. Methodology : The nature of the study is descriptive research. Working blue collar & white collar employees of GTN Spinning Mills, Baramati is sample unit for this research. The workforce undertaken for the study is divided into two categories viz white collar & blue collar workers. The sample universe for the study is in total 500 numbers. This universe further bifurcated as 50 & 450 white collar & blue collar workers respectively. Therefore 25% of sample is selected from white collar and blue collar employees i.e 13 & 113. Now the sample size in total becomes 126 (13+113) for the study. Stratified Random Sampling method has been used for the study.

Strata	Total no. of Employees	Sampling	No. of Respondents
White Collar	50	25%	13
Blue Collar	450	25%	113
Total Sample Size			126

7. Data Analysis and Interpretation :

Table No.1 :

Response of Employees Regarding Implementation of Welfare Measures

Sr. No.	Employee Opinion	Blue Collar			
		B1	B2	B3	B4
1	Yes	100	50	60	76.19
2	No	0	50	20	17.14
3	To Some Extent	0	0	20	6.66
Total		100	100	100	100

Sr. No.	Employee Opinion	White Collar			
		B1	B2	B3	B4
1	Yes	50	75	100	50
2	No	0	0	0	0
3	To Some Extent	50	25	0	50
Total		100	100	100	100

Abbreviations : Blue Collar : B1= Electrician, B2= Peon, B3= Maintenance, B4= Operator. White Collar : W1= Administrative Staff, W2= Supervisor, W3= HR Executive, W4= Other Managerial Staff.



Observation : The above table and graph shows that, majority of the blue collar employees i.e 100% Electricians, 50% Peons, 60% Maintenance persons, 76.19% Operators from blue collar category feels that welfare measures are implemented and applied in the company. 50% Peons, 20% Maintenance persons, 17.14% Operators feels that it is not implemented in the company whereas only 6.66% operators and 20% Maintenance persons feels that welfare measures implemented in the company to some extent.

The above graph also represents that from white collar employees 50% Administrative Staff, 75% Supervisors, 100% HR Executives, 50% Other Managerial Staff feels that welfare measures are implemented in the company whereas 50% Administrative Staff, 25% Supervisors, 50% Other Managerial Staff feels that it is implemented to some extent.

Table No.2 :
Response of Employees Regarding Inadequate
Welfare Measures that Cause Absenteeism

Sr. No.	Employee Category	Response	No. of Employees	Percentage
1	Blue Collar	Strongly Disagree	89	78.76
2		Disagree	13	11.50
3		Moderate agree	11	9.73
4		Agree	0	0
5		Strongly Agree	0	0
6	White Collar	Strongly Disagree	10	76.92
7		Disagree	0	0
8		Moderate agree	3	23.07
9		Agree	0	0
10		Strongly Agree	0	0

Observation : The above table no. 2 depicts the response of employees regarding inadequate welfare measures that cause absenteeism in the company. 78.76%, 11.50% & 9.73% blue collar respondents strongly disagree, disagree & moderately agree respectively. In contrast white collar employees 76.92% strongly disagree & 23.07% moderately agree that inadequate welfare measures cause absenteeism.

Table No.3 :

Reasons for Leaving Job by Blue Collar Employees in Textile Industry

Welfare Measures		Reasons for Attrition by Blue Collar Employees (Percentage)				
		Employee Response				
		Strongly Agree	Agree	Moderate Agree	Disagree	Strongly Disagree
Statutory	Washing Facilities	0.88	0.88	1.76	21.23	75.22
	Storing & Drying	0	0.88	0.88	29.20	69.02
	Sitting Facilities	0.88	0.88	0.88	3.53	93.80
	First Aid	55.75	24.77	16.81	0.88	1.76
	Canteen	7.07	3.53	2.65	39.82	46.90
	Rest Room	0.88	0.88	1.76	15.04	81.41
	Creches	0.88	1.76	1.76	14.15	81.41
	Welfare Officer	0.88	0.88	0.88	18.58	78.76
Non-Statutory	Accommo-dation	9.73	7.96	0.88	35.39	46.01
	Education to Children	29.20	23.89	11.50	22.12	13.27
	Holiday Homes	0	0	0	15.92	84.07
	Medical	60.17	13.27	23.00	1.76	1.76
	Leave Travel	0	0	0	21.23	78.76
	Transportation	46.90	17.69	9.734	16.81	8.84
	Uniforms	1.76	1.769	0.88	16.81	78.76

Observation : The above table no. 3 depicts that the non availability of Medical Facilities, First Aid, Transportation & Education to Children Facilities are major causes of leaving job for a blue collar employee that comprised of 60.17%, 55.75%, 46.90% & 29.20% respectively. The reason behind this is that as per their pay structure, it is extremely difficult for them to afford these things. Blue collar employees have given less importance to Farewell for Retirement & Transfer, Holiday Homes, and Leave Travel facilities.

Observation : Table no. 4 depicts that majority of the White collar employees strongly agree with all the non-statutory welfare measures like Medical, Accommodation, Transportation, Education to Children, Leave Travel & Holiday Homes. Non availability of these welfare measures becomes the major reasons to leave the job. It is because; white collar employees have habit to work with perks like company quarter for accommodation, car or cab for transportation, canteen etc. Therefore it is very difficult for them to live without these facilities.



Table No.4:

Reasons for Leaving Job by White Collar Employees in Textile Industry

Welfare Measures		Reasons for Attrition by White Collar Employees (Percentage)				
		Employee Response				
		Strongly Agree	Agree	Moderate Agree	Disagree	Strongly Disagree
Statutory	Washing Facilities	0	0	0	15.38	s
	Storing & Drying	0	0	0	7.69	92.30
	Sitting Facilities	0	7.69	7.69	15.38	69.23
	First Aid	30.76	15.38	0	7.69	46.15
	Canteen	53.84	7.69	15.38	15.38	7.69
	Rest Room	7.69	7.69	7.69	30.76	46.15
	Creches	0	0	0	15.38	84.61
Non-Statutory	Welfare Officer	0	0	15.38	15.38	69.23
	Accommodation	69.23	15.38	7.69	7.69	0
	Education to Children	53.84	15.38	15.38	7.69	7.69
	Holiday Homes	46.15	7.69	15.38	15.38	15.38
	Medical	84.61	7.69	7.69	0	0
	Leave Travel	53.84	7.69	15.38	15.38	7.69
	Transportation	69.23	15.38	7.69	7.69	0
	Uniforms	15.38	7.69	7.69	30.76	38.46

8. Findings :

- Almost all blue collar and white collar employees are getting statutory and non-statutory welfare measures except leave travel and holiday home for blue collar and non availability of welfare officer.
- An inadequate welfare measure doesn't make any impact on absenteeism of blue collar and white collar employee.
- There is less attrition on part of employees as adequate welfare measures are provided.
- It is found that inadequate canteen & medical facilities are the main reasons for white collar employee to leave the job and non availability of first aid and medical facilities are the reasons for blue collar employee to leave the job from the company.

9. Conclusion : Generally, welfare measures are recreational, medical, educational, housing, sanitation and so on. Every organization provides the statutory welfare measures but some organization provides some more welfare facilities to the employees so that they may retain the employees and their quality of work life. By the result of increased quality of work life among the employees they get satisfaction in

their personal and professional life. An organization could see the reflection of these things in increased productivity. As far as textile industry is concerned welfare measures are very much essential because the workplace environment in the textile industry is hazardous and it directly affects workers health. Therefore it leads to absenteeism and attrition. The national scenario depicts that labour turnover rate is very high in textile industry due unhealthy workplace environment. So to overcome this scenario the small units of textile industry have to implement and apply labour welfare practices. As a result of this, organizations will definitely achieve their goals & objective effectively and efficiently.

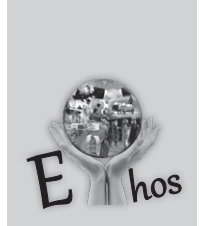
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Social Media : A Boon or Bane? An Ethical Challenge

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Abstract : *The eagerness with which the users of Facebook are thronging to share their personal information, joyous moments, philosophical thoughts, routine life through posts and photographs without understanding and following the terms and conditions laid down by Facebook, is attracting illegitimate users too. This sort of eagerness can prove disastrous when they face severe problems such as violation of privacy, identity theft, data leakage and phishing, into their personal lives. In this paper, we have tried to create awareness among the public about the above said ethical issues with an ethical framework to counter the above said issues.*

Keywords : *Facebook, ethical issues, social networking sites, users, awareness.*

1. Introduction : Ethics is a system of moral principles. It is a branch of philosophy dealing with values relating to human conduct with respect to rightness and wrongness of certain actions and to the goodness and badness of the motives and ends of such actions [1]. Social networking sites help people to connect with each other individually or in social groups having same interests, hobbies, work related ideas etc. A user on Facebook can create his profile and have a list of friends who may be classmates or relatives whom the user wants to connect with. These connections are based on either recommendation, trust and/or transparency of self descriptive matter.

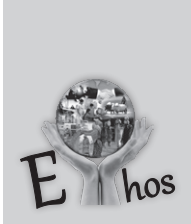
In this paper we are creating awareness about the ethical issues originating out of social networking sites considering Facebook as our case study. This paper showcases the ethical issues like violation of privacy, identity theft, data leakage and phishing on Facebook with a framework of moral justification.

2. Related Work : The awareness of ethical issues has been given importance in recent times due to- problem of data privacy [2], misuse of information, interception of information, information matching [5], wide circulation of personal details [2], collection of data from phone by Facebook [9], virtual identity suicide due to data protection issues and social pressure [10]. Leakage of huge collection of contact information/data of Facebook users was claimed to be an unintentional technical fault. Wall street journal investigated that the most popular applications on Facebook could leak users' personal data. The users having strongest configuration setting of privacy and protection [18] also faced data leakage of themselves and their friends' personal information to internet tracking organizations and advertising companies.

By creating a fake account or hacking victim's password, impersonators escape from the fraud committed and the victim is held responsible. Hike of 27% active users everyday compared to last year was reported by Facebook in the year June 2013. The same year Facebook claimed 76 million fake users and campaigned to fight bogus account. Phishing attacks are mainly on vulnerable sites like Facebook which are not authenticated by TLS. The Potter Box is an ethical decision making framework to counter the ethical issues. Good values, ethical principles and loyalties should be shown by the social groups that a user has joined on Facebook.

3. The Facebook : Our case study for this paper is Facebook. It is the most popular social networking sites since its inception in the year 2004. It started out as student communities in the universities in USA. It then picked up rapidly to become the widest and most interesting social networking site. Millions of people use Facebook for communication with their friends and loved ones. They like to share their personal information in their social groups and try to keep abreast of what's happening all around them through Facebook. Facebook considers this huge compilation of data as its most important feature [3].

Facebook is a repository of huge collection of data fed by its users who start off by giving their profile, personal photos, personal information to be shared only in their social groups of intimate friends or near and dear ones. This type of data of millions of users is stored in Facebook which can be vulnerable to various ethical issues. Hence Facebook should take responsibility to protect the huge pile of data under its care. The users are becoming victims either intentionally or unintentionally of unethical practices. This paper is to bring awareness about ethical issues for the users of Facebook.



4. Ethical Issues :

Violation of privacy : An ethical issue in social networking is a very serious matter because of the severe misuse of data put by the individual in social network like Facebook etc. The privacy of an individual identity is compromised. The problems of data privacy have become worse due to the growing number of youth flocking into these online social networks paying little attention to privacy issues for themselves or others [2]. Privacy can be violated in online social network communities through intrusion, misuse of information, interception of information and information matching [5]. Though terms and conditions are always made to be seen and agreed during users registration process, most of the time, users tend to ignore the policy and assume, in their eagerness to be in a community of their choice online, that everything would be in good place without realizing that we might solely permit a gateway access of breach to our personal information.

There has been a growing concern over the breach in privacy caused by social networking services, for example Facebook could learn where you live, where you sleep, where you work, all with data from your phone when you are signed in. Many users feel that their personal details are being circulated far more widely than they intended it to be [2]. Another example, with the usage of GPS Global Positioning Systems or local based social networking applications, you are subject to accept a data policy that may covertly take advantage of your privacy to legitimately and specifically target you with advertising ads.

This shows that privacy issues in social networking sites is in a serious and critical stage where users cannot tolerate any more exposure. Facebook users are committing „Virtual Identity Suicide“ by quitting and deleting their accounts due to privacy concerns and fear of internet addiction. Data protection issues and social pressure to add friends were also among the reasons for leaving [10].

Identity theft : Identity theft is a technique which criminals make use to imitate or impersonate someone else's identity with the intention of pursuing or committing a crime. Internet identity theft takes place in two ways, firstly by creating a fake account and secondly by hacking victims password. Facebooks operational highlights reports of second quarter-2013 states that around six ninety nine (699) million users have been active everyday for the month of June 2012 which is recorded to be a hike of 27% compared to previous year. The same year Facebook claimed the number of fake users to be seventy six (76) million during a war campaign, campaigned to fight bogus accounts. The number 76 million is too massive and can lead to serious damages which are impact of Identity theft.

Though efforts are made by social networking websites to protect and secure its users being impersonated, the rate

of identity theft is high. For example, an impersonator can commit a fraud and escape, and the victim is held responsible for the crime not committed by him. Self awareness and good understanding on what are the risks of being impersonated on social networking sites by users is important.

Data leakage : One of the most difficult and expensive task on networking sites is of data protection and data security. Regardless of introduction of new technologies to secure and protect data, data leakage still prevails as one of the big issues of social networking sites. Data leakage usually takes place due to lack of knowledge about protection and privacy policies by users about social networking sites.

Around 2013 June, Facebook has unintentionally disclosed email addresses and phone numbers of around six million Facebook users to unintended, unauthorized viewers and blamed the leakage of data to be a technical fault in its huge collection of contact information of about 1.1 billion Facebook users all over the world. This breach resulted in an enormous leakage of data where users who wanted to download information of their own friends were able to obtain other confidential information which was not made public on the network.

Earlier in 2010 Facebook was accused of data leakage where personal information was leaked to third party from Facebook apps. Facebook users information was available to many of the internet tracking organizations and advertising companies affecting as many as ten million users of Facebook which included even those users who used the strongest configuration settings of privacy and protection. Timeline updates by Facebook users as current location, designation and interest when made public can easily be compiled and manipulated as an important source of information in terms of data leakage.

Phishing : Phishing is similar to fishing in a lake or river. A person patiently waits for a fish to take the bite which he is dangling in the water. The unsuspecting fish is hooked, reeled in and is cooked to be eaten. In case of online phishing an aggregator lures the vulnerable user on Facebook to reveal his personal information by promising fantastic prizes for participation in online events or just some extra rewards. The user thinks it's legitimate because it is on Facebook as the user is unaware of phishing attacks. The aggregator may then use the identity of his victim for criminal activities. These phishing attacks tend to make the aggregator bold and confident to try his hand on other users of Facebook.

Facebook routinely sends emails of information of new arrivals of messages or photos to log into the link. Facebook gives the users complicated URLs which is difficult to remember and hence the user cannot distinguish a genuine URL from a phishing URL. Phishing attacks are mainly on vulnerable sites like Facebook which are not authenticated by TLS [12].



Facebook has launched a Facebook connect system which allows external websites to provide a link for users to enter their Facebook details into a pop-up window, thus allowing an external website to access a user's personal data through Facebook. This enables cross-site phishing wherein a legitimate user is redirected to a look-alike forged Facebook account created by an attacker, which actually directs the user to a wrong pop-up window.

5. Research Methodology : Extensive research is conducted about ethical issues on social networking sites. Many issues of dangerous kind have come to the fore after the research work like violation of privacy, identity theft, data leakage and phishing, which might make the user vulnerable to criminal minded people who can take undue advantage of their innocence which can further lead them into serious problems. This paper attempts to bring awareness amongst users of Facebook about the ethical issues they may get encountered with, while working on it. An ethical framework based on Potter's box is used in this paper, which helps a user in ethical decision making by following and implementing the guidelines of the four quadrants. This paper presents an analytical and descriptive explanation of the above said content.

6. Ethical Framework : The Potter box is an ethical decision making framework utilizing four categories which Potter identifies as universal to all ethical issues. The first box forces the user or social groups on Facebook to define the circumstance of using Facebook for the good of all. The second box makes the user think of the values that one adheres to while using Facebook in a proper manner rather than criminalizing their action.

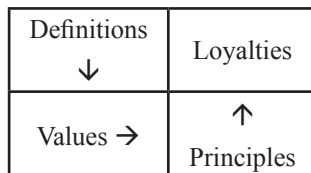


Fig: 1 Potter's Box

The values are a guiding light for such communities. To follow the path of goodness for all since we form social groups on Facebook for our own happiness. Therefore the third box of ethical principles should be followed strictly. Last but not the least the user should show loyalty of the fourth box to the social group that he has joined on Facebook which is for one's own benefit, as he does not want to be a loner.

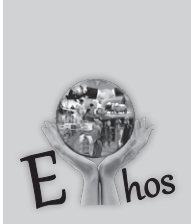
7. Discussion : This paper is to create awareness among the users of Facebook who might fall prey to the vulnerability of illegitimate users. The user may also be an aggregator and take undue advantage of friendships formed online. „Beware of the Stranger“ is the keyword for a user of Facebook. This paper is also an appeal to the goodness within folks to

enjoy being in social groups and sharing data on Facebook. Potter's Box describes that the decision making about ethical issues is affected by the four dimensions of four quadrants. It serves as an ethical framework, which helps all users to do good for all and stop unethical activities online. Being good and following ethical principles is a virtue.

8. Conclusion : Face-to-face interaction as we all know gives rise to a feel of the understanding, negotiations, balance of interpersonal honesty, openness, patience etc., Whereas, in a world away from face-to-face communication like in Facebook, it is hard to have a feel of the above emotions and even trust. In the wake of the above aspects, basic human fairness like honesty, trustworthiness are at stake because of some virtual people who meet just for the reason of not being needed, bored or for the sole reason of tormenting others. Such a scenario compels genuine users to forcibly shut-off communication. Without any doubt it is known that the social networking sites are playing an important role and have become not only a need but also an essential component of one's modern lifestyle. It is remarkably impressive and amazing with which the social networking sites are growing. Though Facebook is spreading widely connecting millions, it is now time to strongly consider that we have to strike a balance between advancement of technology and ethical values. To create awareness, an action plan has to be carefully designed which can implement latest technologies on social networking sites simultaneously practicing excellent ethical values.

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A Study on Ethos of Citizenship and Justice for Organisational Development

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Abstract : *The purpose of this paper aims to clarify the relationship between high performance human resource practices and corporate entrepreneurship, and tries to demonstrate the mediator role of citizenship behaviour and procedural justice in this relationship. In this study sample included 50 medium-scale manufacturing enterprises in Pune district of Maharashtra state. It is argued here that previous studies have emphasized the positive impact of human resource management practices. In contrast to prior research, this paper shows that high performance human resources practices is positively related to corporate entrepreneurship and this relationship is mediated by the organizational behaviour and procedure justice. One limitation of findings is that, training and reward are not positive related to corporate entrepreneurship, but with mediating role of organizational citizenship behaviour and procedure justice the relationship was significant.*

Key words : *High Performance Human Resource Practices, Corporate Entrepreneurship, Procedure Justice, Organizations Citizenship Behavior*

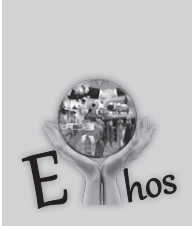
1. Introduction : In a rapidly changing world, organizations need to continually identify new opportunities beyond existing competencies if they are to survive (Nagesh et al., 1989; More, 1994). Entrepreneurship can be viewed in the context of a range of factor, as it is not an all-or-nothing phenomenon that some individuals, teams, organizations, or communities have and other do not (Survade & Ghosh, 1985).

Ganeshan (1995) argued that an environment that affords profits is not a sufficient condition for organizational survival, but it is more important to consider the social structure within which individuals and groups try to construct it. From the management perspective, entrepreneurship is an organizational process that encourages and practices innovation, risk taking, and proactiveness toward customers, competition, and opportunities (Mangesh & Farukh, 1982). The process enables the organization to create value by identifying market opportunities and creating unique combinations of resources to pursue those opportunities (Joshi, 1997). Yogesh (2000) found that HR practices do not directly influence organizational performance; rather, these practices help build intellectual capital, which in turn leads to increased organizational value creation. Human capital must be organized and led, trained and developed in ways that lead to the development of the right core competencies and organizational capabilities. An organizations capabilities and competencies are its mead of creating value. Organizations need to be designed to make human capital a source of competitive advantage (Lankesh, 2009). High-performance human resource practices consist

of a set of coherent practices that enhance OCB, employee skills, participation in decision making and motivation to forth discretionary effort (Aparna et al., 2000). High performance work system (HPWS) may also form an important organizational level influence on innovativeness. To enhance innovation, HRM practices need to ensure that creativity and new knowledge and skills can be created in the firms.

Firms also need to maintain an environment that supports the implementation of these new ideas in the workplace (Doshi & Harlekar, 2006). For example Shaha et al (2004) suggest that innovation will be promoted and sustained where HRM practices are in place to manage the creation, transfer and implementation of knowledge.

Practice of HRM in small firms characterized by informality. However, science of HRM, which views employees as a source of value and, combined with the systems used to manage them, as a source of competitive advantage, can help to explain the growth and sustainability of the firm (Mayureshwar & Bhagat, 2006). The strategic relevance of HRM practices is highlighted by the fact that they intervene on entrepreneurial capabilities that, in addition to their effect on performance, lead to the extension of organizational competences, as a consequence of the corporate entrepreneurship process (Zhenderao et al., 1999). HRM practices can influence different kinds of entrepreneurial activities that, in turn, lead to different aspects of corporate performance (Machindra, 2008). Hari (2005) report evidence that HRM practice can play in



promoting CE. High-performance human resource practices are positively related to CE, and that this relationship is mediated by the OCB of employees (Zagade et al., 2008). Given the knowledge intensity of the CE process (Krishnan, 1985); it is unsurprising to find that higher levels of human capital are positively associated with CE (Sehegal, 2007) and that entrepreneurial firms tend to make systematic investments in employee skills, particularly group skills and socialization (Joshi et al., 1995). Pranavraj (2007) states that procedural justice and citizenship behaviors partially mediate the effect of high-involvement HR practices on the turnover intentions of highly skilled professionals.

Zagade et al. (2008) found that high performance human resource practices are positively related to CE and that this relationship is mediated by the OCB of employees. At the same time, corporate entrepreneurship relies on the activities carried out by some key player within the organization (Sharma and Chauhan, 1999). Therefore, if the entrepreneurial effort is based on the behaviors of individuals, these should be affected by appropriate HRM practices.

2. Review of Literature :

2.1 : Definition of High : Performance Human Resource Practices : High performance work system (HPWS) has gained great interest in recent years as the source of competitive advantage in complex environment of today's world (e.g. Pardeshi, 1998). The aim of high performance human resource is to increase corporate performance by the help of its employees (Anand, 2001).

According to Bhimrao and Mangesh (2000) high performance human resource practices consist of three main parts: (1) people flow, including selective staffing, training (such as more extensive, general skills training), employee mobility (for example, broad career paths, promotion within the firm) and guarantee of job security; (2) appraisal and rewards, including performance appraisal (specifically long-term, results-orientated appraisal), compensation and other benefits, such as extensive, open-ended rewards; (3) employment relations, including job design (such as broad job descriptions, flexible job assignments) and encouragement of participation. Specific contents are shown in fig.1 as below.

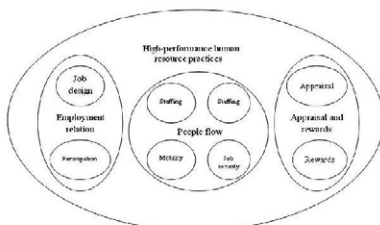


Fig. 1: Configuration of high- performance human resource practices (adapted from Bamberger and Meshoulam, 2000)

2.2 : Definition of Corporate Entrepreneurship :

Zhenderao (1991) observed that “corporate entrepreneurship may be formal or informal activities aimed as creating new business in established companies through product and process innovations and market developments. These activities may take place at the corporate, division (business), functional, or project levels, with the unifying objective of improving a company's competitive position and financial performance.”

According to definitions, CE has three dimensions: innovation, venturing and strategic renewal activities (Gujar & Ganeshan, 1990; Zhenderao & Chetan, 1995). Chetan and Mahajani (1999) have stated that CE is a Strategic orientation involving the regeneration of products, processes, services, strategies or even the entire organization.

2.3 : The Mediating Role of OCB and Procedural Justice:

Organizational justice describes the individuals (or groups) perception of the fairness of treatment received from an organization and their behavioral reaction to such perception (Jograj, 1993). Procedural justice generally functions as a process theory that involves work motivation which focuses on workers' perceptions: of fairness regarding the procedures used to make decisions about the distribution of outcomes (Farukh & Cheteshwar, 1998). Lanage & Roshan (2005) found that procedural justice climate contributes to individual satisfaction with supervisor (when procedural justice climate is supervisor-focused) and OCB (when procedural justice is organization-focused) above and beyond the individual procedural justice perceptions.

Procedural justice predicted to affect attitudes about organizations (e.g., organizational commitment) (Amarjeet et al., 2007; Doshi, Sachin, 2001) Findings from several studies suggest that HR practices are related to employee commitment, some scholars have found that these relationships are not necessary direct or unconditional (Pranavraj & Thuse, 2007). Mahabaleshwar and Singh (2000) found the links between some HR practices and both effective and normative commitments were fully or partially mediated by employees' perceptions of procedural justice and organizational support.

Procedural justice is also associated with voice; this is related to employees feeling that their point of view is being heard (Tiketsu & Walvekar, 1975). Employees who perceive that they have a voice may feel a sense of employee input, employees who perceive that they have a voice may feel a sense of empowerment and motivation, which could enhance creativity (Arun, 1996; Akshay et al., 1995; Varun & Arun, 2001). Creativity is the base of innovation which can enhance CE.

Saptarishi & Kashid (1996) found strong evidence for the usefulness of procedural justice theory as a framework for understanding the management of inter organizational

relations involving new ventures. Organizational citizenship behaviors of a discretionary nature that are not part of employees' formal role requirements, nevertheless these behaviors contribute to the effective functioning of an organization (Organ, 1988; Rashi and Konark, 2002; Robbins, 2001). Organizational systems that define the role of each employee are an important element of organizational design; they are in and by themselves not sufficient to guarantee the success of an organization.

Dependable role of behavior needs to be complemented by innovative and spontaneous behaviors (Kulkarni & Kuldeep, 1966). The (OCB) focuses on this particular type of employee contributions to the organization (Raut & Shah, 2008). Mehta et al. (1995) and Dongre et al. (1998) argue that a high level of OCBs reflects employees' true willingness to be involved in the organization.

3. Theoretical Framework and Hypothesis : In a previous research on high performance human resource and CE done by Zagade et al. (2008) OCB was considered as moderator. The present study is conducted to explore the relationship between high performance human resources and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behaviour. Figure 2 shows the conceptual structure of the study.

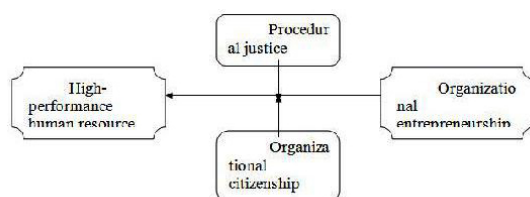


Fig. 2: Conceptual framework

In this study, High-performance human resources and organizational entrepreneurship are considered as the independent variable and dependent variable respectively. Procedural justice and organizational citizenship behaviour are two moderator variables.

Therefore, our hypothesis is follows:

- H1. *There is a significant relationship between high performance human resource practices and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H2. *There is a significant relationship between staffing and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H3. *There is a significant relationship between mobility and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*

- H4. *There is a significant relationship between job security and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H5. *There is a significant relationship between job design and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H6. *There is a significant relationship between appraisal and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H7. *There is a significant relationship between rewards and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*
- H8. *There is a significant relationship between participation and entrepreneurial organization with regard to the role of procedural justice and organizational citizenship behavior.*

4. Research Methodology :

4.1 : Sample : In this study, sample included 50 medium-scale manufacturing enterprises that have been selected from among 84 active medium-scale manufacturing enterprises in the Pune District of Maharashtra State.

4.2 : Measures : Apart from human resource managers rating of high-performance human resource practices (the independent variable), and CE (the dependent variable), other variables such as procedural justice and organizational citizenship behavior as mediator variable are controlled. We adopt the five-point Likert scale (very small, low, medium, high, and very high).

- a. **High-performance Human Resource Practices :** Following Bhimrao and Mangesh (2000), we developed a 26-item scale to measure integrated high-performance human resource practices that was originally produced by Pandit and Deshmukh (1992). Other researchers such as Dhiraj and Mukesh's (1996), Mrugesh and Lankesh's (2000), Zagade et al. (2008) also used it. The Cronbach's α of this scale was 0.93.
- b. **Corporate Entrepreneurship :** For measuring CE dimensions (Riskiness, proactiveness, competitive aggressiveness, innovativeness), we used Akhil and Bali (2008), 15 item adapted from Bharuch and Chandra (1993), Vayureshwar et al. (2002), Mangesh (1983), Chetana et al. (2002), Antonic and Hisrich (2001), Durga et al. (1997), and Naman and Jogi (1993). In this study for reliability of CE questionnaire we did factorial validity and then two items were eliminated and then we measured CE dimensions with 13 items.
- c. **Procedural Justice :** Procedural justice questionnaire consists of 5 questions developed by Thuse et al. (2001). The Cronbach's α of this scale was 0.76.
- d. **Organizational Citizenship Behavior :** OCBs also were measured using a five-item scale adopted from Karim et al. (1997), Meghana and Shukla (1991) and



Waqar and Inamdar (2007). The Cronbach's α of this scale was 0.90.

5. Results and Discussion : Table 1 presents the regression results. This table shows that except training and rewards there are positive relationship between dimensions of high performance human practices and CE.

Then with mediator role of procedure justice and OCB in the high performance human resource practices and CE, table 2 shows increase in relations intensity as well as relation between training and rewards.

Table 1: Correlations of high-performance human resource practices and CE

	High-performance human resource practices								
	Staffing	Training	Mobility	Job security	Job design	Appraisal	rewards	participation	
Sig.(2-tailed)	.000	.006	.136	.002	.031	.000	.010	.0271	.000
corporate entrepreneurship	0.42	0.28	0.15	0.31	0.22	0.40	0.26	0.11	0.37

Table 2: Correlations of high-performance human resource practices and CE due attention to procedural justice and organizational citizenship behavior.

	High-performance human resource practices								
	Staffing	Training	Mobility	Job security	Job design	Appraisal	rewards	participation	
Sig.(2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000
corporate entrepreneurship	0.51	0.46	0.46	0.48	0.22	0.47	0.50	0.46	0.46

Hence, the hypotheses H₁, H₂, H₃, H₄, H₅, H₆, H₇, and H₈ are supported.

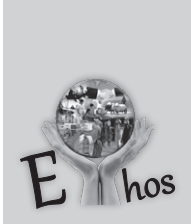
6. Discussion and Implication : The result of this empirical study demonstrates the relationship between multidimensional, theoretically grounded configuration of high performance human resource practices and CE. Measurement model shows breakdown of HR practices into eight dimensions and the reliability and validity of all eight scales. Prior research on HR practices, CE, OCB, procedural justice has contributed to a deeper understanding of these constructs. Similar to Zagade et al. (2008), we found that HR practices are significantly and positively related to CE and this relation was intensified with moderator variables such as OCB and procedural justice. Each of six dimensions of HR (job design, participation, staffing, mobility, job security, and appraisal) is significantly and positively related to CE and also relationship is intensified by OCB and procedural justice. Contrary to our expectations, our study did not show relationship between training, rewards and CE. Previous results indicated that appropriate use of rewards enhance entrepreneurial activity within organizations (Bharuch and Vishwa, 1998; Vindya and Kavita, 1997; Krishnan, 1989). But, with moderator role of OCB and procedural justice, relations between training, rewards and CE was significant. Our findings show that HR practices are only positively related to social exchanges between the organization and employees when a high level of OCB and procedural justice exists. Findings provide guidelines to help managers and entrepreneurs to better understand the importance of HR practices and procedural justice and its outcomes and OCB within the firms and its effects on their entrepreneurial activities, which are very important for survival of firms in

present dynamic environment. This in overall can make the economic position of the country better.

7. Limitation and Future Research : Result may be influenced by bias such as different methods of training, rewards and informality of HR practices in some MSEs. Pranavraj and Thuse (2007) find that HR practices play a determining role in the development of affective commitment among highly skilled professionals. Future research can test relationship between HR practices and CE with other moderators such as commitment and trust. It can also use larger sample sizes and other types of industries.

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“Indian Ethos in Management Practices: The Catalyst for Entrepreneurship”

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Abstract : *In the recent years the concept of Corporate Social Responsibility is spreading very rapidly in India in all the sectors. Corporate Social Responsibility is to contribute towards the society while working within ethics. In developing country like India, banking sector plays a very important role in upgrading the economy of the country not only by lending money or increasing the liquidity in the country but also by imposing a new practice called corporate social responsibility (CSR). Nowadays, many nationalized banks in India have created their individual brand image in the field of Corporate Social Responsibility by taking various social initiatives in the era of social welfare and community development. The catalytic contributions made by nationalized banks for economic growth in India have created their separate entities towards financial growth. The main objective of this study is to analyze the CSR activities carried out by selected nationalized banks of India.*

Key Words : *Corporate Social Responsibility, Nationalized Banks, Community Development*

1. Introduction : Recently the CSR has gained much attention in the corporate world. Regarding the banking sector Bhatt (2008) stated that banks do not exist in a vacuum. They make a large contribution to the country's GDP growth, meet the demand of the growing middle class, contribute to infrastructure spending and reach out to the semi-urban and rural areas. CSR has been assuming greater importance in corporate world, including the banking sector. There is a visible trend in financial sector of promoting environment friendly and socially responsible lending & investment practices. The United Nations environment programme (1972) advocates that the financial sector has a role in protecting environment while maintaining profitability of their business. The Reserve Bank of India (RBI) (2011) on stressing the need for CSR, suggested the banks to pay special attention towards integration of social and environmental concerns in their business operations to achieve sustainable development.

RBI also pointed out to start Non Financial reporting (NFR) by the banks which will cover the work done by the banks towards the social, economic and environmental betterment of society. The CSR in Indian Banking Sector is aimed towards addressing the financial inclusion, providing financial services to the unbanked or untapped areas of the country, the socio-economic development of the country by focusing on the activities like, poverty eradication, health and medical care, rural area development, self employment training and financial literacy trainings, infrastructure

development, education and environmental protection etc.

2. Meaning Of The Term Corporate Social Responsibility : Today Banking Sector growing larger and powerful than before. Various Non-government organizations put pressure on Banks to act responsibly towards their stakeholders. Thus pressure has given rise to the concept named Corporate Social Responsibility. The Corporate Social Responsibility is the commitment of the corporate for the equitable growth & sustainable development of the society. Under the new Companies Act, 2013, passed by Parliament in August 2013, profitable companies will have to spend at least 2 per cent of their average net profit over the preceding three years on CSR activities.

CSR defined as “The economic, legal, ethical and philanthropic expectations placed on organizations by society at a given point in time.” (Carrol and Buchholtz, 2000:35)

“CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.”

3. Need for CSR :

- **Enhanced corporate and brand image :** By applying the concept of CSR companies are capable of positioning themselves in the mind of consumer and



in developing their brand image because today consumer gives preference to the companies that think about consumer and society.

- **Easier to attract and retain employees :** Once a company become successful in positioning itself in market and develop its image as a good and established company then it become easy for it to attract and retain employees because today employee would like to serve the company that has good brand image.
- **Increased market share :** When a company have good brand image, talented and dedicated employees then it can easily capture the market and its market share will increased continuously.
- **Easier to attract investors :** Any investor who wants to invest in company can look mainly two aspect as one is company's image and another is its market share and the company who follows the concept of CSR will definitely have the both aspects. So it becomes easy to attract investors.

4. Research Methodology : To analyze the extent of Corporate Social Responsibility practices of selected Indian banks, the present study covers five nationalized banks of India (Union Bank of India, State Bank of India, Punjab National Bank, Bank of India, Bank of Baroda). The primary data is collected from Bank Managers of some of the banks & the secondary data is collected from the annual reports of the banks, bank website, journals, magazines, etc.

5. Limitations :

- The study does not consider each and every bank i.e. only selected banks are considered.
- The primary data is collected for some banks & not for all the banks.
- The data collected is only from the Bank managers of some banks & employees, beneficiaries are not interviewed.

6. Data Analysis :

Union Bank Of India: Union Bank of India has well developed Corporate Social Responsibility initiatives in place. The focus on the Rural sector is through Village Knowledge Centre and Farmers' Clubs etc. We also have schemes for the girl child, where we take care of education expenses. Initiatives are in place in other areas such as providing drinking water for schools, setting up bus shelters etc. All our CSR initiatives have shown good results and they are an ongoing part of our contribution to the building of this nation.

- The Bank provides infrastructure to the schools by providing them benches, chairs and other necessary materials. The students get school bags, uniforms and sandals for their well being.

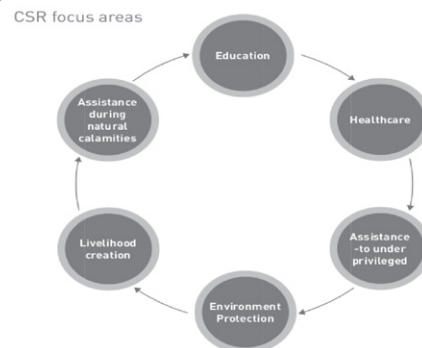
- The Bank has helped various Hospitals by providing Ambulances to transport patients in and out of the Hospital.
- It has introduced an insurance scheme 'Janashree Bima Yojana' with the co-operation of LIC to the women members of credit linked Self Help Groups. It has also introduced 'Aam Aadmi Bima Yojana' for the hawkers who have availed loans from us thorough the biometric card loan product.
- The Bank has also provided financial assistance to various social causes through institutions like Raksha, Cochin - a school for disabled children, Ramakrishna Mission- Nagpur, Madhyagram Municipality- Kolkata, Satchidananda Institute of Medical Sciences- Kerala, Bhagwan Mahaveer Viklang Sahayata Samiti- Jaipur, and Cochin Child Foundation.

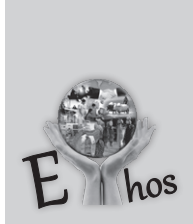
State Bank Of India : Corporate Social Responsibility has always been a part of the State Bank of India covering various social, environmental and welfare activities. Their pledge towards CSR is reflected in their CSR vision statement.

The comparative chart of CSR spends for the last three years is as under (in crores)

CSR Activities	2011-12	2012-13	2013-14
National Donations (To provide succor to victims of natural calamities)	5.50	2.00	6.00
Normal Donations & other direct activities	65.68	69	117
Total CSR spend For the first time in the last decade, the budget For CSR spend (normal donations and other direct activities) has been surpassed even though the allocation was much higher than the previous years.	71.18	71	123

By analyzing the table no.1 we can see that in the year 2009 the expenditure of bank in different CSR activities were 19.72 crores which is increased in the year 2012 up to 71.18 crores, which is the good symbol for the Indian Economy.





Sector wise Deployment : The breakup of sectoral deployment of SBI's CSR spends during the year has been as under:

CSR Activities	Amount (in crores)
National Donations	5.50
Supporting Education	38.33
Supporting Healthcare	15.03
Assistance to underprivileged	5.37
Research & Development	3.75
Supporting Culture	1.15
Environment Protection	0.67
Other projects	1.38
Total	71.18

(Source – SBI Annual Report)

CSR Awards of SBI :

- The year FY 2013-14 witnessed the highest number of awards for the Bank in CSR achievements.
- Conferred Asia's Best CSR Practice Award, 2013 by CMO Asia in Singapore.
- Won an award for 'Best CSR Practices' at Asian BFSI Awards 2013 in Dubai.

Punjab National Bank : Punjab National Bank views Corporate Social Responsibility (CSR) as a commitment to operate in an economically, socially & environmentally sustainable manner, while recognizing the interests of its stakeholders including investors, customers, employees, business partners, local communities, the environment and society at large and contribute to the quality of life of the society. At the heart of this strategy is Bank's unwavering commitment to build vibrant communities across our global footprints. This commitment comes to life through our investment in institutions and programmes to support and enhance Community Development in a sustainable fashion. "Giving Back to the Society" is the motive of PNB behind CSR activities.



CSR Activities of PNB :

- **PNB Janmitra Project :** This project aims at enabling the rickshaw pullers to own rickshaws for improving their earnings & raising their standard of living by uplifting them above the poverty line. Under this project, over 9400 accounts were opened during the year 2010-11 with a loan amount of Rs. 9.80 crore.
- **Education Initiatives :** The Bank endorses the philosophy that "No deserving student should be deprived of the education opportunity for lack of funds." Accordingly, a customer friendly education loan scheme has been designed for the benefit of the needy students. The Bank has even tied up with a number of educational institutes across the country for facilitating creation of an "Empowered India" Education Loans grew by 24% to Rs. 2820 Crore at the end of March 2011 from Rs. 2272 Crore last year.
- **Donations :** During the year, Bank donated a sum of Rs. 51.65 lakh to various NGOs, societies, charitable institutions, educational institutions and organisations working for the benefit of downtrodden and weaker section of the society, tribal people/orphans, underprivileged, spastics, handicaps, mentally challenged children, women in shelter homes, etc.

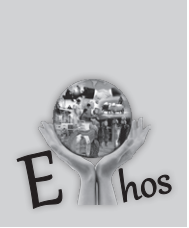
Particulars	Amount
Profit After Tax	4747.52 Crore
CSR Spending	324.43lakhs (0.07% of PAT)

Awards and Recognitions:

- "Golden Peacock Award for Corporate Social Responsibility" for the year 2011 by Institute of Directors (IOD).
- "CSR Excellence Award 2010" by ASSOCHAM.
- Social and Corporate Governance Award - Best Corporate Social Responsibility Practices by World CSR Day and Bombay Stock Exchange.
- PNB has won the "Most Socially Responsive Bank Award" consecutively for the two years i.e. 2011 and 2012 awarded by Business World- PwC.

Bank of India :

- BoI has launched Star Swarojgar Prashikshan Sansthan (SSPS)-RSETI Rural Self Employment Training Institute.
- Solar street lighting programme and setting up a network of hand pump sets through an NGO doing such activities, providing 60 Solar street Lamps and 53 Hand pump sets at select points in the notified backward area.
- Establishment of rain water harvesting mechanism, equipment for agriculture, better provision of drinking water / development of the drought prone area of Sivaganga district through Kalanjams or Self Help Group.
- Provided Health care for the poor, underprivileged rural people in tribal, desert and far flung areas.



- 25 wheel chairs were donated at a cost of 1.25 lakhs
- Construction of classrooms for the economically and socially challenged students of the society.
- Sanction and Creation of Subsidy for purchase and distribution of 11000 Bio-gas (smokeless) stoves in rural areas @ 950/- per stove, total of Rs. 104.50 lakhs.

Particulars	Amount (Crore)
Profit After Tax	272
CSR Spending	7.83 (0.29% of PAT)

Bank of Baroda : The Bank has a well-knit principle on CSR and a long vision to empower the community through socio-economic development of underprivileged and weaker sections of society. No separate report on CSR except a brief statement on CG report. Again, no fixed budget allocated for CSR spending. Establishment of large number of rural consultancy centre is the unique feature of the bank CSR policy. Another significant contribution of the Bank is the adoption of village for their all round development. The Bank has also set up Rural Development and Self Employment Training Institute (RUDSETI) as per the direction of the Ministry of Rural Development.

- Rural development
- Women's empowerment
- Vocational training
- Community Welfare
- Physically Challenged
- Poverty Eradication

7. Conclusion : The conclusion of this study is that though the Indian banks are making efforts in the CSR areas but still there is a requirement of more emphasis on CSR. This study might be valuable for commercial banks to understand their own position among the overall banking sector and also it is important for policymakers to judge the banking performance from the angle of corporate social responsibility. The Banks under study have recognized their responsibility towards the society and are making their contribution in the field of employment generation, education, health care, farmer training, women welfare and women empowerment. We suggest that banks should disclose the amount spent on CSR activities in their annual reports. Along with financial reporting, non financial reporting should become mandatory for the banks for social, economic and environmental betterment of the society.

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Green Marketing : A Need of the Hour!

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Abstract : Green marketing concept implies eco-friendly approach of business world. Disasters like global warming, air-water-sound and soil pollution not only affecting public health but also balance of nature. Due to climatic changes and population growth agricultural produce is at scanty. The prime need of the society is green marketing adoption. It will not solve all the concerned issues at once, but it will prove mile stone in that direction. Present study focuses on concepts , emergence, strategic insights and problems in green marketing. It highlights various aspects of green marketing mix.

Keywords : Green marketing, environmental pollution, resources, energy, products and services

1. Introduction : Forty years have passed since the club and Rome sounded an alarm about population growth and environment pollution in its report “The Limits to Growth”. Twenty years have passed since the first Earth Summit focused on the environment and sustainable development was held in Rio-de-Janeiro, Kyoto Talks in 1997 which resulted in Kyoto Protocol sets binding obligations on industrialized countries to reduce emission of greenhouse gases but the key to overcome environmental and ecological problem in Green Marketing. Moreover the environment is one of the levels of prosperity for modern society and the planet and will be one of the priorities of the twenty first century.

Green Marketing is the marketing of products that are presumed to be environmentally preferable to others. In fact green marketing incorporates a broad range of activities, including product modifications changes to product process, sustainable packaging as well as modifying advertising. This approach seeks to address the lack of fit between marketing as it is currently practiced and the environmental, ecological & social realities of the wider marketing environment.

2. Objectives : This paper aims to focus on various aspects of green marketing, emergence of its practices by addressing the following research aims-

- i) To elaborate the concept of green marketing, its evolution and importance etc.
- ii) To provide conceptual model of green marketing mix and to analyze it with traditional marketing mix.
- iii) To put forward the challenges facing while implementing green marketing.

3. Methodology Adopted : The present paper is essentially a library work based on published secondary data. Data

collected from books, journals, reports, magazines, news papers and various websites. The secondary data obtained from above sources have been reframed, tabulated, logically arranged, and analyzed. On the basis of analysis and interpretation researchers has been arrived at conclusion.

4. Conceptual Framework : Green Marketing came into existence in the late 1980's and early 1990's. The American Marketing Association (AMA) organised the first workshop on “Ecological Marketing” in 1975. The Proceedings of this workshop resulted in one of the first book on Green Marketing entitled “Ecological Marketing”. The green marketing book first by Ken Peattie (1992), in the United Kingdom and other by Jacquadyn A. Ottaman (1993) in the United States of America added their contribution. The concept of green marketing evolved steadily over the period of time.

Polonsky (2011) defined Green Marketing as “The efforts by a company to design, promote, price and distribute products in a manner which promotes environmental protection.”

American Marketing Association (1975) defined Green Marketing as “The study of the positive & negative aspects of marketing activities on pollution, energy depletion and non-energy depletion.”

Aseem Prakash (2002) has tried to co-relate the phenomenon of Green Marketing with public policy and managerial strategy to get some of desired results of Ecological Viability at the cost effective rates of eco friendly products.

Narayan Lakshmi Vermuri (2008) has discussed multi faceted views on Green Marketing, it's new hopes and challenges in the current scenario. The authors have tried to establish the ‘cause – effect relationships’ of Green Marketing at global level.



After aggregating all above definitions we can say that Green Marketing is “Satisfying the requirements of customers and other stakeholders more sustainably, through integrated efforts to improve the environmental and social responsibility of the organization, its products, services and communications.”

Thus Green Marketing refers to holistic marketing concept wherein the production, marketing consumption that is detrimental to the environment with growing awareness about the implication of global warming, non-biodegradable solid waste harmful pollutants etc.

Green Marketing implies two aspects, one is a type of marketing & another is a marketing philosophy. As being type of marketing it views marketing of goods & services and is related with green Products. As being Philosophy, green marketing runs parallel to the societal Marketing concept & espouses the view that satisfying customers is not enough and markets should take into account ecological interests of the society as a whole. It is a part of corporate social Responsibility.

5. Necessity Of Green Marketing : The global financial crisis, heightened concerns about climate change and other developments have put us at a crossroads. Instead of striving to maximize profits and growth at the cost of environment harm, we have to follow the healthy way for social and environmental wellbeing

Table No. 1 : Key Considerations Looking to 2020

	1987/1990	2007/2011	2020
Ecological Foot print*	1.2 Earths (1990)	1.5 Earths (2007)	1.8 Earths (2020)
Co2 Emissions	20 billion tones (1990)	30 billion tones (2010)	38 billion tones (2020)
Population	5 billion (1987)	7 billion (2011)	7.7 billion (2020)

(source: WWF's Living Planet Report 2012)

***Ecological Foot prints :** An index showing how much impact our daily lives have on the environment. Here the ecological Foot Prints Represents number of planets, assuming people worldwide maintains living standards on par with advanced nation.

With such a fearful picture will the human race be able to balance securing food & energy with reducing greenhouse gas emission? The answer is ‘Yes’ .i.e. Green Management. Today People are very much aware about climate change and environmental issues so instead of loosing loyal and profitable customer & to Project good image as a corporate citizen we need green marketing. Due to growing community & consumer interests green & socially responsible products, increased community pressure on companies to internalize externalities, such as health issues, neighborhood amenity, climate change, environmental and governmental legalizations and initiatives, innovative technologies and approaches of dealing with populations, improved new

resource and energy efficiency and to fulfill customers expectations it is very much urgent to implement friendly customers which ultimately leads to profit & growth.

In India around 25% of the consumer proffers environmental friendly products, and around 28 % may be considered health conscious.

Therefore, green marketers have diverse & fairly sizeable segments to cater to.

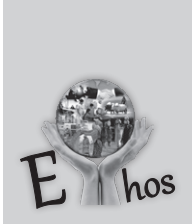
6. Why companies go for green marketing : There are basically five reasons for which a company should go for the adoption of green marketing

- a. **Corporate social responsibility :** Many organizations have started to realize that they have a moral obligation to be more socially responsible. This resulted in environmental issues being integrated into the firm's corporate culture
- b. **Government pressure :** various regulations recently framed by the government to protect consumers and the society at large let to the adoption of green marketing as a compulsion rather than a control board & ban on plastic bags etc.
- c. **Opportunities or competitive advantage :** All types of consumers both individual and industrial are the nature environment and have modified their purchasing behavior accordingly so companies have a competitive advantage over firms not adopting green concept
- d. **Competitive Pressure :** many companies take up green marketing to maintain their competitive edge. In many case firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.
- e. **Cost of profit issues :** cost factors associated with waste disposal or reduction in material usage forces firms to modify their behavior. Which attempting to minimize waste firms are often forced to – examine their production processes.

In these cases they often develop more effective production processes that not only reduce waste but reduce the need for some raw materials. In other cases firms try to find markets or uses for their waste material, where one firms waste becomes another firms input of production.

7. Significance of Green Marketing : The limited availability of resources and growing population and off course growing demands push ourselves to develop new alternatives. The OECD Report submitted to G20 Summits states that

- Global increase in greenhouse gas emission by year 2050.



- Global water demand is projected to increase by 55% by 2050
- Global terrestrial biodiversity is projected to decline by further 10% by 2050
- Global average temperature rise will be between 1.8 to 4.0 degree celcius during 21st century.

Despite that air and water pollution causes low birth weight, premature birth and infant death.

So, it is important for the marketers to utilize the resources efficiently without waste. having due concern for environment. As a result of this Green Marketing has emerged which speaks for growing market for sustainable and socially responsible products and services.

Some of the advantages of Green Marketing to the companies are

- It ensures sustained long term growth along with profitability.
- It saves money in the long run, though initially the cost is more.
- It helps companies to market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for an environmentally responsible company.

8. The Greening of Marketing Mix : As like conventional marketing mix, Green Marketing also contains 4 P's;

Green Products : The products have to be developed depending on the needs of the customers who prefer environment friendly products. Some general guidelines include that a green product-

- It does not present a health hazard to people or animals.
- It is relatively efficient in its use of resources during manufacture, use and disposal.
- It does not incorporate materials derived from endangered species or threatened environment.
- It does not contribute to excessive waste in its use or packaging.
- It does not rely on unnecessary use of or cruelty to animals.
- It should incorporate recycled materials and the products own recyclability.
- It should be environment friendly at various stages of its life cycle.

Green Pricing : Green pricing decisions are based on the premise that goods and services associated with greater environmental damage should cost more.

Price is critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal or taste. Greener pricing decisions are based on the premise that goods and services, associated with greater environmental damage, emission charges, carbon taxes, degradation or depletion should cost more. Green Marketing should take all these facts into consideration charging a premium price. Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity.

Green Promotion : No area of Green Marketing has received as much attention as promotion. Green Promotion involves advertising, marketing, materials, signage, white papers, web sites, on site promotions, videos and presentations by keeping people, planet and profits in mind. Green Marketers will be able to reinforce environmental credibility by using sustainable marketing and communicational claims or establish unrealistic expiations, people trust. In 1980 the Federal Trade Commission (FTC) issued guidelines in this regard. Publicize stories of the company's and employees green initiatives enter environmental awards programs to profile. Environmental certification or labeling programs attempt to increase consumer awareness and knowledge of environmental issues. Marketers use eco-labels to convey information about a product's environmental benefits and to differentiate among competing products. eg. Triangular arrangement of arrows as a recyclable product.

Green Place : The decisions regarding where and when to make product available have much importance. Logistics and Transportation costs are coming under greater scrutiny due to rising fuel prices, congested highways and global warming concerns. Instead of marketing imported goods, it can be licensed for local manufacturer. This avoids shipping of the product from far away. Also avoids carbon emission. Package redesign for lighter weight and/or greater recyclability educes waste while simultaneously reduces costs. Green Marketing strategies are also reducing inventory and production costs. While introducing new green products, due care must be taken to position it in the market place so that it just not appeals a small green niche market.

While considering above discussion we can compare traditional marketing mix with green marketing mix as follows-

**Table No. 1 :** Comparison of Traditional Marketing Mix and Green Marketing Mix

No.	Marketing Mix Component	Traditional Marketing Concept	Green Marketing Concept
1	Product	<ul style="list-style-type: none"> * Natural Resources as a basic raw material for production * No Proper channel for waste disposal * No concern about natural non renewable energy sources. * No importance for recycle, reprocess or reuse 	<ul style="list-style-type: none"> * Concern for recycle reprocess & reuse * Environment friendly products * Concern to minimize waste * Biodegradable ingredients for production & packaging. * Priority to renewable energy resources & effective use of non renewable energy sources.
2	Price	<ul style="list-style-type: none"> * Price determined on the basis of manufacturing cost, tax & profit basis * No provision about environmental damage, carbon taxes & degradation cost etc. 	<ul style="list-style-type: none"> * Price based on purchase power parity mode. * Environmental damage & other costs are considered. * Concern for employees, people and planet.
3	Promotion	<ul style="list-style-type: none"> * Promotion means like advertising, personal selling, sales promotion and publicity. * Provisions for promotional expenses are made well in advance. 	<ul style="list-style-type: none"> * Reinforcement for environmental credibility * Realistic environmental claims, promises & communications. * Commitment and responsibility towards society and environment.
4	Place	<ul style="list-style-type: none"> * No concern about factory or production location * Focus on plant expansion & new production unit. 	<ul style="list-style-type: none"> * Plant location near to market place. * Priority to local manufacturing instead of importing and shipping from apart. * Managing logistic to cut down or transportation emissions.

9. Developing Green Marketing Strategy : Green Marketing strategy is nothing but designing a proper Green Marketing Mix consistent with the expectations & desires of concerned people. But here we can mention some of the guidelines for successive green marketing strategy.

- i. **Knowing the Customer :** Make sure that the consumer is aware and concerned about information that your product attempts to address . It will be key to success, departing proper information about your product or service.
- ii. **Educate the Customer :** Educate the people need to protect the environment, how environmental damage affects you, so that it will clear the “So what?” or “Does it matter to me?” attitude!
- iii. **Assurance for the Customers :** Assure the customers about your environmental claim and maintain transparency about how your business policies are in consistent with eco-friendly business. These will ensure the credibility over your green marketing campaign.
- iv. **Offer Genuine Product :** Maintain customers trust about the product being offered, its fitness to the purpose it is purchases and its genuiness as being eco-friendly.
- v. **Pricing for the Customer :** Make sure that price of product or service is affordable and worthwhile for customer. The price level probably goes high due to

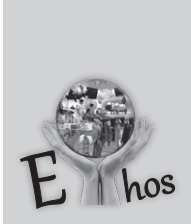
economics of scale and use of high quality resources.

- vi. **Give the Customers an Opportunity to Participate :** It means personalizing the benefits of your environment friendly actions, normally through letting the customer to take part in positive environmental action at same time keep in view the changed expectations of the customers.

- vii. **Green Lifestyle :** Build your brand around a lifestyle. Green consumption is a lifestyle decision and ethical consumers use their purchasing power in creating their identities.

10. Challenges in Green Marketing : Though consumer awareness regarding green marketing is increasing and people prefer green products, there are number of challenges in these areas.

- a. **Cost factor :** Green products require renewable, recyclable and disposable raw material, green technology, green energy which requires additional costs. Also continuous R & D efforts are necessary for greening the process and product. These leads to increased price of green products.
- b. **Need for standardization of the product :** It is found that few messages from green campaigns are entirely true. There is lack of standardization to authenticate these claims. So there is need of regulatory body for certification and social audit purpose.



- c. **Patience Perseverance** : The green marketing projects have a long gestation period. So patience efforts are needed to get the desired result. Hence the business needs to plan for long term rather than short term strategy and prepare for the same while in due course it should avoid unethical practices.
- d. **Non co-operation** : The green marketing firms have to convince the stakeholders about the long term benefits of green marketing as compared to short term investment. They are not simply to accept the circumstances arise thereof.
- e. **Green myopia** : It will be a wrong practice, if a product is produced which is absolutely green in various aspects but does not hold good upon the satisfactory criteria of the customer i.e. overemphasizing the environmental quality leads to ‘Green Myopia’. If green product not economical viable as a result, it will reduce the market acceptability. This must be avoided by providing much attention at customer expectations.
- f. **Greenwashing** : Business world is increasingly recognizing the benefits of green marketing, although there is a thin gap between doing so for its own benefit only and for social responsibility reasons. The term ‘Greenwashing’ refers to all industries that adopt outwardly green acts with an underlying purpose to increase profits. Such practices should be restricted so that green marketing can get its real meaning.

11. Indian Scenario : Now a day’s numbers of business organizations in India are following green marketing philosophy. These companies are integrating their environmental and financial objectives for goodwill and future need. In India around 25% of the consumer prefers environmental friendly product and around 28% may be considered health conscious. Green products are profitable, green policies can reduce costs the only need is acceptance and establishment of green culture. Some of the Indian companies which are mostly succeeded in green marketing initiatives are- AMUL India, Dabur India Ltd., ITC Ltd., Godrej Consumer Products, Wipro Technologies, Infosys Technologies Ltd., Hotel Orchid Mumbai, IndusInd Bank, Maruti Udyog Ltd., Oil & Natural Gas Company, Badarpur Thermal Power Station (NTPC) Delhi etc. The number will definitely grow up in near future to flourish economy and environment of India.

12. Conclusion : Resources are limited in nature and human wants are unlimited. The only answer is green marketing and the promotion of responsible consumption. Green marketing is based on the premise that businesses have a responsibility to satisfy human needs and wants while preserving the integrity of the natural environment. Green marketing is not an easy task. It incorporates a broad range of activities that includes- search for energy efficient production, recyclable

and biodegradable ingredients & packaging materials, better pollution control and eco-friendly products. There is growing interest among the consumers for green products, they are ready to pay more to make environment greener and the ultimate objective of green marketing is to care for people, profit and planet all together.

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Mutual Fund : Structure, Mechanism, and Functions

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Abstract : *A mutual fund is a type of professionally managed collective investment vehicle that pools money from many investors to purchase securities. A mutual fund is a professionally managed type of collective investment scheme that pools money from many investors and invests it in stocks, bonds, short-term money market instruments and other securities. The income earned through these investments, and the capital appreciation realized, are shared by its unit holders in proportion to the number of units owned by them. Mutual Funds in India follow a 3-tier structure namely Sponsor, Trustees, Asset Management Company. We explore the issue of Portfolio very carefully and analyzing different types mutual funds.*

KeyWords : *Mutual Funds, Portfolio, Sponsor, Trustees*

1. Introduction : A mutual fund is nothing more than a collection of stocks and/or bonds. You can think of a mutual fund as a company that brings together a group of people and invests their money in stocks, bonds, and other securities. Each investor owns shares, which represent a portion of the holdings of the fund. You can make money from a mutual fund in three ways: 1. Income is earned from dividends on stocks and interest on bonds. A fund pays out nearly all of the income it receives over the year to fund owners in the form of a distribution. 2. If the fund sells securities that have increased in price, the fund has a capital gain. Most funds also pass on these gains to investors in a distribution. 3. If fund holdings increase in price but are not sold by the fund manager, the fund's shares increase in price. You can then sell your mutual fund shares for a profit. Mutual funds have a fund manager who invests the money on behalf of the investors by buying / selling stocks, bonds etc. Currently, the worldwide value of all mutual funds totals more than \$US 26 trillion. There are various investment avenues available to an investor such as real estate, bank deposits, post office deposits, shares, debentures, bonds etc. A mutual fund is one more type of Investment Avenue available to investors. There are many reasons why investors prefer mutual funds. Buying shares directly from the market is one way of investing. But this re

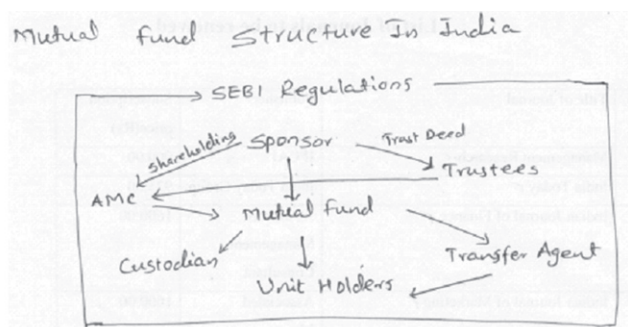
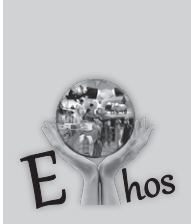
quires spending time to find out the performance of the company whose share is being purchased, understanding the future business prospects of the company, finding out the track record of the promoters and the dividend, bonus issue history of the company etc. An informed investor needs to do research before investing. However, many investors find it cumbersome and time consuming to pore over so much of information, get access to so much of details before investing in the shares. Investors therefore prefer the mutual fund route. They invest in a mutual fund scheme which in turn takes the responsibility of investing in stocks and shares

after due analysis and research. The investor need not bother with researching hundreds of stocks. It leaves it to the mutual fund and its professional fund management team. Another reason why investors prefer mutual funds is because mutual funds offer diversification. An investor's money is invested by the mutual fund in a variety of shares, bonds and other securities thus diversifying the investor's portfolio across different companies and sectors. This diversification helps in reducing the overall risk of the portfolio. It is also less expensive to invest in a mutual fund since the minimum investment amount in mutual fund units is fairly low (Rs. 500 or so). With Rs. 500 an investor may be able to buy only a few stocks and not get the desired diversification. These are some of the reasons why mutual funds have gained in popularity over the years.

All these developments will lead to far more participation by the retail investor and ample of job opportunities for young Indians in the mutual fund industry. This module is designed to meet the requirements of both the investor as well as the industry professionals, mainly those proposing to enter the mutual fund industry and therefore require a foundation in the subject. Investors need to understand the nuances of mutual funds, the workings of various schemes before they invest, since their money is being invested in risky assets like stocks/ bonds (bonds also carry risk). The language of the module is kept simple and the explanation is peppered with "concept clarifiers" and examples.

2. Mutual Funds : Structure In India : Mutual Funds in India follow a 3-tier structure. There is a SPONSOR (the First tier), who thinks of starting a mutual fund. The Sponsor approaches the Securities & Exchange Board of India (SEBI), which is the market regulator and also the regulator for mutual funds.

Not everyone can start a mutual fund. SEBI checks whether the person is of integrity, whether he has enough experience



in the financial sector, his net worth etc. Once SEBI is convinced, the sponsor creates a PUBLIC TRUST (the Second tier) as per the Indian Trusts Act, 1882. Trusts have no legal identity in India and cannot enter into contracts, hence the Trustees are the people authorized to act on behalf of the Trust. Contracts are entered into in the name of the Trustees. Once the Trust is created, it is registered with SEBI after which this trust is known as the mutual fund. It is important to understand the difference between the Sponsor and the Trust. They are two separate entities. Sponsor is not the Trust; i.e. Sponsor is not the Mutual Fund. It is the Trust which is the Mutual Fund.

The Trustees role is not to manage the money. Their job is only to see, whether the money is being managed as per stated objectives. Trustees may be seen as the internal regulators of a mutual fund. This is the role of the ASSET MANAGEMENT COMPANY (the Third tier). Trustees appoint the Asset Management Company (AMC), to manage investor's money. The AMC in return charges a fee for the services provided and this fee is borne by the investors as it is deducted from the money collected from them.

The AMC's Board of Directors must have at least 50% of Directors who are independent directors. The AMC has to be approved by SEBI. The AMC functions under the supervision of its Board of Directors, and also under the direction of the Trustees and SEBI. It is the AMC, which in the name of the Trust, floats new schemes and manage these schemes by buying and selling securities. In order to do this the AMC needs to follow all rules and regulations prescribed by SEBI and as per the Investment Management Agreement it signs with the Trustees.

a. Sponsor :

- I. The Fund Sponsor :** SEBI regulations define Sponsor as any person who either itself or in association with another body corporate establishes a mutual fund. Sponsor sets up a mutual fund to earn money by doing fund management through its subsidiary company which acts as Investment manager of the fund. Largely, a sponsor can be compared with a promoter of a company. Sponsors activities include setting up a Public Trust under Indian Trust Act, 1882 (the mutual

fund), appointing trustees to manage the trust with the approval of SEBI, creating an Asset Management Company under Companies Act, 1956 (the Investment Manager) and getting the trust registered with SEBI.

- ii. Eligibility of Sponsor :** Mutual funds involve managing retail investor's money and hence, it becomes important to ensure that it is run by entities with capabilities and professional merits. SEBI (Mutual fund) Regulations, 1996 specifies the following eligibility criteria in this regard: (i) Sponsor is required to have financial services business experience of at least 5 years and a positive Net worth in all the preceding five years. (ii) Sponsors' Net worth in the immediately preceding year is required to be more than the capital contribution to AMC. (iii) Sponsor is required to be profit making in at least three out of the last five years including the last year. (iv) Sponsor must contribute at least 40% of the Net worth of the Asset Management Company. Any entity, which contributes at least 40% to the Net worth of an AMC, is deemed sponsor and therefore is required to fulfil all the requirements given in 1 to 4.

b. Trustees : The trust is created through a document called the trust deed which is executed by the fund sponsor in favor of the trustees. Trustees manage the trust and are responsible to the investors in the mutual funds. They are the primary guardians of the unit-holders funds and assets. Trustees can be formed in either of the following two ways -Board of Trustees, or a Trustee Company. The provisions of Indian Trust Act, 1882, govern board of trustees or the Trustee Company. A trustee company is also subject to provisions of Companies Act, 1956.

- i. Obligations of Trustees :** Trustees ensure that the activities of the mutual fund are in accordance with SEBI (mutual fund) regulations, 1996. They check that the AMC has proper systems and procedures in place. Trustees also make sure that all the other fund constituents are appointed and that proper due diligence is exercised by the AMC in the appointment of constituents and business associates. All schemes floated by the AMC have to be approved by the trustees. Trustees review and ensure that the net worth of the AMC is as per the regulatory norms. They furnish to SEBI, on a half-yearly basis, a report on the activities of AMC.
- ii. Regulation Regarding Appointment Of Trustees :** Sponsor with prior approval of SEBI appoints trustees. There should be at least four members in the board of trustees with at least 2/3rd independent. A trustee of one mutual fund cannot be trustee of another mutual fund, unless he is an independent trustee in both cases and has the approval of both the boards. The trustees are appointed by executing and registering a trust deed



under the provisions of Indian registration Act. This trust deed is also registered with SEBI.

iii. Responsibilities Of Trustees : The Trustees are required to fulfill several duties and obligations in accordance with SEBI (Mutual Funds) Regulations, 1996 and the Trust Deed constituting the Mutual Fund.

These include :

- a. The Trustee and the Asset Management Company enter into an Investment Management Agreement (IMA) with the approval from SEBI.
- b. The Investment Management Agreement shall contain such clauses as are mentioned in the Fourth Schedule of the SEBI (MFs) Regulations, 1996 and other such clauses as are necessary for making investments.
- c. The Trustees shall have a right to obtain from the Asset Management Company such information as is considered necessary by the Trustees.
- d. The Trustee shall ensure before the launch of any scheme that the Asset Management Company possesses/has done the following:

(a) Systems in place for its back office, dealing room and accounting; (b) Appointed all key personnel including fund manager(s) for the Scheme(s) and submitted their bio-data which shall contain the educational qualifications, past experience in the securities market to SEBI, within 15 days of their appointment; (c) Appointed Auditors to audit its accounts; (d) Appointed a compliance Officer to comply with regulatory requirement and to redress investor grievances; (e) Appointed Registrars and laid down parameters for their supervision; (f) Prepared a compliance manual and designed internal control mechanisms including internal audit systems; and (g) Specified norms for empanelment of brokers and marketing agents.

c. Asset Management Company : The Asset Management Company (AMC) is the investment Manager of the Trust. The sponsor, or the trustees is so authorized by the trust deed, appoints the AMC as the “Investment Manager” of the trust (Mutual Fund) via an agreement called as „Investment Management Agreement“. An asset management company is a company registered under the Companies Act, 1956. Sponsor creates the asset management company and this is the entity, which manages the funds of the mutual fund (trust). The mutual fund pays a small fee to the AMC for management of its fund.

The AMC acts under the supervision of Trustees and is subject to the regulations of SEBI too.

i. Role Of Amc : The AMC is an operational arm of the mutual fund. AMC is responsible for all carrying out all functions related to management of the assets of the

trust. The AMC structures various schemes, launches the scheme and mobilizes initial amount, manages the funds and give services to the investors. In fact, AMC is the first major constituent appointed. Later on AMC solicits the services of other constituents like Registrar, Bankers, Brokers, Auditors, Lawyers etc. and works in close co-ordination with them.

ii. Restrictions On Business Activities Of The Asset Management company : In India, regulator has ensured that an AMC focuses just on its core business and that the activities of AMC's are not in conflict of each other. These are ensured through the following restrictions on the business activities of an AMC.

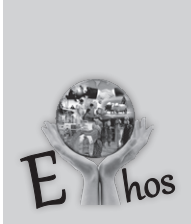
- a. An AMC shall not undertake any business activity except in the nature of portfolio management services, management and advisory services to offshore funds etc., provided these activities are not in conflict with the activities of the mutual fund.
- b. An AMC cannot invest in any of its own schemes unless full disclosure of its intention to invest has been made in the offer document.
- c. An AMC shall not act as a trustee of any mutual fund.

iii. Custodian : Though the securities are bought and held in the name of trustees, they are not kept with them. The responsibility of safe keeping the securities is on the custodian. Custodians keep the investment account of the mutual fund.

iv. Responsibility Of Custodian : Following are the responsibilities of a custodian:

- (i) Provide post-trading and custodial services to the Mutual Fund;
- (ii) Keep securities and other instruments belonging to the Scheme in safe custody;
- (iii) Ensure smooth inflow/outflow of securities and such other instruments as and when necessary, in the best interests of the unit holders;
- (iv) Ensure that the benefits due to the holdings of the Mutual Fund are recovered; and
- (v) Be responsible for loss of or damage to the securities due to negligence on its part or on the part of its approved agents. The Custodian normally charge portfolio fee, transaction fee and out-of-pocket expenses in accordance with the terms of the Custody Agreement and as per any modification made thereof from time to time.

The Investor's Rights And Obligations : Investors are mutual, beneficial and proportional owners of the scheme's assets. The investments are held by the trust in fiduciary capacity (The fiduciary duty is a legal relationship of confidence or trust between two or more parties). In case of dividend declaration, investors have a right to receive the dividend within 30 days of declaration. On redemption request by investors, the AMC must dispatch the redemption proceeds within 10 working days of the request. In case the AMC fails to do so, it has to pay an interest @ 15%. This rate may change from time to time subject to regulations.



In case the investor fails to claim the redemption proceeds immediately, then the applicable NAV depends upon when the investor claims the redemption proceeds.

Investors can obtain relevant information from the trustees and inspect documents like trust deed, investment management agreement, annual reports, offer documents, etc. They must receive audited annual reports within 6 months from the financial year end. Investors can wind up a scheme or even terminate the AMC if unit holders representing 75% of scheme's assets pass a resolution to that respect. Investors have a right to be informed about changes in the fundamental attributes of a scheme. Fundamental attributes include type of scheme, investment objectives and policies and terms of issue. Lastly, investors can approach the investor relations officer for grievance redressed. In case the investor does not get appropriate solution, he can approach the investor grievance cell of SEBI. The investor can also sue the trustees.

Portfolio Turnover : Fund managers keep churning their portfolio depending upon their outlook for the market, sector or company. This churning can be done very frequently or may be done after sufficient time gaps. There is no rule which governs this and it is the mandate of the scheme and the fund managers' outlook and style that determine the churning. However, what is important to understand is that a very high churning frequency will lead to higher trading and transaction costs, which may eat into investor returns. Portfolio Turnover is defined as „Lesser of Assets bought or sold/ Net Assets“. If the fund manager churns the entire portfolio twice in a single year then we would say that the Portfolio Turnover rate is 200% or that the portfolio is churned once every 6 months. Liquid funds have very high portfolio turnover due to less maturity of the paper. Once the paper matures, the fund manager has to buy another security, thus churning the portfolio.

5. Types Of Funds : Each fund has a predetermined investment objective that tailors the fund's assets, regions of investments and investment strategies. At the fundamental level, there are three varieties of mutual funds: Equity funds (stocks) Fixed-income funds (bonds) Money market funds. All mutual funds are variations of these three asset classes. For example, while equity funds that invest in fast-growing companies are known as growth funds, equity funds that invest only in companies of the same sector or region are known as specialty funds.

a. Equity Funds : Funds that invest in stocks represent the largest category of mutual funds. Generally, the investment objective of this class of funds is long-term capital growth with some income. There are, however, many different types of equity funds because there are many different types of equities. A great way to understand the universe of equity funds is to use a

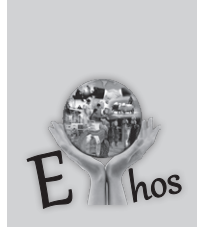
style box, an example of which is below. The idea is to classify funds based on both the size of the companies invested in and the investment style of the manager. The term value refers to a style of investing that looks for high quality companies that are out of favor with the market. These companies are characterized by low P/E and price-to-book ratios and high dividend yields. The opposite of value is growth, which refers to companies that have had (and are expected to continue to have) strong growth in earnings, sales and cash flow. A compromise between value and growth is blend, which simply refers to companies that are neither value nor growth stocks and are classified as being somewhere in the middle.

b. Bond/Income Funds : Income funds are named appropriately: their purpose is to provide current income on a steady basis. When referring to mutual funds, the terms “fixed-income,” “bond,” and “income” are synonymous. These terms denote funds that invest primarily in government and corporate debt. While fund holdings may appreciate in value, the primary objective of these funds is to provide a steady cash flow to investors. As such, the audience for these funds consists of conservative investors and retirees. Bond funds are likely to pay higher returns than certificates of deposit and money market investments, but bond funds aren't without risk. Because there are many different types of bonds, bond funds can vary dramatically depending on where they invest. For example, a fund specializing in high-yield junk bonds is much more risky than a fund that invests in government securities. Furthermore, nearly all bond funds are subject to interest rate risk, which means that if rates go up the value of the fund goes down.

c. Money Market Funds : The money market consists of short-term debt instruments, mostly Treasury bills. This is a safe place to park your money. You won't get great returns, but you won't have to worry about losing your principal. A typical return is twice the amount you would earn in a regular checking/savings account and a little less than the average certificate of deposit (CD).

d. Additional Funds :

i. Balanced Funds : The objective of these funds is to provide a balanced mixture of safety, income and capital appreciation. The strategy of balanced funds is to invest in a combination of fixed income and equities. A typical balanced fund might have a weighting of 60% equity and 40% fixed income. The weighting might also be restricted to a specified maximum or minimum for each asset class. A similar type of fund is known as an asset allocation fund. Objectives are similar to those of a balanced



fund, but these kinds of funds typically do not have to hold a specified percentage of any asset class. The portfolio manager is therefore given freedom to switch the ratio of asset classes as the economy moves through the business cycle.

ii. Global/International Funds : An international fund (or foreign fund) invests only outside your home country. Global funds invest anywhere around the world, including your home country. It's tough to classify these funds as either riskier or safer than domestic investments. They do tend to be more volatile and have unique country and/or political risks. But, on the flip side, they can, as part of a well-balanced portfolio, actually reduce risk by increasing diversification. Although the world's economies are becoming more inter-related, it is likely that another economy somewhere is outperforming the economy of your home country.

iii. Specialty Funds : This classification of mutual funds is more of an all-encompassing category that consists of funds that have proved to be popular but don't necessarily belong to the categories we've described so far. This type of mutual fund forgoes broad diversification to concentrate on a certain segment of the economy. Sector funds are targeted at specific sectors of the economy such as financial, technology, health, etc. Sector funds are extremely volatile. There is a greater possibility of big gains, but you have to accept that your sector may tank. Regional funds make it easier to focus on a specific area of the world. This may mean focusing on a region (say Latin America) or an individual country (for example, only Brazil). An advantage of these funds is that they make it easier to buy stock in foreign countries, which is otherwise difficult and expensive. Just like for sector funds, you have to accept the high risk of loss, which occurs if the region goes into a bad recession.

iv. Index Funds : The last but certainly not the least important are index funds. This type of mutual fund replicates the performance of a broad market index such as the S&P 500 or Dow Jones Industrial Average (DJIA). An investor in an index fund figures that most managers can't beat the market. An index fund merely replicates the market return and benefits investors in the form of low fees. (For more on index funds, check out our Index Investing Tutorial.)

Taxation : Taxation in case of Mutual Funds must be understood, primarily, from Capital Gains, Securities Transaction Tax (STT) and Dividends point of view. Tax rules differ for equity and debt schemes and also for

Individuals, NRIs, OCBs and corporate. Investors also get benefit under section 80C of the Income Tax Act if they invest in a special type of equity scheme, namely, Equity Linked Savings Scheme.

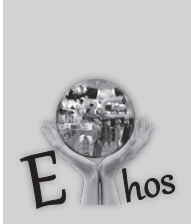
Advantages of Mutual Funds : Investors may not have resources at their disposal to do detailed analysis of companies. Time is a big constraint and they may not have the expertise to read and analyze balance sheets, annual reports, research reports etc. A mutual fund does this for investors as fund managers, assisted by a team of research analysts, scan this data regularly. Investors can enter / exit schemes anytime they want (at least in open ended schemes). They can invest in an SIP, where every month, a stipulated amount automatically goes out of their savings account into a scheme of their choice. Such hassle free arrangement is not always easy in case of direct investing in shares.

Dis Advantage : Professional Management - Many investors debate whether or not the professionals are any better than you or I at picking stocks. Management is by no means infallible, and, even if the fund loses money, the manager still gets paid. Costs - Creating, distributing, and running a mutual fund is an expensive proposition. Everything from the manager's salary to the investors' statements cost money. Those expenses are passed on to the investors. Since fees vary widely from fund to fund, failing to pay attention to the fees can have negative long-term consequences. Remember, every dollar spent on fees is a dollar that has no opportunity to grow over time.

6. Conclusions : In this paper we presented the basic concepts of mutual funds, its structures funds types and also about the taxations. We describe the idea of portfolio and we explain clearly about the investor's rights and obligations.

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Talent Management : Prospectives and Problems in Small Scale Industries (SSIs)

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Abstract : Every organisation, irrespective of its size & nature, is talking about talent management & its contribution in creating high performance work system. Small scale Industry is also one of it kind. Small scale Industry (SSI) sector in India covers a wide spectrum of industries categorized under small, tiny, cottage segments ranging from small artisans / handicraft units to modern production units. According to Industrial Policy Planners in SSI Board, SSI are those whose investment in plant & machinery is maximum upto Rs. 1 crore. SSI plays a very significant role in the economic development of a country. In order to strengthen SSIs the definition of these Industries has been suitably modified from time to time.

Keywords : Small Scale Industry (SSI), Talent Management, Compensation woes, Layoff, Leadership

1. Introduction : Globalisation, competition, emphasis on customer care and paradigm shifts in information technology and information technology enabled services necessitated the organisations to focus on management of knowledge workers, skilled and talented employees. The talented employees are those who possess knowledge & innovative skills, creative abilities & positive organisation behaviour that are short in supply compared to its demand. Out of the four M's that make up an organisation (Money, Machine, Material, Men), only the fourth M i.e. Men that cannot be replicated and can be taken as a lasting weapon of competitive advantage. According to a yearlong study conducted recently by a major Global consultancy (a study involving 77 companies almost 6000 manager executives) “the most important corporate resource over next 20 years would be talent: smart, sophisticated, business people who are technically literate, globally astute & operationally agile.

The Indian SSIs serve the society by providing immediate large scale employment, ensuring an equitable distribution of national income, facilitating effective mobilisation of resources, capital & skills which might otherwise remain unutilized, stimulating the growth of industrial entrepreneurship & promoting the more diffused pattern of ownership & location. However the SSIs are not devoid of constraints & challenges. Some of the issues that are most prominent challenges faced by SSIs are lack of qualified & trained human capital, unavailability of talent for the entry level jobs & lack of sufficient capital to undertake proficient measures to retain the talent. This study analysis the problems faced by SSIs in Kolhapur district towards Talent Management.

2. Talent Management : The Oxford dictionary defines talent as a natural ability / skill of an individual. Talent Management is recruiting, selecting, developing career & succession management in the human resource department. Different organisations have different definitions of talent & talent management. Heinrich, Head, Global HR & Labour Relations, SAP, defines talent as an attribute that is a combination of performance and potential. Ramkumar, Group, Head, HR, ICICI Bank, elaborates. “At ICICI, a talented employee is someone who has potential for leadership.” Impact consulting Inc (2005) defined talent management as the purposeful act of managing the various pools of talent within an organisation to ensure that the company has a robust, continuous supply of the right people in right jobs at the right time. Development Dimensions International Inc (DDI) defines talent management as the system in which people are recruited, developed, promoted & retained to optimize the organisation ability to realize positive business outcome in the face of shifting competitive landscapes & labour requirement. According to Mc Causley Z Wakefield (2006), talent management processes include workforce planning, talent gap analysis, recruiting, staffing, education & development, talent reviews, succession planning, & evaluation. To derive performance & to create sustainable success, these processes must be aligned with the business strategies.

Many a times, talent management is compared with strategic H.R. Management. Many researchers argue that talent management is moving ahead of strategic HRM. It is an integrated process of ensuring that an organisation has continuous supply of highly productive individuals in the right job, at the right time to ensure that strategic outcomes



are achieved & competitive advantages is sustained. Talent management talks about optimising the competitive advantage through people.

3. Significance of Talent Management to Small Scale Industries : The SSI sector has been considered as a powerful instrument of achieving accelerated industrial growth & creating productive employment opportunities in an economy. This sector also plays two important roles as producers of consumer goods & absorbers of surplus labour. They are the agents that help in mitigating regional imbalances; facilitate mobilizing of local resources & skills, which might have otherwise remained unutilized.

Limited number of employees and local skills are the significant feature of employment in SSIs. SSIs are labour intensive industries so a proper management of the same, can make a significant impact on the performance & development of SSIs. A well planned, meticulous approach towards human resource management is a critical drive for increased business performance. It was observed, that during recession, Industries resorted to downsizing and restructuring of employees compensation to recover financial losses. Only those employees who proved their mettle were retained. Sometimes the situation appeared to be exactly opposite. The period just before economic downturn saw high rates of industrial growth & companies faced the problem of not having enough talent leading to talent crunches. Over the last few years, such contextual factors have often trapped companies in vicious circle of shortages & surplus of talent, wherein the organization faced a constant need to strike the right balance & set off both the extremes.

The SSIs too have to find and implement innovative ways to effectively manage the talent for its objective achievement.

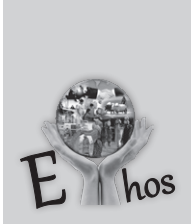
4. Scope and Objectives of the Study : The current study focuses on the problems and implication of Talent Management in SSIs. The area of study is Kolhapur District.

The data is based on secondary data which is collected through books, journals, websites & research papers.



5. Analysis & Interpretation : On the basis of data collected through journals and research papers, following problems were observed towards talent management

- a) **Cost Constraints :** SSIs run on a low investment. They cannot afford to pay high salaries to employees, this affects their willingness to work hard & produce more. Because of low remuneration offered to the employees, attracting talented people becomes a major problem in SSIs. Unskilled workers join for low remuneration, but training them is a time consuming process. Also due to small scope of work, division of labour cannot be practiced, which results in lack of specialization & concentration.
- b) **Better opportunities in large scale Industries :** Kolhapur and its surrounding districts are industrially well developed. Due to various options for work, to employees in large scale sector, there is lot of job hopping observed as better pay and job enlargement is offered in large sectors.
- c) **Compensation woes :** The study brought to light, the fact that fat pay packages is not the only criteria of the employees for determining great place to work in the selected SSIs. Maslow's Need-Hierarchy Theory also validates the point that money fails to be a motivator often a certain point of time. As the employees spend certain years in their work area or climb up the hierarchy, other motivators like self-esteem and respect become important drivers for their better performance. It is observed that 70% of the organizations have failed to comprehend this analogy in motivating the employees.
- d) **Workforce diversity :** The majority of the workforce is local but there is diversity in terms of age, race and capability & culture to a certain extent. Talent management in such a scenario becomes all the more challenging with differential preferences, skills, educational and economic backgrounds. Creating unanimity from a diverse workforce becomes a great challenge.
- e) **Layoff & Talent Crunch :** The period of recession made an impact on the production capacity of SSIs. So on its employment scenario recession lead to layoffs & restructuring, which made it challenging for them to retain the best available talent .Whereas the period before recession was witnessed with talent crunch where the industries faced the problem of not having enough talent.
- f) **Local Talent :** The study revealed that maximum number of employees recruited by the sample industries were from local area and nearby places. It was difficult for the industries to attract, encourage and retain the talent from outside places, mainly, due to huge cost & limited capital.



6. Suggestions : Talent management is not an end itself. It is a means for the organisation to realise their objective of making profits and gain a sustained competitive advantage. The soaring costs & risks associated with human resources, & the direct dependence of customers & brand equity on the employee talent pool, requires the organisations to effectively attract, motivate & nurture talent.

Following need based strategies can be suggested for the sample SSIs towards the implementation of talent management in their organisation.

i. Right person with a wholesome induction & orientation programme : Getting in the right person for a right place is the base of any HR function. With a plethora of companies lining up to grab the best talent possible, it is an arduous task for the management to find innovative ways to steal the attention of the right kind of skilled professionals, who can fit organisations requirement & culture. Innovative ways are to be introduced by the industries to sell their brand to prospective talent. Innovation can also be introduced in the induction and orientation programmes, where major thrust can be given to employee career development.

ii. Nurturing the Right Talent : Employees have large number of opportunities, with more payments in large scale industries, so the organisation has to nurture & retain the talent ensuring their sustainable loyalty. Organisations should devise strategies which are cost effective to ensure long-run commitment of the skilled people.

iii. Developing enabling culture in organization : The prominence of building a culture of commitment, growth & sustainability is needed to attract & hold on the talented people. The industries should develop an enabling culture, a common vision, mission & values which instill a ‘we feeling’ amongst the employees, where the growth paths of the personnel, organisation intersect, rather than running parallel to each other.

At whirlpool the work culture is specifically modified to complement talent management strategy, whereby the real skilled personnel get full opportunity to blossom, irrespective of their position in the organisation. This strategy has helped whirlpool in developing high performing global managers.

iv. Compensation Scope : Instead of only focusing on the monetary payment scheme, the organization can implement some new end non monetary incentives to attract and retain people. Compensation schemes can be introduced which can serve the dual purpose of employee development and organisation benefit. For example, scholarships for employees for further education, undertaking social activities etc.

v. Robust Leadership : The study reveals that very few employees, especially the newly appointed show a very less amount of work period spend in the

organisation. A lot of job changes are noticed, which has also affected the job turnover in the organisation. With many strategies discussed, succession planning is also important one. It ensures an effective person at high position & also reduces the cost of recruitment. Creating a leader within not only helps in achieving the long term vision of an organisation, but also assists in building an overall indelible brand image. At McDonald’s, CEO Jim Skinner, has designated talent management & leadership development as one of his top three priorities.

FedEx Express Company runs a development initiative called the ‘Aspire Program’, which helps to prepare managers for their future role.

vi. Training & Development : Rigorous training and development is required, from technology to soft skills to leadership development programmes, executive coaching, career path development, assessment centre & also team building programmes. Training & development should create assets in the form of employees. Recognizing, utilizing, appreciating & developing the talent wisely, creates a satisfied employee and also helps the company in reaching its goal.

Kellogg Company created a career development model for everyone, from individual contributors to the senior executives, with the specific competencies at every level. Kellogg puts significant emphasis on rotating people into various roles throughout the organisation to help them develop key skills.

7. Conclusion : 80% of the industries have not applied talent management on a serious and professional basis. A well thought approach and policy towards selecting the right talent, at the right place and retaining it can make a major difference to the attrition faced by the sample industries.

Thus, for any organisation to succeed in today’s rapidly changing & competitive environment a focused human capital centric approach is required. A sound talent management planning is beneficial for both the organisation & the employee. Organisation’s benefit as a result of increased productivity, reduced attrition levels, synchronization between individual, group & organizational goals, a sound succession planning & to sum it all up -an overall increase in brand value.

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Indian Ethos : Spirituality Orientations and Management Perspectives

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Abstract : *With changing pattern of world economic order and its focus on Asian Economies there is more urge to understand collective ethos of asian population. Present article focuses on some spiritual aspects of Indian ethos emerging from Indian philosophies and its relevance with emerging management practices in India. Comparison is made between western philosophical thoughts which supported industrial and economic growth in western countries and strong points in Indian philosophy which supports positive economic thinking process in India.*

Keywords : *ethos , economic development, thought process, culture, entrepreneurship*

1. Changing paradigm of Management Sciences

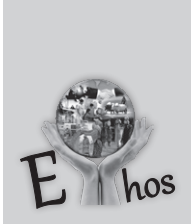
Globally: Role of Ethics and Morale : During last decade we observed phenomenal shift in world economic activities. Basic points on which business was operating during colonial and post colonial period reshaped because of financial crises in America and Europe. Working orders of business have gone through fundamental shifts in terms of policies of business and style of managing transnational and multinational corporations. This is partly stimulated by changes in technology platforms on which these Corporates were working. Inventions of new technologies in the areas of Information technology, Basic sciences like physics, chemistry and biology changed orientation of application of these novel technologies to target customers and customer functions. After first and second industrial revolution world has seen origin of concepts of Human Resource Management which later converted to Human Resource Development, Mass and Batch production, centralized manufacturing facilities and concept of centralized economy. This has resulted in formation of whole world as single market and in this single market it is expected that countries or Firms which has competencies in their respective areas should excel and supply the same to other parties. This leads to finalization of concept of World Trade Organisation (WTO). To regulate this vast market legal system was made compliant with international norms under name of harmonization of laws. Trade related Intellectual Property Rights (TRIPs) and Trade Related Investment Measures (TRIMs) are part of this effort. As result of all this everyone is claiming that world economy is uniform and new phrase originated as ‘Global Village’.

But last five years or so indicated that picture is not that rosy. There are regional and sectorial economic and political issues which are more relevant for many countries and corporations. Social and cultural angles and aspirations

added new dimensions to issues which were considered as uniform or homogeneous. Sectorial and regional trade blocks like NAFTA, European Union (EU), ASEAN are found to be more efficient in regulating regional trade issues and aspirations. Changing technology of future may not require present business models for its sustainability, rather more lean and consumer specific technology platforms may yield better results to both consumers as well as service provider. Concepts of 3-D printing in manufacturing, personalized medication based on genetic mapping and conglomeration of various areas of internet technology with artificial intelligence concept embedded in hardware are just few examples. In all this; one important factor which is relevant with present topic of discussion is role of culture and ethos in all these frontiers. Technology is becoming personalized and more human, so individual person as a consumer, his aspirations and outlook towards life is going to become crucial point in creating and selling products and services to form new business models.

In this scenario, Asian countries in general and India in particular has tremendous advantages in contributing world economy. Concept of ‘Chindia’ which was emerged few years back in famous Business magazine ‘The Economist’ is indication of changing perception towards Asian economies. Look East policy of Government of India is based on these common heritage that India shares with Nations in South-East Asia. Recent visits (year 2014) of Indian President to Vietnam and Indian Prime Minister to Japan and visit of Chinese Premier to India resulting in substantial investment in various segments of Economy underlines changing face of international diplomacy based on common heritage. Present topic therefore needs to be analyzed with reference to Ethos and entrepreneurial activities.

Ethos is defines (Webster dictionary) as ‘the distinguishing character, sentiment, moral nature or guiding beliefs of a person,



group or Institution’. First known use of this word was made in year 1851 and is originated from Greek word ‘ethos’ which means customs, characters. Strong ethos, if supplemented by right economic development and supplemented by new technology leads to phenomenal growth of nation and increase quality of living standards of its majority of population. This is observed in Europe in 19th and 20th century which is marked by first and second industrial revolution and subsequent development of concept of ‘orientalism’. Before this period, same phenomenon was observed in Ottoman Empire in which under Ottoman Empire new civilization flourishes and gave rise to new ideas and scientific techniques in Arabia which further reached to medieval Europe and becomes founding principles for scientific development in Europe leading to renaissance and further rise of economic powers of Europe and colonization of Asian, American And African Nations. Famous term ‘orientalism’ coined by Edward Said (1935-2003) clearly classified world as orient (east) and occident (west). He commented on thought process resulted as a result of colonization and subsequent rejection of eastern cultures in shaping international ethos which is still prevalent.

Emergence of Christian Theology in the form of ‘Protestant ethos’ is milestone towards coining of religious ethics and industrialization. Max Weber (1864-1920) was a German sociologist, philosopher, and political economist whose ideas influenced social theory, social research, and the entire discipline of sociology. He correlated modern economic conditions with being a Protestant. He argues that the modern spirit of capitalism sees profit as an end in itself, and pursuing profit as high ethical standards. Earnings in business in the form of profit is positive thing according to him. This profit earned can later be utilized to nurture charitable institutions to serve poor and diseased. Max Weber argues that this new attitude broke down the traditional economic system in Europe paving the way for modern form of capitalism. ‘New Ager’ (from 1980s onwards) are giving new dimensions to concept of spirituality in west. They are correlating thinking process of human brain. Right side of brain is involved in institutional work and left side is involved in analytical activities. The New Age movement is a counterfeit philosophy that appeals to the feelings of individuals, leading them to think that they are God and can enhance their lives through their own person.

Democracy and Secularism : Principles discussed in above paragraphs are applicable in modern era and has capacity to shape thinking line of days to come including philosophies on which today’s business operations stands on To discuss this concept in more detail, it is necessary to orient discussion with relation to following points;

- Nature of religion and views towards organized religion
- Validity of concepts of God and religion
- Difference between religion and dharma

In Europe during 19th century concepts of God and organized

religion were strongly opposed. Friedrich Nietzsche (1844-1900) is one who talks of morals and ethics, which he classified in two parts as Owners and slaves morality. Karl Marks (1818-1883) argued that religion favors sufferings of common man and has negative approach towards physical life and therefore is illusive in nature and therefore must be rejected as it favors exploitation of working class. French revolution in year 1789 promises freedom, equality and brotherhood. This is supplemented by acceptance of these principles by neo capitalist and Traders class. This led to foundation of concept of democracy and secularism which guarantees human values, liberal ideas. This resulted in weakening of concept of God and religion in Europe. But in later stage this system fails to implement practically these values in different corners of world. This neo capitalism leads to development of new class of industrialists and trading houses, main motive of both remains to earn maximum profit and it remains main motto of geopolitical economy. This system naturally leads to over exploitation of natural resources and gives rise to immense poverty by establishing new Business empires replacing previous Colonial empires. To get control over resources system of colonization, two world wars are witnesses by world. This is backdrop of today’s business environment and business strategy. To safeguard financial interests of trading class becomes prime objective of governing system. To achieve this purposive propaganda of ideas and views which are beneficial to trading and ruling class are favored. For achieving all this, false consciousness is put forward in front of common people in the form of hegemony by either compulsion or condenses. This gives rise to protectors of traditional values, emotions and outbreak’s. All this leads to amalgamation of monetary power and economical power.

Thus relationship between God and organized religions has moved from poly-theism to monotheism. This is partly because of concepts of unacceptance of many Gods, which is reflected in many domains like moral sciences, religion and philosophy. Although this concept in present situation is not justifiable because polytheism guarantees Federal structure of Governance and religion, while monotheism favors centralized structure and this centralized structure of power either in Governance or Religion is proved disastrous to human civilization. This leads to classification of beliefs in different categories like Theism, Anethism and Agonistics.

Theism: Peoples who accepts presence of God justifies his presence by five hypothetical approaches;

- Ontological argument: Idea of God is felt naturally to man and since it is natural it must be true.
- Cosmatological argument: This universe is constantly moving and changing and there must be someone who provides this movement and who is not part of this movement and change i.e. God.
- Teleological argument: For everything that happens in



this universe has some logic there is some purpose and since there is purpose there must be some proposer i.e. God

- d. Moral argument: Moral behavior of human race is natural and this urge to serve others and think of betterment of sufferers. This is possible only because of God who gets this work done through individuals.
- e. Non rational argument: One can feel or devote towards God by intuition and this is only possible by complete devotion or bhakti.

Disbelievers/Skeptics/Atheism: These groups of people do not accept by any of arguments mentioned above.

Agnostics: This group does not make any comment about concept of God. They are silent on this issue. Buddhist, Jain approaches in India towards God belong to this school.

Here question arises that whether ethics, God and religion are parallel to one another. It is observed that person who showcases extreme moral or ethical standards may be atheist or agonistic but reverse is not always true.

2. Indian Perspective on Ethics and Religion :

2.1 : Spiritual orientation : Indian schools of thoughts:

Indian philosophical schools are broadly classified into Astika and Nastika schools. Astika school believes on God and accepts supremacy of Vedas. Nastika School initiated by Charvark and Nimbarka and is termed as Nastika or Aasura School because it emphasizes on physical evidences and gives priority to material wealth. Sankhya yoga is school which confluences on both of these schools of which ‘Bhagwat Gita’ is famous text.

Shirvadkar (2010) explained in detail various schools and orientations of Indian philosophical orientations. There are seven main philosophical orientations around which we can correlate Indian ethos. ‘Lokayat’ is school which suppose to be in practice since pre-vedic times. It is founded by Bruhaspati and main followers is known as Charvark, time period if whom is not known but his work is refereed in many ancient texts. Philosophy of this school is opposite to that of Vedas and therefore is supposed to be originated by civilizations which are prior to Vedic period. This school considered physical evidence as only way of proof of anything. There is no rebirth and therefore no karma benefits. Universe is made up of four principles or bhutas and life originates from the same. There is no God and happenings in our life are as per individual traits. It encourages people to enjoy life by fulfilling five senses to the fullest extent. Human body is only truth and is perishable and is nothing but spirit. Spirit is inseparable from body and therefore all religious rituals are false. State of salvation is death and therefore there is no life after death.

Other important Indian school is ‘Jainism’ which is established by Mahavajra (800-900 B.C.) and main promoter

is Vardhaman Mahavir who is considered as 24th and last preacher of this school. This is also anti-vedic school which states that spirit (atma) and other than spirit (ajiv) both are immortal. Universe is constantly changing. Life is temporary abode of atma in body. It insists on purity of soul by following principles of non-violence (ahimsa), proper faith, knowledge and right behavior, all together is called as ‘trirathaprat’. Concept of salvation (moksha) is not in Jain philosophy but it accepts concepts of rebirth and karma sidhanta.

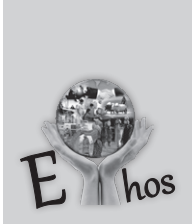
Most popular worldwide Indian school is ‘Buddhism’, preached by Sidhartha the Gautama or Budha (563-483B.C.), divided into Hinyana and Mahayana sects. This is non-vedic tradition focused on nirvanaprapti (attainment of salvation) by alienating oneself from physical pleasures and ignorance because of illiteracy. Budha considered soul in human body as a God and as such don’t believe on the concept of God and considered material wealth as a main cause of human sufferings. It emphasizes on lowering sufferings of others and thereby attainment of nirvana which is nothing but moksha.

As on today, philosophy which affected most on Indian psyche is ‘Sankhyayoga’. This is considered to be started by Muni Kapil, Krunachandra (500 A.D.) and Patanjali (100 B.C.). This though considered being Vedic but practical philosophy as observed and practiced today is separate from pure Vedic traditions. According to this school Universe is formed by combination of matter (Jadadravya) and consciousness (chetana/purusha). Sankhya sect don’t believe on God but Yogashashtra do accepts presence of God.

Knay-vaisheyik school is formulated by Kanad (Vaishaik) (600-500 B.C.) and Gautama (Knay shashtra) (200A.D.). This is separate philosophy although accept Vedas as a basic script. Universe is made from atomic and sub-atomic combinations by the will of God and is composed of atomic and subatomic matter. In this, human spirit resonates along with truth (satya) which is immortal. Understanding this separate entity of atoms is purpose of life and this is nothing but moksha.

Mimansa School is forwarded by Gemini (500 B.C.), Kumaril Bhatt and Prabhakar (800A.D.). This is orthodox Vedic tradition which considers Vedas equivalent to God. Performing Vedic rituals is a way towards attaining mukti. Universe is immortal and continuously changing and Gods is not creator of this as per this tradition. Human spirit is made up of physical matter and performing yagna rituals is way towards attaining moksha.

Advaitya school is popular school formulated by Badnarayanacharya, Shankaracharya (788-820 A.D.) Ramanujam (1073-1137 A.D.) and Madhavacharya (1238-1317 A.D.). This school is associated today what we call it as a Hindu religion. It emphasizes on Vedas as a standard manuscript of religion. Accept God (Bramha) is only truth and physical world is just mimic or false (mithya). Bramha is origin and God is physical form of Bramha. What one observe



is maya or illusion and human spirit is trapped in this maya and Bramha is only truth and understanding this is nothing but moksha. This philosophy becomes so popular and gives way to other form of movement in India i.e. bhakti movement, which is still very popular and has wider public support in our country.

2.2 : Relevance of Indian Ethos with changing Management Practices :

From above orientation of philosophical base from India and modern management, if we want to correlate this with present environment in India and in world what we really need is applying our capabilities in the area where we are strong domain. In this year i.e.2013 we are witnessing shift in global thinking on doing business in different ways. Last two decades were of globalization, liberalization and privatization of economies including that of India. But somehow it shows serious lack of concepts of ethics and morale. We need to concentrate on fundamental research in country to solve basic problems of people. Government should regulate that entrepreneurship which can transform local economy. But these efforts must be localized and not to mimic success stories from developed economies. Valuable lessons can be learned from developing economies who implemented local model of development which clearly make use of their ancient past and thinking line of people. Germany is success story whose economy is doing well despite of Euro zone crises. Some credit definitely goes to working and thinking style of Germany. India can also harvest its economy by stimulating innovation by creating unique business economy which is founded on karma yoga and still consumer oriented, thereby creating strong domestic market which is major strongest positive point of present and future growth of Indian economy.

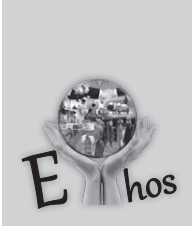
3. Ethics, values and Corporate Social Responsibility:

To extend this discussion further, new emerging area which we can correlate with ethos is ‘Responsible Management Practices’. This is concept of Corporate Social Responsibility or Socially Responsible Behavior of Business practices. This is much to do with morals, Ethics and values on the basis of which an enterprise operates. This is extension of term ‘Profit’ which is essential for existence of modern business. Till now we are witnessing various ways and means by which Business Enterprises’ are earning profit. But with new developments in area of science and technology which is paving ways to new era of industrial development where customers or consumers wants or needs will decide margin of profit and thereby length of various phases of business cycles. It is expected that with invention of new methods of production like 3-D printing and manufacturing or customaries manufacture even in the field of medicine with applications of Human Genome Project will substitute large scale manufacturing, batch manufacturing and different concepts of production and operations on which today’s business practices operates. This emergence of individualism will force organizations to think on nature of

needs and wants and in this areas thoughts based on Indian ethos and its philosophy which based on human freedom will show new path which is not based on some dogmas not insists on to follow commands in texts which were written thousands of years back and on which one cannot ask any questions to even himself. This path is scientific, guarantees’ sustainable growth and survival of all, creates awareness about oneself and responsiveness towards society and gives ultimate satisfaction i.e. nirvana.

This concept encompasses another very important area on shaping Business outcomes in days to come and that is ‘Cross Cultural Management’. Culture is invention of man for the fulfillment of social needs. Culture depends on the human capacity to adapt change. This capacity to adapt change is the ultimate strong point in Indian Philosophies, as it is shown by Indian peoples particularly after Independence. We as a Nation are very different than what we were six decades back. We adapted changes in socio-economic society very fast. It is not at all easy to shed customs which are running for thousands of year and that too by adapting practices of non-violence i.e. ahimsa. Credit for all these defiantly goes to thought process inculcated in our minds through generations by all great peoples mentioned above. To achieve this outcome other nations in world compel to follow violent path on which crores of peoples lost their lives be it in China, France, Russia or America. This story is successfully carried forward by Indian people who are spread all over world.

3.1 : Motivation and Innovation : From above orientation of philosophical base from India and modern management, if we want to correlate this with present environment in India and in world what we really need is applying our capabilities in the area where we are strong domain. In this year i.e.2014 we are witnessing shift in global thinking on doing business. Last two decades were of globalization, liberalization and privatization of economies including that of India. But somehow it shows serious lack of concepts of ethics and morale. Therefore we need to consider reflective and farsighted understanding, integrated within inter subjectively created and collaboratively formed relationships and vision that inspire courage and hope of making a positive difference used to marry knowing and doing, known as metaphysics. We need to concentrate on fundamental research in country to solve basic problems of people. Government should regulate that entrepreneurship which can transform local economy. But these efforts must be localized and not to mimic success stories from developed economies. Valuable lessons can be learned from developing economies who implemented local model of development which clearly make use of their ancient past and thinking line of people. Germany is success story whose economy is doing well despite of Euro zone crises. Some credit definitely goes to working and thinking style of Germany. India can also harvest its economy by stimulating innovation by creating unique business economy which is founded on karmayoga



and still consumer oriented, thereby creating strong domestic market which is strongest positive point of present and future growth of Indian economy.

3.2: Schumpeter's views on motivational entrepreneurship: Schumpeter's theory is appropriate theory to apply to our present discussion. He perceived the opportunities to innovate i.e. to carry out new combinations of enterprise. Entrepreneur is problem solver. There are five cases of new combinations leading to innovation as ; new goals, new methods of production, new market, new sources of supply of raw material and new organizations. This theory is also known as 'Evolutionary theory'. This is evolutionary phenomenon relevant for human sphere, where human intelligence and intentionality are of significant important. This process of evolution is transformation over time of system. Such a system may be a population of living organism, a collection of interacting individuals as in an economy or some of its parts or even set of ideas produced by human mind. So it is based on self transformation, the points with reference to which we are discussing present topic.

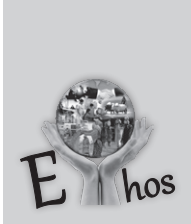
4. Conclusion : As mentioned in previous part, last two decades i.e. from year 1991 to 2014 witnesses liberalisation, privatization and globalization concepts, but now people are now talking about reverse way i.e. government intervention in business, public goods and localization of business units. Although we cannot root out role of transnational/ multinational corporations, there is defiantly an rethinking over business models. Process of innovation including R & D centers are increasingly been giving solutions to problems and they are being implemented worldwide including developed economies. They are showing better ways of managing finance and better product designs. They are reversing the flow of innovation, increase in spending on R & D in emerging markets and focus on local needs. Therefore strategy for socioeconomic changes in future shall be more formulated on human angle, which develops as a result of logical development of ethics and metaphysics and ultimately reflected in managerial wisdom. It is characterized by leveraging collective knowledge to maximize organizational and societal effectiveness, discerning the most appropriate action for achieving joint value in multiplicity of complex stakeholders relationships and uncertain situations seeking a balance between financial and personal well being, providing and properly orientating the creative transformation and combining knowing and doing.

Organization culture is a invisible power which is accumulated through the constant efforts of its people, its beliefs, common perception and understanding of an organization. It is environment under which and employee deals with its organization and organization deals with its employees. It describes psychology, attitudes, experience, beliefs and values of an organization. This total sum of values, customs, traditions and meanings makes a company unique. This

behavioral issue in implementing of strategy will lead to Indian socio economical model based on combination of Dharma or moral values as a supreme end of life and acquisition of pleasure in conformity with Dharma. Harmonious cultivation of all three values of life i.e. dharma, artha and kama is essential in creating value and realizing value by transforming animal pleasure into human pleasure by means of urbanity, self control, education, cultural and spiritual discipline.

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Green Marketing : An Indian Perspective

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Abstract : *In recent years, the term ‘green marketing’ has risen in prominence. We hear of architects designing green buildings, car manufacturers producing cars that run on green fuels, entire cities trying to be green. It reflects a growing concern at all levels of the impact of the increased consumption on the physical environment. We understand that Consumers are becoming more conscious of their own behavior (health, spending, environmental impact). Companies across the world have recognized profitable opportunities in serving green customers’ needs. In this research paper, main emphasis has been made laid on the concept, need and importance of green marketing. The Paper aims to find out what Green Marketing is all about and how can a business concern can be more competitive using green marketing strategies to gain a competitive edge over its rivals. It explores the main issues in adoption of green marketing practices. The paper describes the current Indian market scenario and explores the challenges and opportunities businesses have in regard to green marketing.*

Keywords : *Green Marketing, Environment, Business, Campaigns, Consumers*

1. Introduction : Michael J. Polonsky defines green marketing as: “All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment.”

Green marketing was first discussed in a seminar on “ecological marketing” organized by American Marketing Association (AMA) in 1975.

In 1987, the Brundtland report became one of the foremost documents on sustainability in everyday activity following which, in 1992 and 93, two new books on Green marketing were published by Ken Peattie and Jacquelyn Ottman. In later years, many organizations took up the cudgels and brought out significant findings in their reports.

Companies that have invested in green marketing have opened up access in new markets, increased profitability and enjoy considerable mileage over companies not concerned with the environment.

2. Requirements to be considered a “Green” Product :

- Production process should be compatible with the ecosystem,
- Product line should be compatible with the goals of the company,
- Products those are recyclable, reusable and biodegradable,

- Products with natural ingredients,
- Products containing recycled contents, non-toxic chemical,
- Products contents under approved chemical,
- Products that do not harm or pollute the environment,
- Products that will not be tested on animals,
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

Some companies go green for short term benefits while others look at it as a long term responsibility and incorporate ‘green’ as a part of their corporate DNA structure. One example is the e-mails we may receive from many Companies. At the very end of the mail you can find the sentence: “Please consider the environment and only print this email if really necessary.” This one sentence can improve the green image of a company without having to invest or spend money on advertising.

Among the recent green marketing efforts in India was the NDTV-Toyota Greenathon campaign to support the ‘Lighting a Billion Lives’ cause, to provide solar power to villages without electricity. Toyota PRIUS, the hybrid electric car, is another effort in the green space. Hindustan Unilever’s ‘Save Water’ Campaign is yet another, with the company deciding to launch products that consume less water.



3. Classification of “Green Companies” : Ginsberg and Bloom’s Green Marketing Strategy [2] classified companies as

1. Lean Green- These companies adopt green practices but they do not focus to publicize these initiatives.
2. Defensive Green-This kind of marketer use green marketing as a precaution to avoid the crisis situation or to counter the competition.
3. Shaded Green- The companies those adopt shaded green strategy invest in long-term, environmentally friendly processes that require a significant financial and nonfinancial dedication.
4. Extreme Green- Extreme green adopt green marketing mix in the holistic manner.

4. Key findings of several surveys : Consumers are increasingly concerned about environmental issues, particularly energy use. People have realized that the environment needs to be preserved for future generations.

Consumers want to buy from green companies and plan to spend more on green products since they feel that they are giving back to nature in some way or the other.

Attractive packaging focusing and highlighting Greenness is a way to convince consumers and influences green purchasing among shoppers.

Consumers are less likely to cite hurdles to buying green; but price and lack of choice remain challenges.

Consumers are more likely to purchase green products in the household, grocery, personal care, and packaged food and beverage industries. Auto and tech are poised for green growth.

Consumers are looking for public leadership on green innovation.

In a Roper survey 2002, 41% of consumers said they did not buy green products because they worried about the diminished quality of eco-friendly versions [3]

5. Untapped potential : There is a huge untapped potential among businesses to change over to Green. A dismal 16% of businesses in India in the food and beverage sector and 18% in the clothing and footwear industry produce or trade Green products. The home electronics segment, however, clocks a more impressive 60%.[1] In addition, the vast majority (76%) either do not have a policy or guideline to minimize their impact on the environment in place or are failing to clearly communicate they have one.

6. Green Products launched by several business houses in India : Wipro InfoTech (Green It) was India’s first company to launch environment friendly computer peripherals. [6]

Samsung, was the first to launch eco-friendly mobile handsets (made of renewable materials) – W510 and F268- in India.

Oil and Natural Gas Corporation Ltd (ONGC), India’s largest oil company, has introduced energy-efficient Mokshada Green Crematorium, which saves 60 to 70% of wood and a fourth of the burning time per cremation. [7]

Reva, India’s very-own Bangalore-based company was the first in the world to commercially release an electric car.

Honda India introduced its Civic Hybrid car.

ITC has introduced Paperkraft, a premium range of eco-friendly business paper.

IndusInd Bank installed the country’s first solar-powered ATM and thus brought about an eco-savvy change in the Indian banking sector.

Suzlon Energy manufactures and markets wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint. [8]

These are some of the success stories but if you look at it from Indian consumers (or consumption pattern) perspective, there is very less uptake of solar batteries and equipment (cooker etc.). People still prefer conventional equipment for their daily requirement.

Recently launched Samsung solar mobile Guru is not finding foot in market due to inconvenience in solar charging.

Battery operated LG TV failed in Indian market to due to sound quality.

Very less consumption of CFL bulbs due to high cost although the trend is changing.

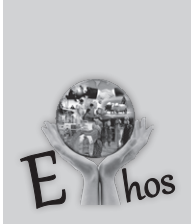
Consumption of plastic bags is very high in both rural and urban sector etc.

Many manufacturers have recognized environmental concerns as a source of competitive advantage and have developed products with a green image.

7. Factors differentiating the Indian consumers from consumers of developed countries : India is a cost driven market. People think many times before buying products. A great deal of discussion takes place before deciding on a particular product. The consumer is careful about his spending and explores the market to find the best bargain.

Low level of awareness among the general public is yet another drawback. With the low level of education, many firms cannot connect to the multitude of consumers and companies cannot get across to them selling them their uniqueness.

There is a high degree of new product acceptance. Many



consumers are happy with a particular brand and stay devoted to them. They would normally not change preference for a flimsy reason. So getting acceptance to a new product is difficult and would need a lot of coaxing and coercing before finding acceptance.

Less developed means of communication, Language barriers. With a multitude of languages being spoken in the country, connecting with people becomes a hurdle. At the same time, the means of communication are limited too although things are changing.

8. An Integrated Approach : A three pronged strategy can be planned out that will benefit all. The key players being: Producer, Consumer and Government.

Producers' role : Companies must remove these five barriers - namely : Lack of awareness, negative perceptions, distrust, high prices, and low availability.

They should increase consumers' awareness of green products, improve consumers' perceptions of eco-products' quality, strengthen consumers' trust, lower the prices of green products, and increase these products' availability in the market.

Consumer's Role : There should be a conscious effort to educate themselves on the green advantages and make an informed choice. They should look at the bigger picture and not be guided purely by price and personal gains.

Consumers should actively participate in green initiatives launched by Corporates, government and NGOs.

Consumers should shed inhibitions and preconceived notions about not using eco-friendly products. They should understand that every positive step contributes to the cause and shed the mentality that they alone cannot bring about the change. [5]

They should abide by the green regulations and not be guided by personal short term gains.

Government's Role : There has to be a stimulus provided by the Government to encourage and support the manufacturers who are manufacturing green products by providing subsidies.

Financial assistance should be given in the form of easy loan facility to equip them to manufacture green products.

Tax incentives or Tax holidays will also help the small and medium scale manufacturers as green marketing is costly.

Awards and recognition should be given to those who successfully practice green marketing which becomes a motivating factor for others to implement it.

Social advertising should be carried out on a large scale through various media to promote environment friendly practices, to promote the consumption of green products.

Promotion of Eco-mark or Eco-labeling has to be done to

create awareness not only amongst manufacturers but also consumers.

9. Conclusion : Green marketing helps in the effective outcomes such as cost cutting, employee satisfaction, waste minimization, society welfare for the companies as well for society also.

Green products and services not only help tackle pertinent environment issues but make genuine business sense. Over the next five years, this is only going to intensify. With a comparably limited number of Green products and services currently on the market, firms that act quickly to capitalize on this growing trend will reap significant rewards

Only thing required is the determination and commitment from the all the stakeholders of the companies. It is the right time to adopt the concept of sustainable development in the marketing mix of the companies and integrate them to save the planet from the upcoming risk.

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Research Paper on International Financial Reporting Standards - Pros and Cons.

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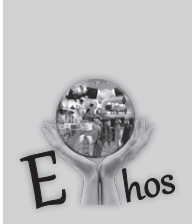
Abstract : *Introduction of Liberalization, Privatization and Globalization have completely changed the face of India. With the opening up of the economy not only imports and exports increased but also foreign borrowings, foreign investments, mergers, acquisitions, started periodically. This needed consistent, comparable and understandable financial information which could get by adopting the International Financial Reporting Standards. Harmonization and convergence with IFRS can greatly contribute to the efforts to build global financial reporting infrastructure. Capital markets are becoming more and more dynamic which is attracting significantly more foreign investors for that purpose there should be a common accounting language. In India the Institute of Chartered Accountants of India (ICAI) has decided to adapt IFRS for accounting periods commencing on or after April 1, 2011. This decision is an important milestone in achieving full convergence with IFRS, as India will join 109 countries which presently require or permit use of IFRS. India's blue-chip companies have begun to align their accounting standards to the International Financial Reporting Standards (IFRS), two years ahead of the mandatory time for the switchover. The list of companies includes IT firms like Wipro, Infosys Technologies and NIIT, automakers like Mahindra & Mahindra and Tata Motors, textile companies like Bombay Dyeing and pharma firm Dr Reddy's Laboratories. This is a significant move towards the emergence of IFRS as a global accounting language. This article focuses on the adoption process of IFRS in India and the benefits and challenges to be faced after adopting the standards.*

Key words : GAAP, IFRS, Globalization and Uniformity

1. Introduction : In 1991, liberalization, privatization and globalization (LPG) took place in India which was announced by P.V.Narashima Rao's (Then Prime Minister) government. Because of opening up of the economy it became necessary to introduce the International Financial Reporting system. we know the old adage, "accounting is the language of business," so it is mandatory to have a same language of accounting while exchanging and sharing financial results of their international business activities and also reporting the results to their international stakeholders. As one school of thought believes, since business enterprises around the world are so highly globalized now and need to speak to each other in a common language of business, there is a real need for a single, universal set of accounting standards that would unify the accounting world and, more important, solve the problem of diversity of accounting practices across borders. Historically, countries around the world have had their own national accounting standards (some countries have treasured these for whatever reason, most likely due to the pride of national sovereignty), but this different accounting language will not be useful defiantly when it comes to globalized issue and this will rather have an adverse effect on the flow of information and capital as well and cross border comparison would not be possible.

This has made the companies realize the importance of having a same accounting language. Many international parties are interested in the working of the business like the investors, creditors, bankers, researchers and other users of the financial statements so it becomes necessary for the companies to present their financial statements as per the international standards.

By adopting the accounting standards there will be high-quality, transparent, and comparable information. The use of a single set of high quality accounting standards would facilitate investment and other economic decisions across borders, increase market efficiency, and reduce the cost of raising capital. International Financial Reporting Standards (IFRS) are increasingly becoming the set of globally accepted accounting standards that meet the needs of the world's increasingly integrated global capital markets. International Financial Reporting Standards (IFRS) is a new accounting language for business affairs and a set of globally accepted accounting standards to help the companies to communicate financial information and to help stakeholders to understand and compare corporate financial information across boundaries. The standards are issued by International Accounting Standards Board (IASB), an independent accounting standard setting body of the IFRS. IFRS would



also help in cross border rising of funds. Globalization does not only mean importing and exporting of goods and services but it also means making foreign investments, borrowings from foreign countries and competition with the foreign players and sometimes acquiring or merging with the foreign companies, business outsourcing, franchising etc. For all the purposes mentioned it is required to have a universal accounting language. This universal accounting language – IFRS will definitely bridge the gap between all the countries. This will also help the universal countries to improve their quality of financial reporting in an systematic manner. Indian capital market is growing at a high speed which makes the foreign investors curious to invest in Indian market. For this IFRS plays an prime role in making the financial information understandable and comparable to the investors. Advancement in technology will be possible only because of more and more capital inflows in the country. so it is now mandatory for all the companies to follow and adopt IFRS standards. As the business world becomes closer in its financial and trade ties, many countries are moving towards International Financial Reporting Standards (IFRS), common accounting rules that define how transactions should be reported and what information should be disclosed in financial statements With the adoption of IFRS there will be consistency, reliability, transparency, completeness, comparability, verifiability, integrity of the financial statements. With the international rules and regulations the companies would keep and update accurate financial information. By adopting IFRS, companies would be adopting global financial reporting system which will help the companies to be understood as a global market player. IFRS will also improve internal communications, quality of reporting and decision making. The United States has not yet adopted International Financial Reporting Standards and other countries continue to hold out as well. This study tries to analyze the information available on IFRS adoption in India. It also highlights on the pros and cons seen in the Ind AS and IFRS.

2. International Financial Accounting Standards -

Overview : IFRS are a set of standards promulgated by the International Accounting Standards Board (IASB), an international standard-setting body based in London. The IASB places emphasis on developing standards based on sound, clearly stated principles, from which interpretation is necessary (sometimes referred to as principles-based standards). This contrasts with sets of standards, like U.S. generally accepted accounting principles (GAAP), the national accounting standards of the United States, which contain significantly more application guidance. These standards are sometimes referred to as rules-based standards, but that is really a misnomer as U.S. standards also are based on principles—they just contain more application guidance (or rules). IFRS generally do not provide bright lines when distinguishing among circumstances in which different accounting requirements are specified. This reduces the chances of structuring transactions to achieve

particular accounting effects. International Financial Reporting Standards (IFRS) are a single set of high-quality, understandable, enforceable and globally accepted financial reporting standards based upon clearly articulated principles. The year 2005 earmarked the beginning of a new era in global conduct of business, and the fulfillment of a thirty - years efforts to create the financial reporting rules for a worldwide capital market. For during that year’s financial reporting cycle, as many as 7000 listed companies in the 27 European Union member states, plus many others in countries such as Australia, New Zealand, Russia and South Africa were expected to produce annual financial statements in compliance with a single set of international rules – International Financial Reporting Standards (IFRS). Many other business entities, while not publicly held and not currently required to comply with IFRS, also planned to do so, either immediately or over time, in order to conform to what is clearly becoming the new worldwide standard. There were once scores of unique sets of financial reporting standards among the more developed nations (“national GAAP”). However, most other national GAAP standards have been reduced in importance or are being phased out as nations all over the world have embraced IFRS. For example, Canada announced that Canadian GAAP is to be eliminated and replaced by IFRS in 2011. China required that listed companies employ IFRS beginning with their 2007 financial reporting. Many others planned to follow this same path. Year 2007 and 2008 proved to be watershed years for the growing acceptability of IFRS. In 2007, one of the most important developments was that the SEC (Securities and Exchange Commission) dropped the reconciliation to US GAAP requirement that had formerly applied to foreign private registrants. Thereafter, those reporting in a manner fully compliant with IFRS i.e. without any exception to the complete set of standards imposed by IASB, do not have to reconcile net income and shareholders’ equity to that which would have been presented under US GAAP. In effect, the US SEC was acknowledging that IFRS was fully acceptable as a basis for accurate, transparent and meaningful financial reporting. International Financial Reporting Standards has gained momentum all over the world because the capital markets have become global in nature and more and more investors see the need for a common accounting standards. implementation of IFRS will enable management to bring all the components of the group into a single financial reporting platform.

The followings are the main objectives of IFRS.

- i. To standardize accounting methods and procedures
- ii. To lay down principles for preparation and presentation of financial reporting systems.
- iii. To establish a benchmark for evaluating the quality of financial statements prepared by the enterprises.
- iv. To ensure the users of financial statements get creditable financial information.



v. To attain international levels in the related areas.

International Financial Reporting Standards comprise:

- International Financial Reporting Standards (IFRS) - standards issued after 2001.
- International Accounting Standards (IAS) - standards issued before 2001.
- Interpretations originated from the International Financial Reporting Interpretations Committee (IFRIC) - issued after 2001.
- Standing Interpretations Committee (SIC) - issued before 2001. There is also a Framework for the Preparation and Presentation of Financial Statements which describes of the principles underlying IFRS.

IFRS financial statements consist of (IAS1.8)

- a Statement of Financial Position
- a Statement of Comprehensive Income separate statements comprising an Income Statement and separately a Statement of Comprehensive Income, which reconciles Profit or Loss on the Income statement to total comprehensive income
- a Statement of Changes in Equity (SOCE)
- a Cash Flow Statement or Statement of Cash Flows
- notes, including a summary of the significant accounting policies

Comparative information is required for the prior reporting period (IAS 1.36). An entity preparing IFRS accounts for the first time must apply IFRS in full for the current and comparative period although there are transitional exemptions (IFRS1.7).

3. IFRS in India : In India, convergence with IFRS is being done in the form of Ind AS, a term devised by the Institute of Chartered Accountants of India (ICAI). The Ministry of Corporate Affairs (MCA) is designated as the nodal Ministry for converging Indian GAAP with IFRS/Ind AS.

The schedule set by the MCA for converging with IFRS was:

1. **Phase I :** To be implemented by 01 April 2011 by the companies which are included in NIFTY 50 or SENSEX 30 or companies having shares or other securities listed outside India or companies (listed or not) having net worth of Rs. 1000 Crores or more.
2. **Phase II :** To be implemented by 01 April 2013 by the companies (listed or not) having net worth in excess of Rs. 500 Crores but less than Rs. 1000 Crores.
3. **Phase III :** To be implemented by 01 April 2014 by the companies (listed or not) having net worth equal to or less than Rs. 500 Crores

In July 2014, the Finance Minister in his Budget speech proposed the adoption of the new Indian Accounting

Standards (Ind AS – the converged IFRS standards) by Indian companies voluntarily from FY 2015-16 and mandatory from FY 2016-17.

In March 2014, the Institute of Chartered Accountants of India (ICAI) submitted to Ministry of Corporate Affairs (MCA) a proposed new IFRS roadmap and convergence plan for India. In the proposed roadmap, the ICAI recommended implementation of Ind AS by select companies only in preparation of their consolidated financial statements.

The new implementation date for Ind AS is awaited from the MCA. It is unclear if the MCA will release a fresh roadmap or just amend the roadmap as submitted by ICAI.

Indian Accounting Standards (AS) is formulated on the basis of the IFRS. While formulating AS, the endeavor of the ICAI remains to converge with the IFRS. The ICAI has till date issued 29 AS corresponding to IFRS. Some recent AS, issued by the ICAI, are totally at par with the corresponding IFRS, e.g., the Standards on ‘Impairment of Assets’ and ‘Construction Contracts’. While formulating Indian Accounting Standards, changes from the corresponding IAS/ IFRS are made only in those cases where these are unavoidable considering:-

- Legal and/ or regulatory framework prevailing in the country.
- To reduce or eliminate the alternatives so as to ensure comparability.
- State of economic environment in the country.
- Level of preparedness of various interest groups involved in implementing the accounting standards.

Ind AS 1	Presentation of Financial Statements
Ind AS 2	Inventories
Ind AS 7	Statement of Cash Flows
Ind AS 8	Accounting Policies, Changes in Accounting Estimates and Errors
Ind AS 10	Events after Reporting Period
Ind AS 11	Construction Contracts
Ind AS 12	Income Taxes
Ind AS 16	Property, Plant and Equipment
Ind AS 17	Leases
Ind AS 18*	Revenue
Ind AS 19*	Employee Benefits
Ind AS 20	Accounting for Government Grants and Disclosure of Government Assistance
Ind AS 21*	The Effects of Changes in Foreign Exchange Rates
Ind AS 23	Borrowing Costs
Ind AS 24	Related Party Disclosures
Ind AS 27	Consolidated and Separate Financial Statements



Ind AS 28*	Investments in Associates
Ind AS 29	Financial Reporting in Hyperinflationary Economies
Ind AS 31	Interest in Joint Venture
Ind AS 32*	Financial Instruments : Presentation
Ind AS 33	Earning Per Share
Ind AS 34	Interim Financial Reporting
Ind AS 36	Impairment of Assets
Ind AS 37	Provisions, Contingent Liabilities and Contingent Assets
Ind AS 38	Intangible Assets
Ind AS 39*	Financial Instruments: Recognition and Measurement
Ind AS 40	Investment Property
Ind AS 101*	First-Time Adoption of Indian Accounting Standards
Ind AS 102	Share-Based Payments
Ind AS 103*	Business Combinations
Ind AS 104	Insurance Contracts
Ind AS 105	Non-Current Assets held for Sale and Discontinued Operations
Ind AS 106	Exploration for and Evaluation of Mineral Resources
Ind AS 107	Financial Instruments – Disclosures
Ind AS 108	Operating Segments

(Source : http://www.rippublication.com/gjfm-spl/gjfmv6n7_02.pdf)

*Carve-Outs have been prescribed for these Ind AS by ICAI. Transition to International Financial Reporting Standards (IFRS) or IND 613. These 35 IND-AS have also been notified and laid before both the Houses of Parliament in September 2012. However, it was decided that these converged standards will be implemented in the phased manner after tax issues are resolved.

4. Research Methodology : For completing the research secondary data has been used. Information has been collected with the use of secondary data which includes-

- IFRS books.
- Published research papers.
- IFRS website.

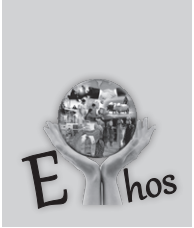
5. Results And Discussions :

Benefits Of Convergence With IFRS : It is sensible to make a careful preliminary assessment and a cost/benefit analysis of whether or not under the particular circumstances, an adoption of IFRS would be desirable and also examine different scenarios concerning timing of adopting IFRS. The number of companies which elect to adopt IFRS is growing and this is because IFRS reporting offers a wide scope of benefits. Examples of these benefits include the following:

1. IFRS significantly improves the comparability of entities and provide more consistent financial information.
2. IFRS are accepted as a financial reporting framework for companies seeking admission to almost all of the world's stock exchanges (including US).
3. The enhanced comparability of the companies' financial information and the improved quality of communication to their stockholders, decrease investor uncertainty, reduce risk, increases market efficiency and eventually minimises the cost of capital.
4. IFRS eliminates barriers to crossborder trading in securities, by ensuring that financial statements are more transparent.
5. Management reporting for internal purposes under IFRS, can improve the quality and consistency of information that management needs in order to make effective, efficient and timely decisions for the business.
6. IFRS adoption may be used as a chance to make some strategic improvements to the finance systems and processes as well as to reduce costs in the longer term.
7. IFRS financial statements that are universally understood and comparable can both improve and initiate new relationships with customers and suppliers across national borders.
8. Because of the positive effect IFRS financial information has on credit ratings, a company's position strengthens in negotiations with credit institutions and cost of borrowings are reduced.
9. IFRS can also result in more accurate risk evaluations by lenders and to a lower risk premium. It also helps companies to take advantage of alternative forms of finance.
10. In the case of groups it removes the need for individual companies to prepare two set of financial statements, if all individual companies in the group apply IFRS. It also allows multinational groups to have a common accounting language, thereby improving management reporting and decision making.
11. IFRS reporting makes easier to implement cross-border acquisitions, initiate partnerships & cooperation agreements with foreign entities, simplify the sale of the reporting entity and lower the costs of integration in post acquisition periods.

6. Challenges Faced : In spite of the various benefits of adopting IFRS, implementation of IFRS is a herculean task in India. Following are a few challenges faced during adoption and implementation of IFRS:

- i. **Awareness about international practices :** Adoption of IFRS means that the entire set of financial statements will be required to undergo a drastic change. There



are a number of differences between the two GAAP's (discussed below). This may cause the users of financial statements to look at them from a new perspective. It would be a challenge to bring about awareness of IFRS and its impact among the users of financial statements.

ii. Training : Professional accountants are looked upon to ensure successful implementation of IFRS. The biggest hurdle for the professionals in implementing IFRS is the lack of training facilities and academic courses on IFRS in India. As the implementation date draws closer (2011), it is observed that there is acute shortage of trained IFRS staff. The solution to this problem is that all stakeholders in the organisation should be trained and IFRS should be introduced as a full time subject in the universities.

iii. Amendments to the existing law : It is observed that implementation of IFRS may result in a number of inconsistencies with the existing laws which include the Companies Act 1956, SEBI regulations, banking laws and regulations and the insurance laws and regulations. Currently, the reporting requirements are governed by various regulators in India and their provisions override other laws. IFRS does not recognise such overriding laws. Although steps to amend these laws have been initiated, the authorities need to ensure that the laws are amended well in time.

iv. Taxation : IFRS convergence would affect most of the items in the financial statements and consequently the tax liabilities would also undergo a change. Thus the taxation laws should address the treatment of tax liabilities arising on convergence from Indian GAAP to IFRS. It is extremely important that the taxation laws recognise IFRS-compliant financial statements otherwise it would duplicate administrative work for the organisations.

v. Fair value : IFRS uses fair value as a measurement base for valuing most of the items of financial statements. The use of fair value accounting can bring a lot of volatility and subjectivity to the financial statements. It also involves a lot of hard work in arriving at the fair value and valuation experts have to be used. Moreover, adjustments to fair value result in gains or losses which are reflected in the income statements. Whether this can be included in computing distributable profit is also debated.

vi. Management compensation plan : The terms and conditions relating to management compensation plans would also have to be changed. This is because the financial results under IFRS are likely to be very different from those under the Indian GAAP. The contracts would have to be re-negotiated which is also a big challenge.

vii. Reporting systems : The disclosure and reporting requirements under IFRS are completely different from

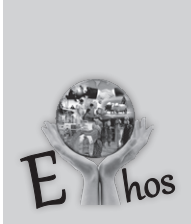
the Indian reporting requirements. Companies would have to ensure that the existing business reporting model is amended to suit the reporting requirements of IFRS. The information systems should be designed to capture new requirements related to fixed assets, segment disclosures, related party transactions, etc. Existence of proper internal control and minimising the risk of business disruption should be taken care of while modifying or changing the information systems.

viii. IFRS CHALLENGES FOR SME's : Still IFRS is not compulsory for SMEs in India and in future it might not be applied and still there are not perfect form of final standard there will be variation due to change in it. SME's lack resources and expertise and they cannot do proper cost-benefit analysis. Awareness of IFRS among SMEs are comparatively less so they are not ready for the adoption of IFRS.

7. Conclusion : Irrespective of various challenges, adoption of IFRS in India has significantly changed the contents of corporate financial statements. It is now required to have a common platform for accounting as there is a significant amount of foreign investments, mergers, acquisitions which needs comparison of financial statements. By adopting IFRS at a global level all the problems will get solved. There will be no barriers in comparison of statements in between foreign companies. Further, with the enactment of the new Companies Act 2013, preparation of the consolidated financial statements has become a necessity. It has been suggested that the Ministry of Corporate Affairs could demonstrate its commitment by permitting all the companies to report at least consolidated financial statements using IFRS/Ind AS. This will significantly enhance India's standing amongst the investors.

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A Study on Role of Forensic Accounting in Corporate Governance

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Abstract : *The increasing financial Fraud resulting to corporate collapse and the failure of the statutory audit to detect and prevent fraudulent activities which had led to the impoverishment of investors had given rise to need for forensic auditor. In view of the above this paper considers the impacts of forensic accounting on corporate governance. The study is a theoretical research which considered the roles of forensic auditors in combating fraudulent activities, future of forensic accounting and impact of forensic accounting on corporate governance. From studies carried out this paper concludes that forensic auditors having improved management accountability, strengthened external auditor's independence and assisting audit committee members in carrying out their oversight function by providing them assurance on internal audit report have impacted positively to corporate governance, thereby reducing corporate failure and impoverishment of investors.*

Keywords : *forensic accounting, forensic auditor, external auditor, financial fraud, corporate governance.*

1. Introduction : An increasing number of researchers are finding that ‘poor’ governance is a leading factor in poor performance, manipulated financial reports, and unhappy stakeholders. Companies are now trying to analyse and correct any existing defects in their reporting system. In the current reporting environment, forensic accountants are in great demand for their accounting, auditing, legal, and investigative skills. Forensic accountants are positioned to explore the design of governance systems, the effect of the governance board on employee and managerial behaviour, and the efficacy of the internal control systems. As part of the governance committee, Forensic Accountants can make significant contributions in the area of governance, fraud prevention and investigation, creating positive work environment, establishing effective lines of communication and vigilant oversight. An attempt is also made here to portray global regulatory action scenario undertaken by leading bodies to prevent frauds and improve governance through accounting reforms. In nutshell, the Forensic Accountant is “a blood-hound of book-keeping.”

Forensic accounting, forensic accountancy or financial forensics is the specialty practice area of accounting that describes engagements that result from actual or anticipated disputes or litigation. “Forensic” means “suitable for use in a court of law”, and it is to that standard and potential outcome that forensic accountants generally have to work. Forensic accountants, also referred to as forensic auditors or investigative auditors, often have to give expert evidence at the eventual trial. All of the larger accounting firms, as well as many medium-sized and boutique firms, as well as various Police and Government agencies have specialist forensic accounting departments.

Forensic accountants are also known as fraud investigators, investigative accountants, forensic auditors or fraud auditors.

Engagements relating to criminal matters typically arise in the aftermath of fraud. They frequently involve the assessment of accounting systems and accounts presentation - in essence assessing if the numbers reflect reality.

Some forensic accountants specialize in forensic analytics which is the procurement and analysis of electronic data to reconstruct, detect, or otherwise support a claim of financial fraud. The main steps in forensic analytics are (a) data collection, (b) data preparation, (c) data analysis, and (d) reporting. For example, forensic analytics may be used to review an employee's purchasing card activity to assess whether any of the purchases were diverted or divertible for personal use.

The types of crimes forensic accountants investigate are classified as “crimes against property.” They investigate crimes such as fraud and give expert testimony in court trials. Although forensic accounting may not sound as glamorous as its other investigative counterparts, the field has received more attention in recent years. This is due in part to the high-profile, financial white-collar crimes involving large corporations, such as the Enron and Adelphia Communications scandals of 2001 and 2002. The federal government employed impartial forensic accountants to uncover the extent of the fraud and other accounting irregularities practiced by executives and the accounting firms associated with them.

Forensic accounting has come into limelight due to rapid increase in financial frauds and white-collar crimes. But, it is a largely untrodden area in India. The integration of accounting,



auditing and investigative skills creates the specialty known as forensic accounting. The corresponding author only.

2. Review of Literature : A literature review is a body of text that aims to review the critical points of current knowledge including substantive findings as well as theoretical and methodological contributions to a particular topic. Literature reviews are secondary sources, and as such, do not report any new or original experimental work.

Most often associated with academic-oriented literature, such as these, a literature review usually precedes a research proposal and results section. Its ultimate goal is to bring the reader up to date with current literature on a topic and forms the basis for another goal, such as future research that may be needed in the area.

A well-structured literature review is characterized by a logical flow of ideas; current and relevant references with consistent, appropriate referencing style; proper use of terminology; and an unbiased and comprehensive view of the previous research on the topic.

The reviews relating to topic is mentioned below :

ICAI (Forensic Accounting – New Paradigm of Niche Consulting) : Forensic accounting has come into limelight due to rapid increase in financial frauds and white-collar crimes. But, it is a largely untrodden area in India. The integration of accounting, auditing and investigative skills creates the specialty known as forensic accounting.

“Forensic”, according to the Webster’s Dictionary means, “Belonging to, used in or suitable to courts of judicature or to public discussion and debate.”

“Forensic accounting”, provides an accounting analysis that is suitable to the court which will form the basis for discussion, debate and ultimately dispute resolution.

Crumbley wrote on same, when he stated that a form of Forensic Accounting can be traced back to an 1817 court decision. He stated that a “young Scottish accountant issued a circular advertising his expertise in arbitration support in 1824” but that Peloubet was probably the first to publish the phrase Forensic Accounting. Simply stated, Forensic Accounting (also called investigative accounting or fraud audit) is a merger of forensic science and accounting.

Forensic science, according to Singleton “may be defined as application of the laws of nature to the laws of man”. He refers to forensic scientists as examiners and interpreters of evidence and facts in legal cases that also offers expert opinions regarding their findings in court of law. The science in question here is accounting science, meaning that the examination and interpretation will be of economic information. Investigation of fraud and corruption is confirmed, both in the developed and developing countries. It is only gaining prominence because of the growing wave of the crime under the seemingly new

nomenclature during the last five years.

Ozkul defined Forensic Accounting as “the integration of accounting, auditing, and investigative skills.” Simply put, FA is accounting that is suitable for legal review offering the highest-level of assurance and including the now generally accepted connotation of having been arrived at in a scientific fashion.

3. Research Problem under Study : Recent corporate accounting scandals and the resultant outcry for transparency and honesty in reporting have given rise to two disparate yet logical outcomes. First, forensic accounting skills have become crucial in untangling the complicated accounting manoeuvres that have obfuscated financial statements. Second, public demand for change and subsequent regulatory action has transformed governance in companies. Increasingly, company officers are under ethical and legal scrutiny. Both trends have the common goal of responsibly addressing investors’ concerns about the financial reporting system.

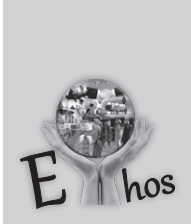
The failure of the corporate communication structure has made the financial community realize that there is a great need for skilled professionals that can identify, expose, and prevent weaknesses in three key areas: poor governance, flawed internal controls, and fraudulent financial statements. Forensic accounting skills are becoming increasingly relied upon within a corporate reporting system that emphasizes its accountability and responsibility to stakeholders.

India is facing a problem of frauds in accounting and therefore the topics to be studied in detail are as follows;

- Preventing Frauds.
- To build a strong accounting system relating to supervision, audit, technology and legal framework;
- Improving the effectiveness of Corporate Governance & Reporting System
- Up gradation of the level and the quality of accounting control system.
- To creating positive work environment.

4. Objectives of the Study :

- a. To understand the concept of Corporate Governance & Forensic accounting
- b. To study the importance of Forensic accounting in corporate governance
- c. To study the impact of Forensic accounting on corporate governance
- d. To study the use of Forensic accounting by various companies to maintain Corporate Governance
- e. Problems faced by the Forensic accountants.
- f. Future Prospects.



5. Research Methodology Used : This study is a theoretical study of the impact of forensic auditor in corporate governance which employed the secondary source of data collection by making use of available literature on forensic auditors and its impact on corporate governance.

6. Discussion :

Impact of Forensic Accounting in Corporate Governance

: Management is accountable to shareholder, and other stakeholders. Management of companies are said to be solely responsible for preparing Accounts and maintaining adequate proper financial records. More so, they are responsible for detecting and preventing fraud in their organization, while the external auditor responsibility is to ensure that account prepared by companies management are in line with general accepted accounting principle and statute. However the external auditors in carrying out their duties may unveil fraud if such is discovered. The external auditor has refused to accept responsibility to detect fraud. Although AAS has required the external auditor to report material misstatement and errors arisen due to fraudulent activities.

Nevertheless, the above responsibility functions have not been accepted by auditors; thus resulting to corporate fraud and most times corporate failure and poor corporate governance. In order to ensure proper accountability and prevent fraud by the management the forensic auditor been an expert in financial fraud matters with special skills in scientific knowledge and legal matters have helped management to improve their role by providing software packages which enables management to easily detect and prevent fraudulent activities. Also, since management are aware that the forensic auditor may be called upon by shareholders/External auditors and audit committee at any time to investigate and detect financial fraud, the management will be more diligent in carrying out its function effectively knowing full well that the forensic auditor is a crime detector. The directors being aware that the forensic auditors may be invited to detect and prevent fraudulent activities, they will most time ensure that their organization has a good internal control system, checks and balances which are transparent, thereby positively influencing corporate governance.

Future of Forensic Accounting : The preceding chapters have looked at forensic accounting investigation from a multitude of different perspectives, but one further perspective remains to be explored: the future of the discipline. Compared with the well-defined professions of accounting and auditing, forensic accounting investigation is in its infancy. There could be no clearer sign that the future of the forensic accounting investigation specialty, emerging out of financial auditing and criminology and developing its own repertoire of goals and methods, will be much longer than it's past. What can be understood on the basis of conditions and trends today about the further development of this very young branch of

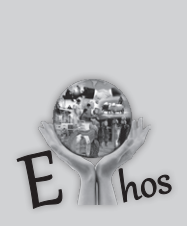
accounting? We propose to approach the intriguing topic of “where-do-we-go-from-here?” in terms of five concerns:

- The evolution of the discipline itself, including the boundary between financial statement auditing and forensic accounting investigation
- Education and training for a new generation of forensic accounting investigators
- The changing regulatory and legislative environments
- The changing corporate environment, in which the decision to investigate and the process and results of investigation encounter real-world benefits and costs
- Changes in corporate reporting, especially with respect to nonfinancial operating data (NFOD) that may be subject to some form of assurance or formal review and may be subject to fraudulent manipulation

7. Conclusion : Forensic accounting in India has come to limelight only recently due to rapid increase in white-collar crimes and the belief that our law enforcement agencies do not have sufficient expertise or the time needed to uncover frauds. A large global accounting firm believes the market is sufficiently large to support an independent unit devoted strictly to ‘forensic’ accounting. All of the larger accounting firms, as well as, many medium-sized and boutique firms have recently created forensic accounting departments. Since the forensic auditors possess special skills and knowledge which can easily detect and prevent fraudulent activities, this definitely will enable the corporate governance mechanism (external auditor, audit committee and management) in carrying out their responsibility of achieving corporate goals and reducing financial fraud. Thus, the forensic auditor could be said to have impacted effectively to the corporate governance of the organization by improving the management accountability, and financial reporting system, strengthening independence of the external auditor, assisting audit committee members in their oversight functions by providing additional assurance and giving greater responsibility to the external auditor in carry out their statutory audit functions. Thus, this will definitely help to reduce corporate collapse and impoverishment of investors thereby influencing corporate growth and achievement of overall corporate objectives.

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A Theoretical & Practical Understanding of Motivation & Entrepreneurship Development at Workplace

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Abstract : This a theoretical paper that throws light on theories of motivation & entrepreneurship & discusses the practicalities in a conceptual way. Motivation is a theoretical construct, used to explain behavior. Motives are hypothetical constructs, used to explain why people do what they do. Entrepreneurship is the process of starting a business or other organization. The entrepreneur develops a business model, acquires the human and other required resources, and is fully responsible for its success or failure. Entrepreneurship operates within an entrepreneurship ecosystem. This paper put up the theories of motivation and presents the practical implications for the managers. Also the authors puts up the theories of entrepreneurship and explains the practical implications of the same. The Paper puts up the motivational techniques used by entrepreneurs to stay motivated at workplace.

Keywords : Motivation, Entrepreneurship, Practicality.

1. Theoretical Research in Motivation at Workplace:

Motivation is a theoretical construct, used to explain behaviour. Motives are hypothetical constructs, used to explain why people do what they do, for example, when they use some strategy to achieve a goal. According to Maehr and Meyer, “Motivation is a word that is part of the popular culture as few other psychological concepts are”.

Motivation : “The processes that account for an individual’s intensity, direction, and persistence of effort toward achieving a goal”

- Intensity : how hard an employee tries
- Direction : should benefit the organization (i.e. quality of effort counts!)
- Persistence : how long can an employee maintain his/her effort?

Early Theories of Motivation : Hierarchy of Needs (a.k.a. Maslow’s Pyramid)

Physiological : hunger, thirst, shelter, sex & other bodily needs

Safety : Includes security and protection from physical and emotional harm

Social : Includes affection, belongingness acceptance, and friendship

Esteem : Includes internal esteem factors such as self-respect, autonomy, and achievement; and external esteem factors such as status, recognition, and attention

Self-actualization : The drive to become what one is capable of becoming; includes growth, achieving one’s potential,

and self-fulfilment

Theory X and Theory Y : Douglas McGregor proposed two distinct views of human beings: one basically negative, labelled Theory X, and the other basically positive, labelled Theory Y.

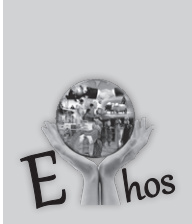
Theory X : The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform. (Lower order needs dominate)

Theory Y : The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction. (Higher order needs dominate)

McGregor believed Theory Y assumptions were more valid than Theory X and proposed such ideas as participative decision making, responsible and challenging jobs, and good group relations as approaches that would maximize an employee’s motivation.

Two-Factor Theory : Intrinsic factors are related to job satisfaction, while extrinsic factors are related to job dissatisfaction.

- Hygiene factors : when these are adequate, workers “feel OK” (i.e. they are NOT dissatisfied). Examples include quality of supervision, company policies and administration.
- Motivators : examines factors contributing to job satisfaction. Thus there are factors which lead to job satisfaction and things that don’t (i.e. notice there is a difference between “non-satisfying” and “dissatisfying factors”)



Contemporary Theories :

McClelland's Theory of Needs : The Need for Achievement: the drive to excel, achieve in relation to a set of standards, strive to succeed.

The Need for Power : The need to make others behave in a way that they would not have behaved otherwise.

The Need for Affiliation : The desire for friendly and close interpersonal relationships.

Those high on “achievement” tend to prefer jobs with personal responsibility, feedback and moderate risks. They DO NOT always care about motivating others!

In general, individuals high on the need for “Power” and low on the need for “Affiliation” tend to perform better in managerial roles.

Cognitive Evaluation Theory : Allocating extrinsic rewards for behaviour that had been previously intrinsically rewarding tends to decrease the overall level of motivation.

Goal-Setting Theory : The theory that specific and difficult goals lead to higher performance.

Goals tell an employee what needs to be done and how much effort will need to be expended.

Specific goals increase performance; that difficult goals, when accepted, result in higher performance than do easy goals; and that feedback leads to higher performance than does non-feedback.

Specific hard goals produce a higher level of output than does the generalized goal of “do your best.”

The specificity of the goal itself acts as an internal stimulus.

Be sure to note the importance of goal commitment, self-efficacy, task characteristics, and national culture on goal-setting theory.

Management by Objectives (“MBO”) : This approach puts goal setting to work.

It is a program that encompasses : Specific goals (tangible, verifiable, measurable), Participative set, for an explicit time period, with performance feedback on goal progress.

MBO operationalizes the concept of objectives by devising a process by which objectives cascade down through the organization. The result is a hierarchy of objectives that links objectives at one level to those at the next level. For the individual employee, MBO provides specific personal performance objectives.

Self-Efficacy Theory : Self-efficacy refers to an individual's belief that he or she is capable of performing a task. The higher your self-efficacy, the more confidence you have in your ability to succeed in a task.

Reinforcement Theory : A counterpoint to the goal-

setting theory. In reinforcement theory, a behaviouristic approach, which argues that reinforcement conditions behaviour. Reinforcement theorists see behaviour as being behaviourally caused. Reinforcement theory ignores the inner state of the individual and concentrates solely on what happens to a person when he or she takes some action. Because it does not concern itself with what initiates behaviour, it is not, strictly speaking, a theory of motivation. It does however provide a powerful means of analysis of what controls behaviour.

Equity Theory : Individuals compare their job inputs and outcomes with those of others and then respond so as to eliminate any inequities. Equity theory recognizes that individuals are concerned not only with the absolute amount of rewards for their efforts, but also with the relationship of this amount to what others receive.

Historically, equity theory focused on : Distributive justice or the perceived fairness of the amount and allocation of rewards among individuals. However, equity should also consider procedural justice or the perceived fairness of the process used to determine the distribution of rewards. Interactional justice is also important.

Expectancy Theory : The strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. The theory focuses on three relationships:

Effort-performance relationship or the probability perceived by the individual that exerting a given amount of effort will lead to performance.

Performance-reward relationship or the degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.

Rewards-personal goals relationship or the degree to which organizational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individual.

2. Practical Implications for Managers :

Need Theories : Maslow's hierarchy, two factor, ERG, & McClelland's

Goal Setting Theory : Clear and difficult goals often lead to higher levels of employee productivity.

Reinforcement Theory : Good predictor of quality and quantity of work, persistence of effort, absenteeism, tardiness, and accident rates.

Equity Theory : Strongest when predicting absence and turnover behaviours.

Weakest when predicting differences in employee productivity.



Expectancy Theory : Focus on performance variables. It is a “rational” model so be careful when using it. This theory may be better applied to employees with greater discretion in their jobs (i.e., as opposed to semi-skilled positions)

3. Theoretical Research in Entrepreneurship : Entrepreneurship is the process of starting a business or other organization. The entrepreneur develops a business model, acquires the human and other required resources, and is fully responsible for its success or failure. Entrepreneurship operates within an entrepreneurship ecosystem.

In recent years, “entrepreneurship” has been extended from its origins in business to include social and political activity. Entrepreneurship within an existing firm or large organization has been referred to as entrepreneurship and may include corporate ventures where large entities spin off subsidiary organizations. Entrepreneurs are leaders willing to take risk and exercise initiative, taking advantage of market opportunities by planning, organizing, and employing resources, often by innovating new or improving existing products. More recently, the term entrepreneurship has been extended to include a specific mindset (see also entrepreneurial mindset) resulting in entrepreneurial initiatives, e.g. in the form of social entrepreneurship, political entrepreneurship, or knowledge entrepreneurship.

According to Paul Reynolds, founder of the Global Entrepreneurship Monitor, “by the time they reach their retirement years, half of all working men in the United States probably have a period of self-employment of one or more years; one in four may have engaged in self-employment for six or more years. Participating in a new business creation is a common activity among U.S. workers over the course of their careers.” In recent years, entrepreneurship has been claimed as a major driver of economic growth in both the United States and Western Europe.

Entrepreneurial activities differ substantially depending on the type of organization and creativity involved. Entrepreneurship ranges in scale from solo, part-time projects to large-scale undertakings that create many jobs. Many “high value” entrepreneurial ventures seek venture capital or angel funding (seed money) in order to raise capital for building the business.[5] Many organizations exist to support would-be entrepreneurs, including specialized government agencies, business incubators, science parks, and some NGOs.

4. Relationship between Entrepreneurship & Motivation: Evidence from Theoretical Research

What Motivates Entrepreneurs? : Some entrepreneurs continuously struggle to bring a single idea or product to MARKET while others seem to be able to do it almost effortlessly, time and again. Household names like Steve Jobs, who achieved a legendary level of success with

Apple, Pixar and NeXT, serve as examples of these global business auteurs. But there are exponentially more men and women who successfully and continuously launch thriving businesses that may not achieve the same level of global recognition but remain highly profitable just the same.

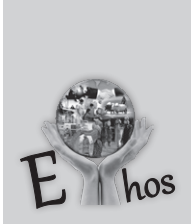
How do they do it? Given the repeat success many enjoy, you can pretty much count luck out. And while a wide range of leadership abilities go into the mix, at the core is an innate drive toward success.

The greatest challenge for a serial entrepreneur is figuring out how to rekindle the initial hunger, passion and dedication that fuelled their first venture. To do so, many surround themselves with connections who’ve supported them in the past, often leaning heavily on trusted partners for crucial FINANCIAL, professional and emotional support. To continuously draw from these people, the entrepreneur must inspire an organic dedication among his or her followers.

Often viewed as optimistic and idealistic, the entrepreneur possesses a level of commitment and a vision that are easily observed. They’re inventive, aggressive, confident, tireless, highly (and often severely) competitive, and possess an intense level of focus. Entrepreneurs genuinely believe in what they’re doing and thereby inspire others toward the same goal. They typically place a high value on creativity and will take a calculated risk if they’re fairly certain they can sway the eventual outcome in their favour.

Need for achievement : Within the research domain of personality traits and entrepreneurship, the concept of need for achievement (nAch) has received much attention. McClelland (1961) argued that individuals who are high in nAch are more likely than those who are low in nAch to engage in activities or tasks that have a high degree of individual responsibility for outcomes, require individual skill and effort, have a moderate degree of risk, and include clear feedback on performance. Further, McClelland argued that entrepreneurial roles are characterized as having a greater degree of these task attributes than other careers; thus, it is likely that people high in nAch will be more likely to pursue entrepreneurial jobs than other types of roles. Johnson (1990) conducted a traditional review of 23 studies, which varied regarding samples, measurement of nAch, and definitions of entrepreneurship. Based on this group of studies, Johnson concluded that there is a relationship between nAch and entrepreneurial activity—in this case, nAch distinguished firm founders from other members of society. In a similar review of 19 studies, Fineman (1977) concluded that both projective and questionnaire measures of nAch significantly predict firm founding.

Risk taking : Risk-taking propensity is another motivation of interest, which emerged from McClelland’s (1961) original research on entrepreneurs. McClelland claimed that individuals with high achievement needs would



have moderate propensities to take risk. This claim by McClelland is especially interesting for entrepreneurship research because the entrepreneurial process involves acting in the face of uncertainty. Liles (1974) argued that entrepreneurs often must accept uncertainty with respect to financial well-being, psychic well-being, career security, and family relations. Moreover, several theories of entrepreneurship view the entrepreneur as bearing residual uncertainty (Venkataraman, 1997). Atkinson (1957) argued that individuals who have higher achievement motivation should prefer activities of intermediate risk because these types of activities will provide a challenge, yet appear to be attainable. On the other hand, individuals who score high on the motive to avoid failure will avoid intermediate risks. Instead, they will prefer easy and safe under-takings (because there is a high chance of success) or extremely difficult and risky ones (because it will be easy to explain failure without accepting personal blame). Following the lead of Atkinson, risk-taking propensity has been defined in the entrepreneurship literature as the willingness to take moderate risks (Begley, 1995). Tolerance for ambiguity Schere (1982) argued that tolerance for ambiguity is an important trait for entrepreneurs because the challenges and potential for success associated with business start-ups are by nature unpredictable. Budner (1982) defined tolerance for ambiguity as the propensity to view situations without clear outcomes as attractive rather than threatening. Because entrepreneurs continually face more uncertainty in their everyday environment than do managers of established organizations, entrepreneurs who remain in their jobs are likely to score high on tests for this trait than would managers. There is mixed support for this prediction. Begley and Boyd (1987) found that firm founders scored significantly higher in tolerance for ambiguity than did managers, defined as nonfounders working in business. In smaller sample studies, both Schere (1982) and Miller and Drodge (1986) found that firm founders were significantly higher in tolerance for ambiguity than were managers. Finally, based on a review of four additional studies, Sexton and Bowman (1986) identified tolerance for ambiguity as a distinguishing psychological characteristic between firm founders and managers. Locus of control another motivational trait that has received attention is locus of control—the belief in the extent to which individuals believe that their actions or personal characteristics affect outcomes. Individuals who have an external locus of control believe that the outcome of an event is out of their control, whereas individuals with an internal locus of control believe that their personal actions directly affect the outcome of an event (Rotter, 1966). As McClelland (1961) discussed earlier, individuals who are high in nAch prefer situations in which they feel that they have direct control over outcomes or in which they feel that they can directly see how their effort affects outcomes of a given event. This point was extended by Rotter (1966) who argued that individuals with an internal locus of control

would be likely to seek entrepreneurial roles because they desire positions in which their actions have a direct impact on results.

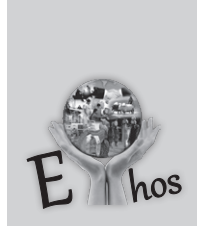
Self-efficacy : Self-efficacy is the belief in one's ability to muster and implement the necessary personal resources, skills, and competencies to attain a certain level of achievement on a given task (Bandura, 1997). In other words, self-efficacy can be seen as task-specific self-confidence. Self-efficacy for a specific task has been shown to be a robust predictor of an individual's performance in that task and helps to explain why people of equal ability can perform differently. An individual with high self-efficacy for a given task will exert more effort for a greater length of time, persist through setbacks, set and accept higher goals, and develop better plans and strategies for the task. A person with high self-efficacy will also take negative feedback in a more positive manner and use that feedback to improve their performance. These attributes of self-efficacy may be important to the entrepreneurial process because these situations are often ambiguous ones in which effort, persistence, and planning are important.

Goal setting : Tracy, Locke, and Renard (1998) conducted a study of the owners of small printing firms. Both concurrent and longitudinal measures of four aspects of performance were obtained: financial performance, growth, and innovation. The quantitative goals the entrepreneurs had for each outcome were significantly related to their corresponding outcomes, both concurrently and longitudinally (nAch in this study was unrelated to performance). Baum, Locke, and Smith (2001) also found that growth goals were significantly related to the subsequent growth of architectural woodworking firms. Although there have been other studies of entrepreneurial goals, to our knowledge, only these two have related quantitative measures of goal difficulty to performance.

5. Application of Theory into Practice: Techniques used by entrepreneurs to stay motivated are as follows : Motivation is elusive. Some days we're pounding the keyboard, brainstorming ideas, and jabbering on the phone well past dinner; others, we look at the clock only to discover that lunch is still two hours and four minutes away. Especially during the holiday season, it's hard to stay motivated.

Entrepreneurs say how they get their motivation back. Here are some of the most popular techniques.

Take a Break : Taking a break is an obvious fix, but effective. It clears your mind and can even increase your creativity: exposing yourself to new ideas can help you be more creative in your own field. And, of course, some people claim to have their best ideas in the shower, or when they're not actively thinking about work. In fact, the Pomodoro technique for productivity and time management revolves around breaks, which punctuate 25-minute intervals of focused work. The idea is that your thinking is elevated by



short rests. Working nonstop, however, can bog down the brain. One common way to spend that break is exercising. “I go for a run, but everybody has their own tricks. I have a friend that used to do underground fight clubs. He is one of the most talented designers I know, and a complete wacko,” says BJ Fleming, a content specialist at Grubwithus.

Think about Your Customers : One big difference between online businesses and brick-and-mortar stores is the customer interaction, and it affects motivation. While small business owners might see smiles and happy faces all day, entrepreneurs are (more often than not) staring at their computer screens.

But customers and users are so critical to a start-up – they are the ones who benefit from what you create, and they keep you in business. So, many entrepreneurs turn their thoughts to their customers to get back their motivation. “When I lack motivation, I go straight to my store locator on my website! I remind myself of how many great companies believe in us and it fuels me to move forward and continue to grow the business!” says Christy Cook, the founder of Teach My. If you want something more tangible, take a look at customer reviews and feedback – or create a short survey to gather some. Anita Malik, CEO of Bride Rush, even keeps a “kudos board” on the wall that includes reviews from brides and vendors. “It energizes our small team on slow or frustrating days,” she says.

Think about Your Team : If you forget why you’re doing this, your cofounders and employees might help remind you. Like your customers, they’re also benefitting from your work: they get exciting jobs and the chance to create something new. As Julia Hartz, president and cofounder of Eventbrite, says, seeing the enthusiasm of your team can give you a boost. “It’s hard to lose motivation when I go into the office every day and see 200 Britelings. I spend a lot of time focused on supporting our Eventbrite culture, and that serves as a constant source of motivation for me.”

Get Social : Talking to other entrepreneurs can be reassuring when you’re feeling down. In particular, it helps you realize that the ups and downs of start-up life are perfectly normal. “I typically grab a meal or cup of coffee with other entrepreneurs,” says Jacqueline Jensen, cofounder and COO of Ticket Cake. “It’s refreshing to hear I’m not alone in the mountain-and-valley terrain entrepreneurs tackle each day. After some time with the community, I usually discover I’m ready to dive back in.” For Brent Coker of Webreep, this is one good reason to mentor young entrepreneurs – their bright attitude is infectious and untempered by the harsh realities of failure. “Intense passion is contagious – unfortunately it gets diminished as you get older,” he says.

Get organized : If motivation is the drive to accomplish something, obviously we can’t feel motivated to do things we think are impossible. So when work starts to feel impossible, you can lose your motivation. To get it back, get

organized and convince yourself that you can do it

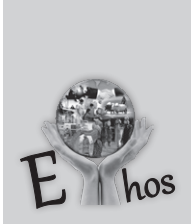
Do something new : A lack of motivation can also come from a feeling of boredom, and shaking up your routine may be just the ticket.

Rediscover your inspiration : This is really the root. To get motivated, you need to remember why you were ever motivated in the first place: why you’re doing what you’re doing. Maybe you want to change the world, maybe add a little fun, and maybe make people happy for 5 minutes per day – whatever.

6. Conclusion : It is often said that a person cannot win a game that they do not play. In the context of entrepreneurship, this statement suggests that success depends on people’s willingness to become entrepreneurs. Moreover, because the pursuit of entrepreneurial opportunity is an evolutionary process in which people select out at many steps along the way, decisions made after the discovery of opportunities—to positively evaluate opportunities, to pursue resources, and to design the mechanisms of exploitation—also depend on the willingness of people to “play” the game. In this paper, it’s evident that that human motivations influence these decisions, and that variance across people in these motivations will influence who pursues entrepreneurial opportunities, who assembles resources, and how people undertake the entrepreneurial process...

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Ethics in Healthcare Management

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Abstract : *A code of ethics within the health care community provides health care administrators with proper behavioral patterns. The code of ethics for health care administrators guides the administrators in proper relationships between their co-workers and patients. Hospital administrators, must embrace a strong ethical stance for the safety of their patients and themselves. Not only will a strong ethical code help the administrators to provide the best care possible for the patient but it will help protect them from drug temptations and medical malpractice suits. Hospital administrators need to weigh the needs of patients, employees, the community they serve overall and the facilities they run. The decisions they make can affect many people's health and welfare, medically, socially, economically and professionally. A code of ethics suggests ways for administrators and staff to work with integrity while they serve as many patients as possible and the hospital as a whole. The prime objective of this paper is to explain the importance of ethics in management of a hospital and to create awareness about ethical principles of working in health care. Extensive study and literature review was done from a range of sources like journals, books and internet websites of relevant disciplines, including hospitals and case studies prepared on each type exploring the essentials of ethics in working of hospital.*

Key words : *Ethics, Hospital Administrator, Ethics committee.*

1. Introduction : Ethics, sometimes known as moral philosophy, is a branch of philosophy that involves systematizing, defending and recommending concepts of right and wrong conduct, often addressing disputes of moral diversity.

The code of ethics instructs the administrators to ensure that patients receive the best quality care “in light of resources or other constraints.” This reminds administrators that while they must consider the needs of the patient, they must also consider the financial and other effects of the hospital's efforts to provide high-quality care for all.

This consists of ensuring that medical personnel are trained to perform necessary medical procedures, that appropriate drugs are available and administered properly and that adequate numbers of well-trained staff are available to treat and care for patients.

The American College of Health Care Administrators (ACHCA) indicates that the number one point of its code of ethics is that the patient's care is held paramount to all else. This ensures that the medical care given is of the highest standard possible based on the circumstances and situations allowed.

The facility itself should be kept in accordance to health care standards and local laws. There shall be no discrimination against the patient for any reason and there shall be no release of personal information about the patient beyond what is necessary for billing and medical procedures.

Figure 1 depicts the healthcare value chain in India i.e. the Educational institutions, Healthcare delivery Institutions and A health-care administrator cannot allow any discrimination against a patient and cannot allow any practices that may be viewed as discriminatory. There must also be systems in place that ensure that patients are aware of their rights and any risks involved in the health-care services provided.

Providing good patient care and avoiding harm are the cornerstones of ethical practice. Healthcare workers want to do the right thing, but it isn't always clear how they should proceed. Every situation is somewhat different, and ethical dilemmas can arise even when a hospital has policies in place to address them.

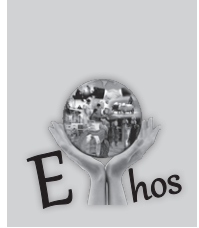
Support/Ancillary institutions for healthcare delivery which have to collaboratively involve in ethical working practices.

2. Research Methodology :

The basic objectives of study are;

- To assess the importance of ethics in hospital management.
- To create awareness about ethical principles of working in health care.

A descriptive study is done on the use of Social media networking for hospitals and health care. All secondary data is collected from Health Magazines, World Wide Web, Newspaper articles and published matter on similar topic.



A pragmatic experience is driven with help of our course curriculum (Hospital Administration) to complete this study.

3. Theoretical Background : Healthcare ethics involves making well researched and considerate decisions about medical treatments, while taking into consideration patient's beliefs and wishes regarding all aspects of their health. Doctors, nurses, and other professionals who have the ability to affect a patient's health are all forced to make ethical decisions on a daily basis. This power over a patient's wellbeing creates a mandatory need for all healthcare organizations to develop an ethics committee. The committee's goal is to establish a written code of ethics that details the policies and procedures that determine proper conduct for all employees. Doctors, therapists, nurses, and other healthcare providers all work with the committee to assist the patients and their families; all working together cohesively to identify, understand, and resolve difficult ethical decisions.

It has been more than 30 years since the establishment of ethics committees in India, as the first official guidelines for the formation of ECs was issued by the Indian Council for Medical Research (ICMR) in February 1980. However, despite the establishment of ethical guidelines since a long time, the ECs in our country are still grappling with basic issues like, inadequate or no standard operating procedures (SOPs) and noncompliance with the recommendations.

Although marked by a slow pace, government bodies have taken initiatives toward regulating Indian Ethics Committees relevant to Indian ethos. The ethical guidelines released by the ICMR are elaborate and give a sound direction to biomedical research conducted in the country.

4. Discussions & Results : There are many ethical issues that may arise in regards to a patient's healthcare. These major issues as well as ways to manage them are as follows:

Confidentiality- The protection of private patient information in the medical field is one of the most important ethical issues that may arise in the field of healthcare. Conversations between a patient and a doctor are strictly confidential and access to them is strictly monitored. An ethics committee needs to make sure that its patients' medical records are safeguarded.

Transmission of diseases- The risk posed to doctors and nurses of acquiring a communicable disease from patients is a concern to those serving on ethical committees. This is especially true if a patient's health history is not made available to the providers. While healthcare providers do not want to make the patient uncomfortable by taking obvious protective measures, they still have every right to protect themselves from any pathogens that may be able to spread by direct or indirect contact. Therefore, the hospital

and its ethics committee should work together to educate employees on how to protect themselves while still making the patients feel at ease.

Aggressive marketing practices - Certain guidelines, ethics, and standards need to be adhered to when promoting and marketing a hospital's services. It is extremely inappropriate for hospitals to recommend unnecessary services to a patient just for the sake of profit. The main goal of the hospital should be patient care, not marketing schemes. Ethical committees should always be involved in the facility's marketing practices in some way so that the result of any marketing campaign is tasteful and sincere.

Provided information- The information that a hospital provides to advertising companies needs to be 100% accurate and honest. It is important that the advertisements for the hospital and its services are not misleading or false.

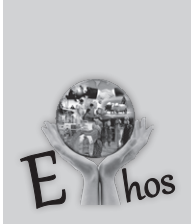
Avoiding conflicts of interest - Doctors and nurses are often prime targets of promotions from pharmaceutical, medical device and equipment manufacturers. Even small gifts produce in their recipients a disproportionately powerful willingness to reciprocate in some manner.

Wrestling with equal treatment vs. VIP treatment for donors and other influential people - Elite care for VIP patients such as financial donors, trustees' family members, and other influential people in the community can take many forms. It may result in shorter waiting times or longer physician consultations, or it could mean that "the Hospital administrator drops by to make sure they don't have any problems and that their care is first-class. While ensuring the privacy of celebrities enters into the equation, "The question is whether consistently the hospital treats people who are wealthy, or who are donors, differently than the general public. Individual cases should be monitored and policies put in place to clarify expectations.

Patient welfare - A doctor, nurse, and any other type of healthcare professional involved in the care of a patient needs to remember their main motive: safeguarding the welfare of their patients. All personal information needs to be kept private. It is also important that physicians are honest with their patients. No matter what the healthcare provider's personal beliefs are; a patient should never be discriminated against based on race, income, or sex. Reports of such discrimination should be taken very seriously.

Elderly patients- Dealing with patients of advanced age may sometimes pose problems in regards to ethical decision making since they are not capable of making rational decisions on their own. As a result, their families are left with the responsibility of making difficult choices.

Terminally ill patients - As with elderly patients, terminally ill patients may have specific wishes for the manner in which they want their lives to end. Dealing with an issue



such as euthanasia is very difficult and therefore requires a deep understanding of ethical processes.

Therapies - There are different techniques and therapies that can be performed with a patient or victim so that any trauma or stress related to an offending incident can be alleviated. Hearings and investigations into the incident may also occur.

There are vast ranges of ethical issues that may arise in the field of healthcare today

A hospital's ethical committee has the responsibility to make sure that all of its practitioners are aware of the principals of ethical decision making.

Conceived as a solution to clinical dilemmas, and now required by organizations for hospital accreditation, ethics committees have been subject only to small-scale studies. The role of ethics committees in making policies about clinical care is greater than was known, and ethics committees will likely continue to play an important role in the debate and resolution of clinical cases and clinical policies.

Box 1: Key issues

- a) Pricing of drugs (brand vs. generic)
- b) Advertising - information disclosure in ads; doctor-pharmaceutical firm nexus to promote certain drugs over others through samples, sponsorship and other practices, with little attention to quality
- c) Availability of banned drugs and counterfeits.
- d) Disregard of regulations in sponsoring clinical trials
- e) Private health care providers and the issue of “inappropriate care”
- f) Irrational prescription of drugs
- g) Prescription by brand names instead of equivalent generics
- h) Commission received for referrals to diagnostic centers
- i) Prescription of non-essential drugs
- j) Monitoring of the Medical Council of India and its code-of-conduct

5. Conclusion : There are many applications of ethical issues in the management and execution of healthcare that may be overlooked on the assumption that they are ethically neutral issues: staffing, budgeting, consultations, and others. However, despite the postulation that these issues do not have an ethical basis for consideration, they have a significant impact on the application and utilization of healthcare services, therefore having an ethical basis for consideration. It is important that these issues be regulated and correctly assessed and addressed in order to properly

meet patient needs while maintaining appropriate levels of business function. The failure to equate these issues with other matters of ethical importance would be detrimental to the successful management of a healthcare organization.

Each accredited hospital should have an “ethics mechanism” that helps staff deal with ethical dilemmas. This mechanism is generally an ethics committee. Ethics committee members or consultants should be available around the clock to assist employees, patients and families, and can be called on to help resolve a perceived conflict between the parties. These consultants need to be well grounded in the hospital's policies and should have additional ethics training.

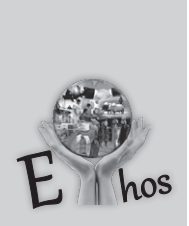
Administrators and clinicians can also enhance ethical practices at their institutions through ongoing education and open discussion.

Blending a formal ethics policy and support mechanisms with a culture that allows people to discuss some of the gray areas of their practice can prepare clinicians to tackle many of these problems in stride.

Understanding ethical practice-how to do well and avoid doing harm-involves recognizing the complexity of the patient care environment, which requires workers to respond and adapt to changing conditions as a normal part of work. The duty to plan, and to make plans that can work in practice, is an ethical obligation.

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To Study, Analyze and Evaluate Training and Development Practices

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Abstract : Training and development is always an important aspect of the growth of a company and the individual employees as well. Due to daily changing business environment, manufacturing process, technological advancement and rapid growth in the demand of the products and services etc the workforce of any organization has to be very well equipped with the skills, ability, and talent required to cope up with the market competition. Now a days many organizations are conducting training programme to improve the productivity of employees. The quality of employees and their development through training and education are major factors in determining long term profitability of a business. If you hire and keep good employees, it is good policy to invest in the development of their skills, so they can increase their productivity. Training often is considered for new employees only; this is mistake because ongoing training for current employees helps them adjust to rapidly changing job requirements. Evaluation is the systematic appraisal by which we determine the worth, value or meaning of something to someone, In case of training we are concerned with providing information on the effectiveness of the training activity to decision makers who will make decision based on the information. Evaluation plays a significant part in every step of the training process. It is important that evaluation be a planned or systematic effort that is built from the start of the training process. The main objective of training programme to determine if they are accomplishing specific training objectives, i.e., correcting performance deficiencies. This research paper is primarily concerned with training and development part of employees in the organization.

Keywords : Training and development, systematic appraisal, Evaluation

1. Introduction : Human Resource Management is defined as the people who staff and manage organization. It comprises of the functions and principles that are applied to retaining, training, developing, and compensating the employees in organization. It is also applicable to non-business organizations, such as education, healthcare, etc Human Resource Management is defined as the set of activities, programs, and functions that are designed to maximize both organizational as well as employee effectiveness.

Scope of HRM without a doubt is vast. All the activities of employee, from the time of his entry into an organization until he leaves, come under the horizon of HRM. The divisions included in HRM are Recruitment, Payroll, Performance Management, Training and Development, Retention, Industrial Relation, etc. Out of all these divisions, one such important division is training and development. Training and Development is a subsystem of an organization. It ensures that randomness is reduced and learning or behavioral change takes place in structured format.

Following are the areas of Training & Development

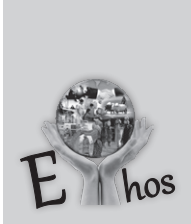
Researcher tried to cover-up :

- a. Studying training activities
- b. Analyzing training programme
- c. Evaluating the training.

The study shows the scope in the field of Training & Development ranges right from recruiting an employee at any level and how to treat them throughout their working year till the time he discharged or retired from the organization.

Importance of Training and Development : Training and development is a routine based, non-stop practice, which a growing business organization must conduct to achieve their production target. From organizational point of view it is very crucial to assure the quality, quantity, and effectiveness etc of the product by the means of suitable training. Development of the employee comes handy with training activities, making them much more capable in performing various activities with high professions and accuracy by using advance technical/mechanical tools and equipments.

In a management there are various aspects like performance



appraisal, payroll management, labors related laws and issues etc during my training and development project. Evaluating the productivity of the employees can very well recognize how to distribute your workforce. This information gathered after conducting training programmed which is immensely helpful for the human resources manager and the whole department. Training helps measure the performance of the employees by evaluating the training given and comparing the individual and group's latest output with the output given before training programmed.

2. Literature Review :

The Training process:

Assessment Phase	
•	Assess training need of different group of employee
•	Define objectives
Planing Training	
•	Design training programme
•	Define Methods, content of programme
•	About trainer
•	Place and time of training programme
Conduct of Training	
	Evaluation
•	Evaluation of training programme
•	Check- objective are achieved ?

Needs Assessment: Needs assessment diagnoses present and future challenges to be met through training and development Needs assessment occurs at two levels- Group and individual. An Individual obviously needs training when her or his performance falls short of standards i.e. when there is performance deficiency Assessment of training needs occurs at the group level too. Any change in the organization's strategy necessitates training of group of employees.

Training Objectives:

- **To raise the productivity** : Increased human performance often directly leads to increased operational productivity and increased company profit.
- **To improve quality in work** : Improvement in quality may be in relation to company's product / service.
- **To improve health and safety** : Proper training can help prevent industrial accidents.

Outdated prevention : Training and development programmes foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, temperament or motivation or the inability of a person to adapt himself to technological changes.

To improve organization climate : An endless chain of positive reactions results from a well-planned training programme. Production and product quality may improve ,

financial incentives may then be increased, less supervisory pressure may result.

Personal growth : Management development programmes seem to give participants a wider awareness , an enlarged skill, and enlightened altruistic philosophy, and make enhanced personal growth.

Selection of Trainers : Training and development programmes may be conducted by several people, including following : Immediate supervisors, Co-worker, Members of the personnel staff, Socialists in other parts of the company, Outside consultants, Industry associations, Faculty members at universities. Large organizations generally maintain their own training departments whose staff conducts the programmes.

Steps of Training : The training needs can be identified by the immediate superiors or by the employee's performance appraisal. The training needs are identified:

- At the time of interview
- Annual appraisal
- Training identification format
- Specific recommendations by functional head

3. Objectives :

- To study the effectiveness of the training and its resultant in the performance of the employees.
- To know the perception of the employees regarding training methods.
- To identify how training assists the employees to acquire skills, knowledge and attitude and also enhance the same.
- To study whether training helps to motivate employees and helps in avoiding mistakes.

4. Scope : Researcher mainly deals with the present method of training , training programmed, and training evaluation and excludes all other human resources activities conducted before and after training.

5. Hypothesis : Training and Development activities are effective and the employees are better performers after the training is imparted.

6. Research methodology : For this researcher required information like knowledge about the employees understanding ,skills generated and the mastery gained during the training. Hence taken a insight at the performance of the employees through evaluation of performance, through questionnaires and data received by the management.

Questionnaire : In this method, a list of questions related to subject is prepared and given to participants. The questionnaire contains questions and provides space. A request is made to participants to fill up the questionnaire and send it back within a specified time. The questionnaire is the most common tool in collecting data, so it should be



carefully developed, tested and debugged before they are administered on a large scale.

Interpretations : Training program in business organizations are taking new shapes and dimensions, which one has to consider while dealing with the activities of training and development in the field of human resources. Training is so crucial that there is no need to mention its significance to the organization and as well as to the individual employees. Training begins right from the recruitment of an employee and follows through the life span of the job of each employee of that organization. Training has bundles of numbers of actions to be performed in daily routine work and hence lot of quality, efficiency depends upon the performance level of the employee.

Organizations are very keen as far as training of employees are concerned and are always ready to spend what it takes to train and develop the employees in best concerned with the favor of the organization. Here we come to know the willingness of the organization regarding the employees and the cost they are bearing for that purpose. A good management always tries to cut down the unnecessary and unwanted expenditure of money. Hence if this area of management is taken care of and a very well planned and a highly systematic initiative can result in heavy saving, in other words earning a healthy profit. Employees are content with the way the training is conducted.

7. Findings : The cooperation between the colleagues and the level of support they share with each other binds them in an attachment towards the company. However progressive feedback relating to change in the behavioral pattern and scope for redesigning subsequent training programs need to be examined & explored in proper perspective.

Regional behavior and language influence is higher during training and even after delivering their language; the desired effects are not seen. Some of the superiors do not bother to make Development Action Plans and submit to the trainers. The training is mainly conducted all around India, the trainers have to travel but sometimes the logistics and arrangement is non-satisfactory. Rescheduling the programmed in advance and informing the participant with due lead time may alleviate the logistic problem the proximity, approachability and accessibility are the three major parameter while considering the venue

The findings from the data analysis from the questionnaire show a positive improvement, enhancing and overall rating about the training programmed. The reality learning and simulations were thoroughly enjoyed by the employees who have received it. Though by and large, substantial number of employees are content with the way the training is conducted, still there is a scope to analyze at micro level whether the negative respondents were either non attentive confronted confused or otherwise. Based on the data there is a scope to take corrective action.

8. Suggestions : In today's competitive world, attitude is the factor which is the dividing line between failure and success. Thus recruitment of the employees must be made not only on skills and attitude but also the attitude of the employee. If an employee has a positive attitude then training for him can be more effective, he has a positive effect on the climate.

The training records must be maintained, preserved properly and updated timely. Proper care should be taken while selecting the trainers. Trainers must be given continuous feedback and the training should be performed as a continuous planned activity. New and different trainers should be invited so that the maximum impact can be got from the training programmes.

Co-ordination and interaction of the employees of all levels must be encouraged to locate new talents among employees. Solution to some of the problems faced by the employees, should be suggested by the employees themselves to make them feel valued at the organization. The DAP (Development Action Plans) must be prepared and given to the trainers as soon as possible for further follow up from the side of the trainers.

9. Conclusion : Analysis of all the facts & figures, the observations and the experience during the training period gives a very positive conclusion/ impression imparted by the trainers.

The training imparted meets the objectives like :

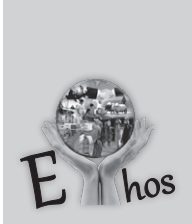
Effectiveness of the training and its resultant in the performance of the employees. Assists the employees to acquire skills, knowledge and attitude and also enhance the same. Helps to motivate employees and helps in avoiding mistakes.

It becomes quite clear that there is no other alternative or short cut to the development of human resources. If we have to meet the challenges of technology, social and economic we have to train the HR irrespective to their category at which they work in the organization. As it is recognized fact that we cannot survive in tomorrow business's world with yesterday's method. And hence the continuous development of HR is prime need of today's organization.

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The Challenges of Employee Retention in Software Companies in Pune City

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Abstract : Human capital is the most crucial resource on which the Information Technology depends. Next to the location advantage that India has, the factor for the country's immense success in the overseas markets is its abundant & cost effective human capital which is one of the key assets that has kept India sustain its edge in the IT sector. Human Resource (HR) professionals all over the world, working in IT sector are leaving no stone unturned to formulate strategies to retain human capital, but nothing is working in their favor. There is a wide range of factors like moving to higher paid jobs, opportunities for challenging work outside, working hours, Family reasons, career opportunities, stress, monotonous job which influence the decision of a person whether to leave or stay in a job. In spite of all types of trials the average attrition rate in IT sector is still very high. The organizations have realized that a satisfied employee does not necessarily mean a loyal employee and high performer companies. Employee retention is most critical issue facing corporate leaders as a result of the shortage of skilled labor, economic growth and employee turnover. Retaining employees involves understanding the intrinsic motivators of them which many organizations unable to identify. The reason is Individuals differ greatly in this regard. A Company should exert some effort and undertake some analyses to determine the nonmonetary interests and preferences of its key employees, and then attempt to meet these preferences in action.

Keywords : Human Capital, Employee Retention

1. Introduction : Information Technology (IT) industry in India is one of the fastest growing industries. Indian IT industry has built up valuable brand equity for itself in the global markets. The IT industry was originated under unfavourable conditions. Local markets were absent and government policy towards private enterprise was hostile. The industry was begun by Bombay based conglomerates which entered the business by supplying programmers to global IT firms located overseas. The Indian IT industry accounts for a 5.19% of the country's GDP and export earnings as of 2009, while providing employment to a significant number of its tertiary workforce. More than 2.3 million people are employed in the sector either directly or indirectly, making it one of the biggest job creators in India and a mainstay of the national economy. Technically proficient immigrants from India sought jobs in the western world from the 1950s onwards as India's education system produced more engineers than its industry could absorb. However, the recent global financial crises have deeply impacted the Indian IT companies as well as global companies. As a result hiring has dropped sharply and employees are looking at different sectors like financial service, telecom or manufacturing industries, which are growing phenomenally over the last few years. Companies are facing high attrition rate due to which they are losing their top talent. It is very important to

retain top talent by employee retention. It is very important to retain top talent to promote innovation and creativity which will help organization to differentiate from its competitors. For employee retention two factors are important i.e. length of relationship and relative concern for individual. At one extreme, organizations seek only long-term relationships with IT professionals under the assumption that organization-specific knowledge and commitment is valuable for obtaining productive contributions. At other side, companies are not concerned with employees and lead to short term relationship. Short term relationship leads to high attrition rate. This includes contractors under the assumption that their most pressing need is generic IT skills. To increase the length of relationship, organizations are investing more in career development and security and position their recruiting efforts to reflect the long-term benefits of employment. Those seeking short term relationships are most likely to expend additional resources on compensation and benefits. Proper management and development of intangible assets is the key to their optimal performance and retention. Knowledge workers like many others, are less likely to be loyal over the long-term with the new employment paradigm. It means that employers should be careful regarding setting compensation related policies and non-financial benefits. While salaries of the employees should be good relative to industry to retain



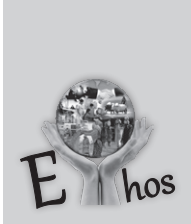
more employees; motivation and employees satisfaction also be an integral part of the organization. Ten years ago IT professionals typically changed jobs twice during their working life-span, but today they are changing jobs more than five times over their career span. The Retention Strategy is used in Human Resource Management since it aims to keep top talent within an organization. According to the inference of this research, there are two strategies that are most useful. Firstly, to provide salary hikes in accordance with industrial standards. Secondly, to recruit those only who has long-term orientation towards the organization or those who will stay in company for longer time period.

2. Review of Literature : The Indian IT Industry is playing a vital role in India's economic growth. It accounts nearly for a 5.2 % of the country's GDP. Over the last 10 years, this industry has grown at an average annual rate of 30%. The major areas include IT services, BPO and outsourcing. According to National Association of Software and Services Companies (NASSCOM), IT services are generating 68 percent of the total revenue of Indian IT industry (Annual Report 2010-2011). While 70 % of the total IT companies are small companies, the balance 30% include Infosys, TCS, Wipro, Cognizant and Genpact as the top 5 companies. This sector provides employment to more than 2.5 million people either directly or indirectly, thus making it one of the biggest job creators in India has the second largest English-speaking scientific professionals after the US. It is considered as a knowledge economy with a highly talented technical workforce. A knowledge economy is one that relies intensively on human skills and creativity, the utilization of human intellectual capital supported by life-long learning and adaptation, the creative exploitation of existing knowledge, and extensive creation of new knowledge through research and development. Knowledge-workers are the main resource in the IT Industry. They add value to their organizations through their communications skills, high level of education, and domain knowledge. As such, employees in the IT Industry are valued human assets and not nonessential cost-centres. Many researches indicate globalization, customization of services, upgrading quality, improving employability, developing soft skills, attracting and retaining talent, generating motivation, increasing efficiency, and developing creativity are the many challenges faced by the Indian IT industry. Human resources are not only the drivers and principal value-creators of the output of this industry; but they are also the intellectual capital or the 'infrastructure investment'. Therefore, attracting, training, retaining and motivating employees are the critical success-determinants.

Retention of knowledge workers is a process in which the employees are encouraged to remain with the organization until the completion of the project or till the time of their retirement. High attrition not only reduces the efficiency

or customer satisfaction, but is also expensive. When an employee quits, there is departure of knowledge, skills and contacts creating a huge dip to the organization. In such a scenario, the competitor's organization gets a competitive advantage. When the employees move they not only take skills and knowledge but also trade secrets with them as they typically moved to the competitor's organization This creates a great need to identify the reason for the high attrition rate. Employers realize various variables that determine an employee's stay at an organization. Employees are not motivated by hygiene factors like salaries alone. This means that there are various other factors, other than the salary which can motivate the employee. Retention can be increased by motivating the employee towards work. Motivation can be done by increasing the likeliness of engagement, including work-life balance programs, flexitime, telecommuting, compressed workweeks, reward programs and performance management systems. Organizations must strike the right balance between pampering their employees and extracting maximum work from them. Any one of these when overdone would lead to dissatisfaction and thereby, attrition. Corporate control has to be very carefully handled. The rapid growth and entry of new players in the IT Industry have resulted in the poaching of employees in high numbers. To cope up with the high attrition these days Indian IT companies are planning promotions and hefty salary hikes to retain employees. IT sector boom has given ample amount of job opportunities in the market. Attrition and job-hopping can be counted as the side effect of high growth of IT industry. Increased salary base and attractive working environment are some of the prominent reasons of attrition. Draining of knowledge workers lead companies to increased cost of employability and retaining the talent. It is difficult for HR managers to fight with the problem of attrition and wage inflation. Sector growth is concentrated in the tier-1 cities of the country leading more complication of cost hike and competition in the business. The rate of attrition in these cities is nearly 25-35 % compelled the companies to rethink on the strategies of retention. IT has its big share in the economy and in past decade it has grown at fast rate. This sector has given lot of good opportunities to prove one's career. Especially young and dynamic age group who wants to keep up with today's growing competition and high standard of living, is attracted for the high packages and fast promotions offered in this sector. For fast career moves, better opportunities, people i.e. employees started to shift from one organization to another quite soon leading to issues like high attrition, wave off, turnovers, absenteeism, low productivity and many more.

Employee Retention : Employee retention is a method in which the employees are motivated to remain within the organization until the completion of a project or their retirement. It is beneficial for the organization as well as



the employee. Attrition is another organization term which is number of employees who are leaving the organization before finishing the project or their retirement. Employee retention and attrition is ‘flip side’ of each other. It is the time period during which an employee does the assigned task independently and starts adding value to the organization. Gone are the days when a young person starting out in his or her career joined a company and stayed until retirement – in today’s business environment there are no guarantees. Experts predict the current turnover rate may rise to 65%. With recruiting costs running approximately 1.5 times annual salary, the ability to engage and retain valuable employees has a significant impact on an organization’s bottom line.

Prospects of Employee Retention : Employee retention has been the topic of extensive research dating back to the early 20th century. The ongoing problem of employee turnover is the result of a variety of factors. Public administration looks to theories of employee motivation from many academic disciplines, including but not limited to psychology and sociology.

The organization must first understand what types of things will motivate their staff because what works for one individual may not be a reward that is desirable to another individual. The organization must understand many aspects of their individual employee’s personalities in order to see what types of benefits will motivate their workforce. For example some individuals may be motivated by recognition from their supervisors while others are motivated primarily by bonuses or benefits. Expectancy theory further posits that employees have a variety of expectations and that management needs to ensure that employees feel confident in the jobs they are performing. Employees expect that management will provide them with information regarding their job and will train them adequately so that they can perform their role within an organization. Employees also expect to be compensated for the job they are performing. Essentially, in order to get the best results from your workforce one must first understand what their expectations are and ensure these expectations are met. Employees not only expect to gain a sense of accomplishment and belonging from their position, but they also want to know that the environment they work in is safe. If an organization understands what an employee expects from the agency as a whole the organization can better serve their employees. In this way the organization can provide better trainings, job descriptions and other human resource assistance. Even if you don’t have high employee turnover today, your company should look at implementing retention strategies. Employees see retention efforts as more sincere when managers are not being forced to act due to high turnover. “The first step to solve the employee turnover problem is to recognize that we indeed have a turnover problem,” said Bill Pollock, CEO of Drake International, a global provider

of business consulting and implementation solutions, in his article “People are everything”. When seeking to resolve the problems associated with high turnover, companies must first investigate the underlying causes. They need to have in mind an appropriate level of attrition by setting benchmarks against similar organizations and taking into account the entire cost of turnover to the company. Some issues may be addressed at a local level by placing a greater emphasis on listening and responding to employees concerns and ideas. Yet, in general, retention difficulties are likely engage the employees - using strategies such as job satisfaction surveys - who can also create a broader, long-term plan. If your company does not have effective retention strategies set firmly in place, then the time to act is now.

As the economy improves and firms look to build their talent strength, it is only logical that senior leaders, managers and HR professionals will increasingly look at retention as a major business imperative. Dr. Sullivan states in his article “Expanding the Scope of Your retention Efforts” that most newly enacted retention efforts will not only fail — they do so miserably. As someone who has been designing retention solutions for corporations for well over a decade, Dr. Sullivan says the reason for this is that many firms define the goals of the retention program too narrowly. For example, if the goal is defined as merely to “keep good people,” you are automatically dooming the effort by failing to identify specifics that can be measured. Rather, a broad set of carefully planned criteria is essential when building a strong retention program. The solutions addressed in the following section were recognized and created by industry professionals whose experience proves invaluable to any company, of any size. They have helped organizations realize their productivity goals through the retention of top performers and the reduction of recruiting.

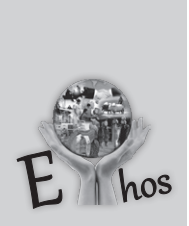
3. Research Methodology :

Objectives of Study :

- To identify, analyze challenges of employee retention in software companies.
- To study the measures taken by software companies for retaining employees

Sampling Design : The research is an exploratory research confined to the employees of IT companies in Pune city. Sampling Design for the research study includes Non-Probability sampling Design using Convenience sampling method. The universe of the research includes the employees and employers of the selected IT companies in Pune city. 15 employees are selected for the study.

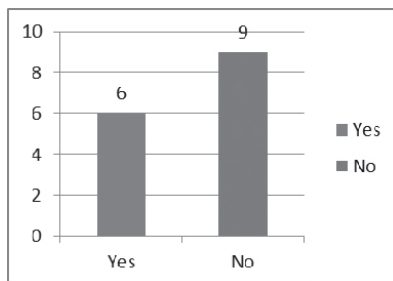
Sources of Data Collection : The sources of data collection include both primary and secondary sources. The primary data is collected directly by the researcher for the study. The primary data is collected by using quantitative



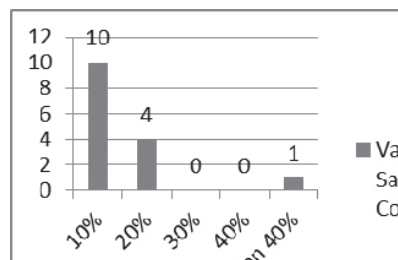
methods of data collection, i.e., Survey method by human intervention. The secondary source of data is gathered through publications, newspapers, research reports, magazines, and internet/web. Primary data is collected by using personal interviews, discussions observations and questionnaires. Questionnaires contain different sections based on the logical sequence, with open ended and closed ended questions. Some information is also obtained through unstructured interviews, informal discussions and personal observation by the researcher. Secondary data is collected by various methods such as books, magazine, journals, newspapers which are published by authorized agencies, and from authentic websites of internet.

4. Data Analysis & Interpretation :

Organisation matching counter offers to employees after resignation



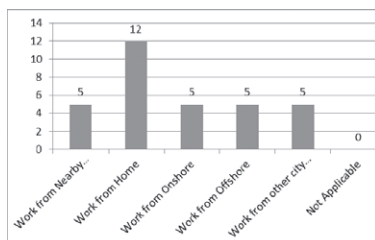
Organisation's variable salary component strategy



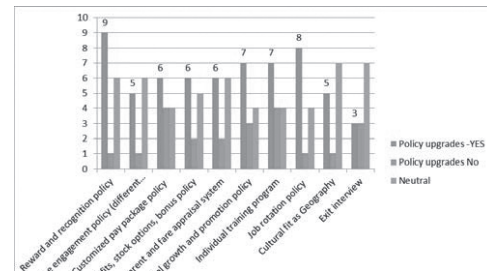
Organisation provides fair and transparent appraisal system



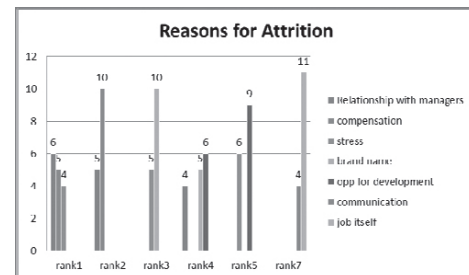
Organisation helps employees in following parameters



Measures taken by software companies in retaining employees



Reasons for Attrition

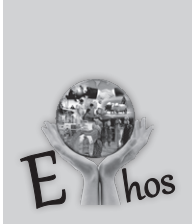


5. Findings : Some of the major challenges of employee retention in software companies.

- Most of the employees are of the opinion that, organizations do not match counter offers to employees after resignation.
- Most of the employees are of the opinion that, Organization's variable salary component is 10%.
- Most of the employees are of the opinion that, organization helps employees in work from home. Some of the employees are of opinion that, organization helps employees in Work from Nearby Development Centre, Work from On-shore, work from offshore and work from other city Development Centre as well.
- The research has identified the most important reasons for employees leaving the job as better compensation and benefits elsewhere, unhealthy relationship with managers, monotonous job without any challenge, less career growth opportunities within the company, and on few occasions due to stress and burnout.

Some of the measures taken by software companies for retaining employees

Most of the employees are of the opinion that, the policy up gradation is required in Reward and Recognition Policy, Job Rotation Policy. Up gradation is also required in policies like Individual Growth and Promotion Policy, Individual Training Program, Customized Pay Package Policy, Fringe Benefit Policy, Transparent and fair appraisal system, Cultural fit as Geography and Employee Engagement policies also needs up gradation.



6. Conclusion : To develop a thorough understanding of the conceptual constructs review of literature was undertaken. This has not only helped in identification of the gaps in the existing body of knowledge but has also enabled to establish a relationship of the present study with what already exists. In this context organizations need to dig novel approaches to retain the most effective manpower. Indian companies are lining up robust hiring plans, making India the most lucrative country in the world for job seekers. Retention strategies should not be orchestrated in isolation but must form part of the overall strategies for strengthening the pull on the talent while this augurs well for employees, it means employers need to up the ante on Employee Retention, one of the most critical issues organizations face today. Looking carefully into many organizations-Retention strategies are very competitive, but still need up gradations. As the employee is a matter of great concern for the organization(s), many organizations including IT industries are investing in the retention phase of employees. In the same way, for reducing the attrition rate good retention practices has to be adopted and performed. In today's scenario, attrition is one of the major challenges in IT industry globally as well as in India. Today, employee retention and loyalty are more vital than ever before to an organization's success and competitive advantage.

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Modern Practices of Supply Chain Management

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Abstract : *In today's harsh economic climate, where growth markets are few and where global competitors are making the going tougher, the emphasis in business has swung towards strategies that can create long-term customer loyalty as their focus. The recognition that customer retention is the key to long-term profitability has brought with it an understanding of the crucial importance of customer service. As markets increasingly take on the characteristics of commodity markets, where customers see little difference between the technical features and the functionality of the products, it is through customer service that the organization differentiates itself. And effective customer service is not achieved solely by motivated and customer oriented employees although clearly that is a pre requisite but through the logistics system that enable the consistent delivery of service in terms of reaching the right product at the right time at the right cost in the right condition (quality) to the right customer. Hence it has become imperative for the organizations to see logistics as a part of its overall marketing strategy. The Companies which have achieved success in this process have already found themselves in a very comfortable position vis a vis the other companies which did not realize its importance earlier.*

Keywords : *Customer Loyalty, Commodity Markets, Marketing Strategy, Delivery of Service*

1. Logistics Management : Logistics and Supply Chain Management have always been an integral part of any business, although they have mainly remained in the background. But today, both Logistics and Supply Chain Management are beginning to gain momentum. Indian businesses are fast getting competitive and the only way one can stay ahead is to be quick, efficient, and flexible. The best way to achieve this is to have an efficient logistics system in place. This holds more importance as every industry is realizing that not only can substantial savings be gained from this area, but also a good logistics system can push the business to the top slot.

2. Definition : Very simply put, Logistics Management is a bridge between Demand and Supply. That is it conveys the demand to the Supply point and reaches the supply to the Demand point.

Logistics can be defined as :

‘Logistics is the process of strategically managing the procurement, movement and storage of materials, parts and finished inventory (and related information flows) through the organization and its marketing channels in such a way that current and future profitability are maximized through the cost effective fulfillment of orders.’

Logistics Management provides a major source of competitive advantage - in other words a position of enduring superiority over competitors in terms of customer preference may be achieved through Logistics.

There are many definitions of logistics and each places a

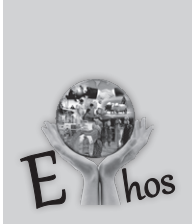
different emphasis on the relationship of strategy, tactics, movement and production

Logistics : The science of planning and carrying out the movement and maintenance of forces. In its most comprehensive sense, the aspects of military operations which deal with:

- Design and development, acquisition, storage, transport, distribution, Maintenance, evacuation and disposition of material.
- Transport of personnel;
- Acquisition or construction, maintenance, operation and disposition of facilities;
- Acquisition or furnishing of services; and
- Medical and health service support.

“Logistics is

- Strategically managing the procurement and movement of goods and storage of inventory in all forms.”
- The process of strategically managing the procurement, movement and storage of materials, parts and finished inventory (and the related information flows) through the organization and its marketing channels in such a way that current and future profitability are maximized through the cost-effective fulfillment of orders”
- The study and management of goods and service flows and the associated information that set these in motion.”



These definitions give the idea of the wide range of functions that logistics covers. A simple definition is: “Logistics is the delivery of the required goods, at required place, at required time, in required state and to the required person efficiently.” Logistics is “the process of planning, implementing and controlling the efficient, effective flow and storage of raw materials, in-process inventory, finished goods, services and related information right from the point of origin to the point of consumption (including inbound, out bound, internal and external movements) in order to satisfy customer’s requirements.

LOGISTICS is also defined as time related positioning of resources. The whole concept of Logistics is based on 7 R’s which are :

- Right place
- Right time
- Right quantity
- Right quality
- Right price
- Right condition
- Right customer

If one considers that logistics comprises both the building up of stocks and capabilities and the containment of weapons and forces, and then it is clear that a distinction can be made between two important aspects of logistics: the first one dealing with production and the second one with consumption. The following definitions of these aspects enjoy widespread acceptance :

Production Logistics/acquisition logistics : It is part of logistics concerning research, design, development, manufacture and acceptance of materiel. In consequence, production logistics includes: standardization and interoperability, contracting, quality assurance, procurement of spares, reliability and defence analysis, safety standards for equipment, specifications and production processes, trials and testing (including provision of necessary facilities), codification, equipment documentation, configuration control and modifications.

Consumer Logistics/operational logistics : It is a part of logistics concerning reception of the initial product, storage, transport, maintenance (including repair and serviceability), operation and disposal of materiel. In consequence, consumer logistics includes stock control, provision or construction of facilities (excluding any materiel element and those facilities needed to support production logistic facilities), movement control, reliability and defect reporting, safety standards for storage, transport and handling and related training.

What Can Logistics do for A Company? Logistics includes all the processes required to go from raw materials to

end customer delivery, including purchasing, inventory management, warehousing, shipping and even customer returns. All product-oriented businesses have logistics as a cost of doing business. Some may think it only applies to large businesses, but companies of any size can benefit from logistics improvements. Purchasing and Procurement: Purchasing is a key function in optimizing overall Logistics and Supply Chain Management operations; here we provide a listing of relevant resources in the purchasing field.

Inventory management : A significant cost to most organizations is the inventory it carries to support customers and sales. Effectively managing and minimizing this inventory investment can provide competitive advantage to your firm in the marketplace. Review these inventory management links to learn more.

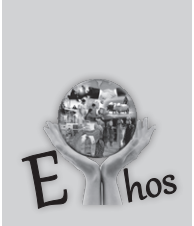
Warehouse Management : A warehouse Management system is a critical component of an effective overall supply chain management systems solution. Warehouse management is now, or will soon be, a must-have for your logistics operations to remain competitive. We offer warehouse management resources, information and a listing of organizations that support warehouse management professionals. The good news is that any improvement in logistics you make results in savings in your cost of doing business. Best of all, these savings drop right to your bottom line as profits.

Some examples of how logistics can help your company includes:

- Cost savings
- Reduced inventory
- Improved efficiency
- Improved delivery time, which improves customer satisfaction and can be a competitive advantage if your competitors can’t deliver as quickly

3. Importance : Logistics is the one important function in business today. No marketing, manufacturing or project execution can succeed without logistics support. For companies, 10 per cent to 35 per cent of gross sales are logistics cost, depending on business, geography and weight/value ratio.

Logistics is comparatively a new term, but not the operation. Logistics has existed since the beginning of civilization. Raw material and finished products had always to be moved, though on a small scale. Things began changing with the advance in transportation. Population began moving from rural to urban areas and to business centers. No longer did people live near production centers, nor did production take place near residence centers. The geographical distance between the production point and consumption point increased and logistics gained importance. Another factor



has come into play recently. Since the early 1990's, the business scene has changed. The globalization, the free market and the competition has required that the customer gets the right material, at the right time, at the right point and in the right condition at the lowest cost.

4. Logistic Functions : It is important to recognize that the various logistic functions come together to form the totality of logistics support. For example, logistic planning originates in national or MNC policy guidance and has to be coordinated with all the staff branches concerned, whether they be operational, administrative or logistic, military or civil. A brief examination of the main functions of logistics shows this clearly.

i. Materiel Function of Logistics : Production or acquisition logistics covers materiel, from the first phase of the life cycle to its final disposal from the inventory. The first part of the cycle, from specification, design and production is clearly a function of production logistics. Reception of the equipment into service, its distribution and storage, repair, maintenance and disposal are clearly a consumer logistic task. However, the initial design of the equipment which is part of production logistics has to take account of the consumer aspects of repair and maintenance, and therefore involves both disciplines.

ii. Supply Function of Logistics : Supply covers all materiel and items used in the equipment, support and maintenance of military forces. The supply function includes the determination of stock levels, provisioning, distribution and replenishment.

iii. Service Function of Logistics : The provision of manpower and skills in support of combat troops or logistic activities includes a wide range of services such as combat re-supply, map distribution, labor resources, postal and courier services, canteen, laundry and bathing facilities, burials, etc. These services may be provided either to one's own national forces or to those of another nation and their effectiveness depends on close cooperation between operational, logistic and civil planning staffs.

iv. Engineering Function of Logistics : The area of logistic engineering, while not exclusively a logistic function will require close coordination with logistics as the mission is very closely aligned with logistics in terms of facilitating the logistic mission of opening lines of communication and constructing support facilities. The engineering mission bridges the gap from logistics to operations and is closely related to the ultimate success of both.

v. Medical Function of Logistics : This function entails the provision of an efficient medical support system to treat and evacuate sick, injured and wounded

personnel, minimize man days lost due to injury and illness, and return casualties to duty. An effective medical support system is thus considered a potential force multiplier. Though medical support is normally a national responsibility, planning must be flexible and consider coordinated multinational approaches to medical support. The degree of multinational will vary depending on the circumstances of the mission, and be dependent upon the willingness of nations to participate in any aspect of integrated medical support.

vi. Contracting Function of Logistics : Contracting has become increasingly important to the conduct of operations; It is a significant tool that may be employed to gain fast access to in-country resources by procuring the supplies and services.

5. Logistics Management Process :

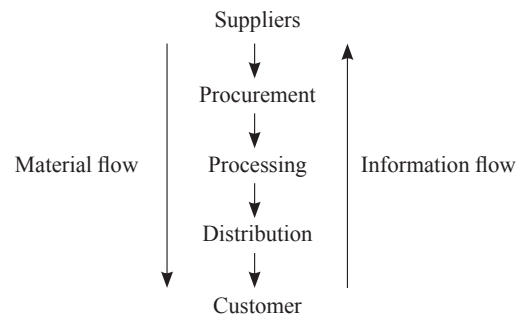
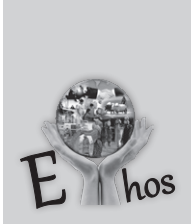


Fig : Logistics Management Process.

The above figure illustrates the total systems concept. Logistics Management, from this total systems view point, is the means whereby the needs of the customer are satisfied through the coordination of materials and information flow that extend from the market place, through the firm and its operation and beyond that to the suppliers. To achieve this company wide integration clearly requires a quite different orientation than that typically encountered in the conventional organization. For example, for years marketing and manufacturing have been seen as largely separate activities within the organization. At best they have co existed at worst there has been open warfare. Manufacturing priorities and objectives have typically been focused on operating efficiency, achieved through long production runs, minimized setups and change over and product standardization. On the other hand marketing has sought to achieve competitive advantage through high service levels and frequent product changes.

6. Supply Chain Management : Supply Chain Management (SCM) is the combination of art and science that goes into improving the way your company finds the raw components it needs to make a product or service and deliver it to customers. The following are five basic components of SCM.



a. Plan : This is the strategic portion of SCM. You need a strategy for managing all the resources that go toward meeting customer demand for your product or service. A big piece of planning is developing a set of metrics to monitor the supply chain so that it is efficient, costs less and delivers high quality and value to customers.

b. Source : Choose the suppliers that will deliver the goods and services you need to create your product. Develop a set of pricing, delivery and payment processes with suppliers and create metrics for monitoring and improving the relationships. And put together processes for managing the inventory of goods and services you receive from suppliers, including receiving shipments, verifying them, transferring them to your manufacturing facilities and authorizing supplier payments.

c. Make : This is the manufacturing step. Schedule the activities necessary for production, testing, packaging and preparation for delivery. As the most metric intensive portion of the supply chain, measure quality levels, production output and worker productivity.

d. Deliver : This is the part that many insiders refer to as logistics. Coordinate the receipt of orders from customers, develop a network of warehouses, pick carriers to get products to customers and set up an invoicing system to receive payments.

e. Return : The problem part of the supply chain. Create a network for receiving defective and excess products back from customers and supporting customers who have problems with delivered products.

Objectives of Supply Chain Management : A well-designed supply chain is expected to support the strategic objectives of :

- Reduced Costs
- Shorter Lead Time
- Best of Quality
- Flexibility
- Enhanced Service
- Better Product Availability
- Better Product Reliability

The Changing Logistics Environment : The environmental change has had a considerable impact on Logistics Management. Infact of the many strategic issues that confront the business today, the most challenging are in the field of Logistics Management. Broadly these challenges can be summarized as under :

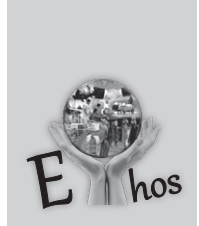
- The Customer Service Explosion.
- Time Compression
- Globalization of the Industry
- Organizational Integration.

Customer Service : may be defined as the consistent provision of time and place utility. In other words products don't have value until they are in the hands of the customer at the time and place required. There are clearly many facets of customer service, ranging from on-time delivery through to after sales support. Essentially the role of customer service should be to enhance 'value-in-use', meaning that the product becomes worth more in the eyes of the customer because service has added value to the core product.

Time Compression : Product life cycles have shrunk and are shorter as never before and industrial customers and distributors require just in time deliveries, and end users are ever more willing to accept a substitute product if their first choice is not instantly available. In the case of new product introduction there are many implications for management resulting from this reduction of the time 'window' in which profits may be made.

Globalization of Industry : there is an increasing trend towards globalization. And with Internet it has become very easy for companies to go global. For global companies logistics management is an issue of prime concern. The challenge lies in achieving cost advantage of standardization while still catering to local market.

Third-Party Logistics (3PL) : Third-party logistics (3PL) refers to outsourcing transportation, warehousing and other logistics-related activities to a 3PL service provider that were originally performed in house. More and more corporations across the world are outsourcing their logistics activities due to various reasons, some of which are outlined in the next page. Due to globalization, corporations across the world are increasingly sourcing, manufacturing and distributing on a global scale making their supply chains very complex for them to manage. Hence they have to outsource their logistics activities to experienced 3PL providers, who have global operations. Today's 3PL providers with their sophisticated IT capabilities and state-of-the-art transportation and material handling equipment and warehousing facilities offer complete supply chain solutions. Logistics outsourcing is used to complement the logistics activities the corporations do not have competency in, and also to increase the geographic reach. When a corporation expands business overseas, it may not be conversant with the customs duties, tax structures, rules and regulations, import/export policies of the government, and culture of the foreign country. A 3PL provider, who has long been operating in that country, will be better able to carry out the logistics operations. Logistics may not be one of the core activities of a corporation. So, inefficiency may creep in if it is looked upon as a secondary activity. By outsourcing logistics, corporations may focus on their core competencies. Logistics outsourcing may also reduce costs as the 3PL providers can get the advantage of the economies of scale, which is otherwise not available to the

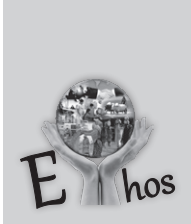


corporations. Since the 3PL providers are now offering a number of value-added services such as customs clearance, freight forwarding, import/export management, distribution, aftersales support, reverse logistics and so on, corporations can outsource all these activities and concentrate on their core business operations. Due to an incredible growth in electronic retailing since the late 1990s, many firms around the world with virtually no distribution systems rely heavily on the 3PL providers for delivery of the merchandise at the customer's doorstep. This has resulted in a significant growth in the order fulfillment sector of the 3PL service industry.

7. Conclusion : Logistics is a trade with huge scope, but due to lack in resources & proper channel the business is suffering. Many industries & production units still do not have a tie up with logistics firm. They try to dispatch their material on their own, for which they need to undergo various procedures and heavy expenditures including the problem of arranging a proper mode of transport for delivery of goods. The responsibility of dispatching of material comes under sales department, they need to decide whether they should concentrate on SALES or should look into the distribution matters. This in turn affects company's performance. If companies hire a good logistics firm or outsource these distribution activities, it will help them to function effectively & efficiently. As packaging, dispatching & delivery of material would be the responsibility of an outsourced logistics firm. Logistics firm should also create awareness in the industries about their existence and how economically they can help the organization with dispatching problems. These secrets to a successful supply chain are components that arrive just in time."

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Customer Satisfaction for Mobile Services in India : A Case Study of Bharti Airtel

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Abstract : *Customer satisfaction is a crucial element for the success of all businesses. One of the biggest challenges for a market is how to satisfy and retain the customers. The purpose of this study is to find the level of satisfaction and loyalty among the users of cellular phones. This study is based on Bharti Airtel's prepaid customers. The findings suggest that overall customer satisfaction and customer loyalty is comparatively low among the customers of Bharti Airtel. The Customer loyalty in India's mobile sector is relatively low because it is an emerging industry, new players are entering in this market and customers are more fascinated to try the new service providers. However it is expected that when the industry will be well established, the results will be more comparable to other studies.*

Keywords : *Customer satisfaction, Customer loyalty, Mobile telecommunication, Regression model, Drivers of customer satisfaction*

1. Introduction : The customers are the most important element in each company. They are required to be handled and managed properly. The customers are satisfied when their expectations are fulfilled and delighted when their expectations are exceeded. Contented customers remain loyal buy more are less sensitive and speak positively about the company (Brown et al., 1992). Kotler (1997) defines customer satisfaction as: Satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations.

Recently the concept of customer satisfaction has received much attention. Satisfaction may be defined as a consumer's post-purchase evaluation of a product or service (Zeithaml & Bitner, 2003). In the past, many businesses took their customers for granted. The customers often have no other choice, or the market is growing so fast that the company could drop 100 customers per week, but acquires another 1000 customers and believes its sales to be satisfactory. Such a company, working on a 'leaky bucket' theory of business, considers that there will continuously be adequate customers to take the place of the defecting ones. One of the main reasons for the mounting importance on customer satisfaction is that higher customer satisfaction can direct to a stronger competitive place consequential in amplified market segment and earnings resulting in decrease price elasticity, drop business cost, reduce failure cost, and cut down the cost of attracting new customers (Fornell, 1992). Satisfied customers purchase more and inform other people regarding their experiences (Fornell et al., 1996). The long-term success of a company is closely linked with their ability

to adapt to the needs of customers and varying preferences.

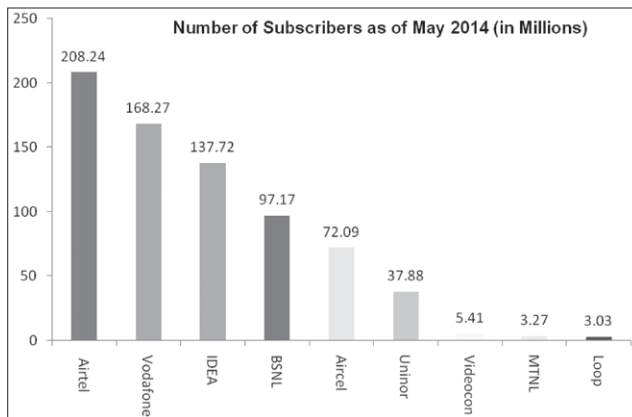
Now days, customers bring higher expectations for communication from its service providers and if companies are not able to meet these expectations, the customers will take their business elsewhere, leading to a disaster for the company. The consumers wants and expectations are altering all the time, this direct to a condition where customers creating ever higher benchmarks, and therefore to attain excellence is impossible (Wellington, 1995). Applying customer satisfaction approach means recognizing customers, and then finding their wants and expectations, and to end with their perceptions (Stenberg, 1997). Knowing the customer's needs makes it easier to anticipate the ideal set of products and services to help them satisfy more. A company's most important success factor is the ability to deliver better customer value than competitors do, and the objective of a strategy is to deliver value to the customers in order to provide required returns to the shareholders and employees. The clear importance of customer satisfaction compel various companies to conduct surveys of consumer satisfaction and report the level to which their customers are satisfied, from time to time, with or without the help of marketing agencies.

2. Mobile Telecommunication in India : In India, currently there are 13 cellular operators in the market. There has been a remarkable growth in Cellular market. The steady growth saw the addition of more than two million mobile phone subscribers every month throughout the last year. Network coverage of almost 90% of the total population of India has made mobile industry even more appealing for foreign investment. India comes forward as one of the



fastest mounting mobile markets among the developing countries. This year the telecom sector grows by 80%. The total number of GSM Subscribers as of May 2014 is 733.09 million in India. The GSM Subscriber increased by 6.19 million in May 2014 (i.e. 0.85% increased from previous month). Figure-1 shows cities/villages covered different Cellular Mobile Operators.

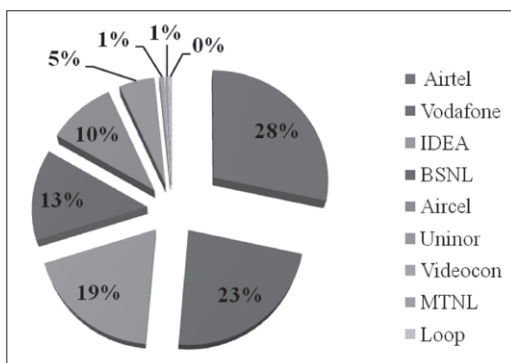
Figure 1 : Cities/Towns/Villages Covered by the Company



(<http://www.coai.com/Statistics/Subscriber-Figure-Report>)

In India's the most competitive and heated mobile market operator's survival lies in entering new areas to explore new value added services and products and providing better quality of services. Recently, the industrial structure in the mobile telecommunications has changed dramatically by liberalization. All forecast in conjunction with technology, market, economic or social aspects, pointing towards continued growth in communications. Ever since deregulation in the mobile telecommunications industry, competition has been gaining pace, it is growing even faster than cable television businesses bundle in phone services and cellular phones put back the fixed telephones of many customers. As a result many companies renovate their organizations to meet up the demands of this new competitive environment.

Figure 2 : Share in Mobile Market by Operators in India



(<http://www.coai.com/Statistics/Subscriber-Figure-Report>)

These changes symbolize major challenges, the acclimatization of the system and structures with corporate

strategy; core capabilities; and work procedure. Since, the customer is a valuable resource for the benefit and incremental development, the important factor for alteration is the organization becomes more customers oriented. Management and staff are supposed to learn more about their customers, their principles, wants, expectations & preferences.

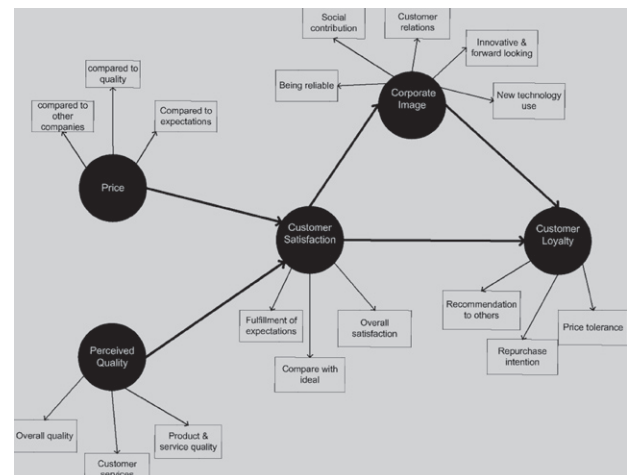
3. Theoretical framework : On the basis of literature review a theoretical framework shown in Figure 3 has been developed. In this theoretical framework the relationship between customer satisfaction and its drivers i.e. perceived quality, price and the relationship between customer satisfaction and its outcomes i.e. corporate image and customer loyalty in Indian environment are elaborated. The variables for the research were selected from the findings and suggestions of previous studies on customer satisfaction.

Figure 3 : Theoretical Frame-work

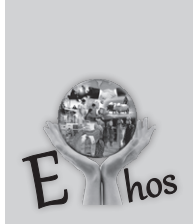


4. Research Methodology : The populations from which the samples of this research are drawn are the customers of Bharti Airtel mobile services. A questionnaire was prepared to be distributed into the selected sample, and no specific characteristics were defined for the respondents except being a Bharti Airtel's prepaid customer.

Figure 4 : Model Construct and their Measurement Variables



Questionnaire was prepared in English language, and the first draft was issued to 10 individuals to ensure that the wording, format, and sequencing of questions are appropriate. A total of 250 questionnaires were distributed and 200 out of them have been completed, implying a response rate of 80%. Questionnaire includes 5 main construct i.e. Image, Price, Quality, Customer Satisfaction and Loyalty. Each construct had three to five questions with an itemized/licker ranking



scale of 1-5 (1=Very Poor, 2=Poor, 3=Average, 4=Good, 5=Excellent). All constructs are measured using multiple indicators. Customer loyalty was assessed on three items developed by Narayandas (1996), customer satisfaction by three items adapted from the American Customer satisfaction index study (NRQC, 1995) and Feick et al. (2001). Corporate image was assessed by five items, perceived quality by three items adapted from (NRQC, 1995) and Bayol et al. (2001). Price was measured by three items adapted from Johnson et al., (2001). All these measurement variables are shown in the Figure 4. The data collected from questionnaires were analyzed by using simple / multiple regressions.

5. Data Analysis & Results : An internal consistency analysis was performed for each constructs. The results in Table-1 show that the values of Cronbach's alpha for all constructs are above 0.6 which implies a high reliability of the measures. Some descriptive statistics about the personal information of the respondents were also prepared. Total 200 people filled questionnaires, out of which 167 were males and 33 were females.

Table 1 : Reliability Statistics

Construct	No. of Items	Cronbach's Alpha
Corporate Image	5	0.79
Perceived quality	3	0.73
Price	3	0.72
Customer Satisfaction	3	0.72
Customer Loyalty	3	0.79

Table-2 describes the age of the respondents and 64% of the respondents belong to 20-30 age groups, which show that this group is the main user of mobile phone. All the respondents' education was above 12th std.

Table 2 : Respondents Age

Age (years)	Frequency	%
Below 20	16	8
20-30	128	64
30-40	29	14.5
40-50	16	8
50-60	9	4.5
Above 60	2	1
Total	200	100

The analysis has been divided into two parts, first the drivers of customer satisfaction and second the consequences of customer satisfaction. In purposed model there are two drivers of customer satisfaction, price and perceived quality as shown in Figure-4. To check the effect of price and quality on customer satisfaction multiple regression models is used. In Table-3 the results show that the effect of price and quality on customer satisfaction is positive and significant. The value of these paths in other studies varies between 0.2

to 0.4 for quality and 0.12 to 0.3 for price (Turkyilmaz, A. & Ozkan, C. 2007) where as in this study these values a 0.39 for Price and 0.40 for quality, showing a significant result. However the value of R² for customer satisfaction is relatively low, as compare to other studies.

Table 3 : Coefficients for Drivers of Customer Satisfaction

	Standardized Coefficients (Beta)
Price	0.39
Perceived Quality	0.40
R ²	0.42
Adjusted R ²	0.42

In terms of consequences of customer satisfaction the path from customer satisfaction to corporate image is analyzed. The effect of customer satisfaction on corporate image is positive and significant, as shown in Table-4 the value of path coefficient is 0.60 which is supported by the literature, showing that customer satisfaction has a large effect on corporate image.

Table 4 : Coefficients for Consequences of Customer Satisfaction

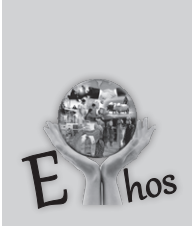
	Standardized Coefficients (Beta)
Customer Satisfaction	0.60
R ²	0.36
Adjusted R ²	0.36

Table-5 shows the effect of satisfaction and image on customer loyalty. The path coefficient for image is 0.21 and for customer satisfaction is 0.36. The effect is positive and significant but low when compared with other studies. However, the effect of corporate image on customer satisfaction is smaller but significant, which was also smaller in other studies. The direct effect of customer satisfaction on customer loyalty is also positive and significant but the path coefficient shows that in this study the result is comparatively low as compare to other studies conducted in this sector. This direct effect captures the effects of satisfaction on loyalty that are not mediated by the corporate image. It is useful to examine the total effect that satisfaction has on loyalty (Johnson et al., 2001). The total effect is the sum of all direct and indirect effects linking satisfaction and loyalty given as the value of R² for customer loyalty that is 0.24 which is very low as compare to other studies.

Table 5 : Coefficients for Customer Loyalty

	Standardized Coefficients (Beta)
Customer Satisfaction	0.360
Corporate Image	0.213
R ²	0.241
Adjusted R ²	0.234

Figure-5 indicates the path coefficients that are the standardized regression coefficients. The R² values, given in the circles, are the fraction of the total variance of the



dependent variable that is explained by its respective regression model. It is important to notice that all the relationships between the variables in the model are positive. Therefore, for each regression model, an increase in the value of an independent variable will also increase the value of related dependent variables.

Figure 5 : Results of Proposed Model



The overall customer satisfaction and customer loyalty is comparatively low in this research as compare to other studies conducted in different countries. The Customer loyalty in Pakistani mobile sector is relatively low because it's an emerging industry, new players are entering in this market and customers are more fascinated to try the new service provider. When this industry will be well established, at that time the results may be more enhanced. The Customer Satisfaction has a considerable positive impact on corporate image. This is in accordance to the literature results depicted in the studies earlier. However, the effect of corporate image is smaller but considerable on customer loyalty, as proved by other recent studies about mobile communication sector.

6. Conclusion : Although there are few players in India's mobile telecom market, the competition between them is more intense than ever. They compete not only in network quality by a large amount of investment in network extension and upgrading, but also in customer acquisition and satisfaction by direct and indirect strategies. Hence customer satisfaction and also service quality would be critical factors for surviving in this emerging market.

The result of the research shows a positive relation between all the constructs. The effect of perceived quality and price on customer satisfaction is positive and significant. But the indicators show that overall customer satisfaction is comparatively low in mobile industry. In global comparison of mobile-communication industry, the customer satisfaction value lies between 0.5 and 0.65; therefore the said value is relatively low in India. The Customer Satisfaction has a considerable positive impact on corporate image. This is in accordance to the literature results depicted in the study earlier. However, the effect of corporate image is not contributing towards the customer loyalty in a worthy manner, as proved by other recent studies about mobile communication sector. The customer loyalty result in our study, in comparison to the global scenario is relatively low.

The above stated facts are specific to the research sample

selected, the Bharti Airtel service provider. The general trend is a higher satisfaction in regard to quality of service but lower when we analyze the price in relation to customer satisfaction. One possible explanation is the relative higher service rates of Bharti Airtel in comparison to its competitors. Owing to evolving competition with lower rates and matching service quality, the percentage of customers switching to other service providers, is higher than vice versa. Despite these factors, Bharti Airtel is still regarded as the market leader in quality provision.

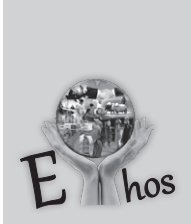
In this study, only two drivers are considered, i.e. price and quality. Furthermore, additional research is needed to find out whether other factors more that we studied can be added to the model in mobile telecom of India or even other industries or not. The research sample was restricted to Satara district. The patterns can alter with customers from metropolitan and Federal administrated cities. Future research should test the model in other contexts to verify the generality of the results.

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Workplace Stress - Overcoming the Challenge

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Abstract : Often we hear people saying, “Don’t take life so seriously”. But in real life it’s not always easy to practice this. The fact is that the stress is something that affects everyone, in varying degrees. There are so many examples of stressful conditions in our day-to-day life: a doctor may undergo stress before beginning a surgery. A batsman might feel it while facing the first ball in a match. A student might feel stressful when the exam is about to begin. Close your eyes for a moment and imagine it is July 31st; you just realized your IT returns are not done, and your computer just crashed with no backup. Your boss is on the phone and wants to see you in his office now for some incomplete task. As you vividly create these images in your mind notice how you feel. Become aware of your body, breathing, and your heart rate. How does your chest and stomach feel? Now imagine yourself onboard the transpacific flight and suddenly there is huge turbulence. Notice your internal experience. At times these reactions can be resourceful and lifesaving, but at other times they can be very damaging. The process your mind goes through in both cases is based on the most positive of intentions: survival. Fear is one of the most powerful motivators, yet it is also one of the most damaging stressors in life. It can be both resourceful and non-resourceful. At our workplace we undergo stress in varying degrees everyday depending on various factors like workload, high responsibility, job dissatisfaction, scarcity of resources etc. Therefore one has to learn to cope with such stress, which is popularly called as “Stress Management”. With the help of various techniques like yoga, meditation and mind techniques and by eating healthy food an individual can not only handle stressful situations of daily life but also it can help to remove the signs of stress completely.

Keywords : Stress Management, Work Place, Work Life Balance, NLP, Mind Techniques, Coping Stress.

1. Introduction : The key objective of this paper is to study the causes of stress at workplace and provide suggestions for overcoming the stress for corporate executives in the business environment.

The author conducted a research in one of the medium scale organization in Pune with an aim to find out the causes and effects of these stressful situations the managers are undergoing while managing their work.

The key aims of this study are :

- To identify the existence of stress in the organization.
- To identify the effects of stress on the work & life of an individual.
- To identify the factors causing stress in the organization.
- To suggest some measures for coping with stress.

2. Research Methodology :

- a. Secondary research, which involves the summary, collation and/or synthesis of existing research papers.

- b. The Primary research was conducted using following tools :

- Questionnaires
- Direct observation
- Telephonic interviews
- In person interviews
- The technique used for Primary research was Selective interviewing technique

The questionnaire was prepared by keeping in view the factors like age, managerial level, nature of work, causes of stress, effects of stress – physical, psychological and on office work, stress management techniques adopted by

The person himself and by the organization in which he/she is working. Suggestions for effectively handling stress in their organization were also asked for.

3. Observations : Various reports, journals and articles have contributed significantly in the subject of stress management. Few of them are reviewed here in short.



Hans Selye¹ is often considered one of the early pioneers of modern stress theory. His scientific research helped to shape our understanding of stress. He began to use the word stress to refer to the general breakdown of the body in response to the wear –and-tear of modern life.

He suggested that there are environmental agents called stressors to which the body reacts in three stages:

1. **The alarm stage :** It is the body's reaction to a threat in the environment. The alarm is sounded and almost every organ in the body responds to make a “flight or fight”. In many cases this stage is short lived.
2. **The resistance stage :** This stage occurs when the stressor is more persistent and results in physiological or mental changes. The person adapts to the stressors and the symptoms usually disappear.
3. **The exhaustion stage :** This stage takes place when physical and psychological resources are overcome. Prolonged exposure to stressors may eventually overcome by one's adaptive capacity or may result in many physical manifestations like fatigue, disease, disability or even death.

The important points recognized by Selye in his model are that -

- Not all external events are related to in the same manner by all people
- There is a distinction between the stressor and the fact of being stressed
- It is prolonged exposures to stressors that bring about dysfunctional consequences
- Both physical and social factors could be stressors

According to researcher Terrence J Palmer³, a person's status in the workplace can also affect levels of stress. While workplace stress has the potential to affect employees of all categories, from those who have very little influence to those who make major decisions for the company. However, less powerful employees (that is, those who have less control over their jobs) are more likely to suffer from stress than powerful workers. Managers as well as other kinds of workers are vulnerable to work overload.

Economic factors that employees are facing in the 21st century have been linked to increased stress levels. Researchers and social commentators have pointed out that the computer and communications revolutions have made companies more efficient and productive than ever before. This boon in productivity however, has caused higher expectations and greater competition, putting more stress on the employee.⁴

Researchers say that the following economic factors may lead to workplace stress :

- Pressure from investors, who can quickly withdraw their money from company stocks
- The lack of trade and professional unions in the workplace
- Inter-company rivalries caused by the efforts of companies to compete globally
- The willingness of companies to swiftly lay off workers to cope with changing business environments

Bullying in the workplace can also contribute to stress. This can be broken down into five different categories:

- Threat to profession status
- Threat to personal status
- Isolation
- Excess Work
- Destabilization i.e. lack of credit for work, meaningless tasks etc.
- This in effect can create a hostile work environment for the employees that, which in turn, can affect their work ethic and contribution to the organization.

Physical & Psychological Effects of Stress²

Physical Effects : Workers who report that they are stressed incur healthcare costs that are 46 percent higher than for non-stressed employees, according to the National Institute for Occupational Safety and Health (NIOSH).

And 60 to 90 percent of doctor visits are attributed to stress-related illnesses and symptoms.^{11, 12}

Left untreated, prolonged stress can raise the risk for developing chronic—and costly—diseases. Among them: heart disease, diabetes and even some cancers, which can collectively account for a vast amount of all healthcare costs. Diabetes alone cost business \$58 billion in 2007 in just indirect medical expenses whereas 15 million work days lost to absenteeism and 120 million work days with reduced productivity.^{13, 14}

Stress can also lower the immune system and play a role in a person's susceptibility to more colds, flu and other infectious diseases. Additionally, people who are stressed are more likely to experience pain-related conditions, and a host of other ailments, from teeth grinding and chest tightness to fatigue.^{15, 16}

In fact, an APA survey found that 53 percent of workers reported fatigue due to work stress.¹⁷

Psychological Effects : Workers are experiencing mental duress because of poor concentration, short temper, job dissatisfaction and low morale.¹⁸

Stressed workers have an elevated risk of mental health problems, ranging from anxiety and substance abuse, and

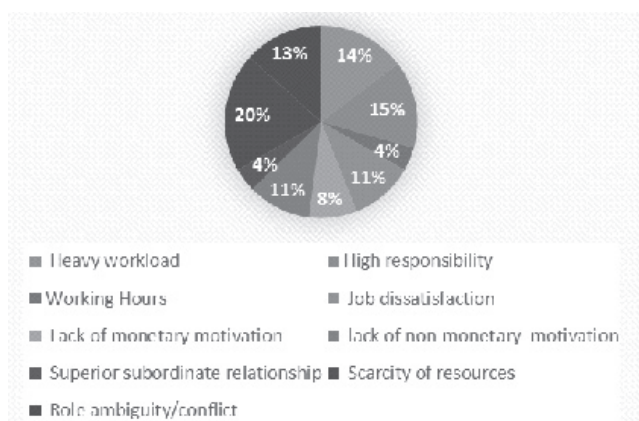


perhaps, the most significant, depression. In fact, stress and clinical depression—the two often go hand-in-hand—trail family crisis as the second and third most significant problems in the workplace.^{19, 20}

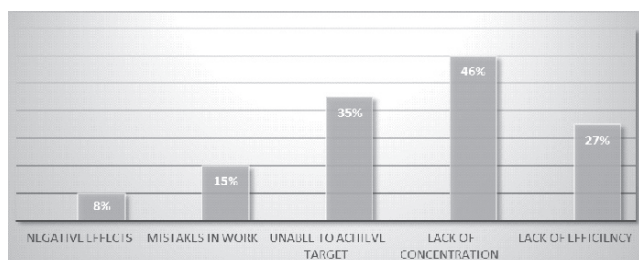
The National Institutes of Mental Health estimates that depression has resulted in \$23 billion a year in lost workdays.²¹

4. Findings : Some of the important trends and findings noticed during research are listed below:

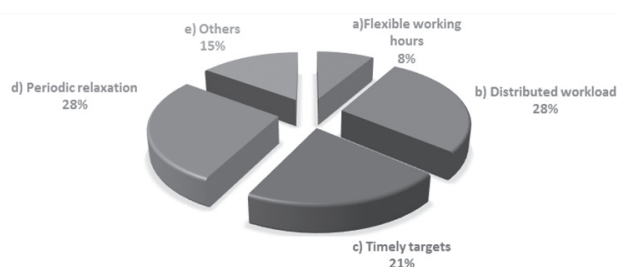
Factors causing stress



Effect of stress on work



Methods to reduce stress



Given below are the key highlights based on research :

1. Stress does exist in the organization; almost 77% of the managers who have responded the questionnaire are undergoing stress. As this survey has most of the managers working in the office environment, we can say that the percentage of managers under stress can go up if we consider the managers working on the site, as the site job can be more stressful.

2. The elder counter parts are undergoing less or no stress and capable of handling pressure.
3. It is also clear that the younger generation employees who have more zeal and wish to prove themselves are more stressed out in comparison to their older counterparts. This can be dangerous for them as they can suffer from health issues at very young age.
4. Most of the employees are affected psychologically as well as physically due to stress. Psychological effects are more harmful from the organizational point of view, as can become a cause for higher rate of attrition and also the lower productivity.
5. Lack of concentration and efficiency reduces the chances of achieving desired target which again increases the stress level of the employee
6. According to the employees, scarcity of resources, lack of monetary and non-monetary motivation and job dissatisfaction are some of the areas which are the reasons for causing stress.
7. From the research analysis most of the people prefer chatting with their friends or colleagues or family to relieve their stress by sharing the thoughts, many of them also prefer listening to music or reading books or nurturing other hobbies.
8. Very few of the respondents go for a walk or do yoga and meditation for relieving stress

5. Recommendations : There are several methods of stress management, each with distinctive explanations of mechanisms for controlling stress. Based on our study we have put them in three major categories as listed below :

Physical techniques : Light to moderate exercise such as a walking or yoga can lower the cortisol levels that can lead to stress. A short walk each day may refresh employees during the work day, reducing stress and increasing productivity

Mental techniques : Stress management workshops. Scheduled workshops that educate employees about the sources of stress, effects on their health and how they can reduce stress can be effective if backed by practical stress management techniques that employees can use on and off the job NLP provides many empowering tools for existing optimally in our stressful world. According to NLP gurus, Stress is only a set of thoughts (mental behaviours), feelings (emotional behaviours) and actions (physical behaviours). It is easier to change your behaviours than your identity. In coping it is up to you to use your mind for a change, positively.

Environmental Changes :

- Design jobs to provide meaning, stimulation and opportunities for workers to use their skills



- Clearly define workers' roles and responsibilities
- Give workers opportunities to participate in decisions and actions affecting their jobs
- Improve communications to help reduce uncertainty about career development and future employment prospects
- Conduct Motivational lectures and personality development workshops
- Flex time - Allowing workers to start or end the workday earlier or later can reduce work/life stress, especially for working parents. Flex time can also reduce the stress of commuting in rush hour traffic
- Work from home - Working from home results in higher morale and job satisfaction and lower employee stress and turnover
- Reducing environmental stress may include refiguring the workplace to include natural lighting, improving air flow and providing quiet rooms

No matter what stress management techniques are installed, the key to success is to have a continuing commitment to improving the health and well-being of all employees

6. Acknowledgements : It is a pleasure to thank those who made this thesis possible. We owe a many thanks to great people who helped and supported us during the writing of this paper. We are thankful to Mr. Suranjan Chatterjee, Director and Mr. Sugato Majumdar, Director, Trans Tech Turnkey Pt. Ltd. for granting me permission to undertake the project work in their organization. We also express our thanks to Dr. Lahori for giving us inputs from time to time and for his valuable guidance.

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Invitation for Conference Sequel 2K15

*Having built a legacy at its birth itself, AIMS had organized a National Conference on **"Role of Women in Agriculture Development : Perspectives and Challenges"** in Oct 2012, a year of its inception. Driven by the success and opportunities, it remarkably spearheaded towards successful organizing of 2nd National conference on **"IT & Management: Innovations & Inventions-Global Perspective."***

*With the augmented patronage of the Research Scholars, Academicians, Industrialist and Students, for the 3rd consecutive National Conference on **"Indian Ethos in Management Practices : The Catalyst for Entrepreneurship"**, we are pleased to bring to light the title for our next 4th National Conference on **"Science, Technology and Management: New Horizons"** scheduled in the **second week of Oct. 2015.***

AIMS capable of articulating Indian Ethos is scaling new heights by virtue of your esteemed participation and contribution of your valuable papers. We (AIMS) hope and trust your perennial association in our next monumental conference.

Prof. Smita S. Khatri
Smitakhatri22@gmail.com
Convener, National Conference 2015



Industrial Visit @ Vespa unit, Piaggio Vehicles Pvt. Ltd.



Fresher Party 2014



Intaglio 2014



Collage Competition 2014



Industrial Visit @ AMUL India, Gujarat



*Placement Cell Inauguration by
Vice Chancellor, Savitribai Phule Pune University*



'Swachha Bharat Abhiyaan' on 2nd Oct., 2014



Cultural Event 2014

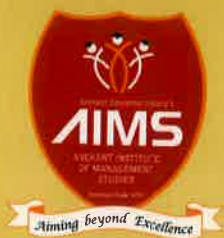


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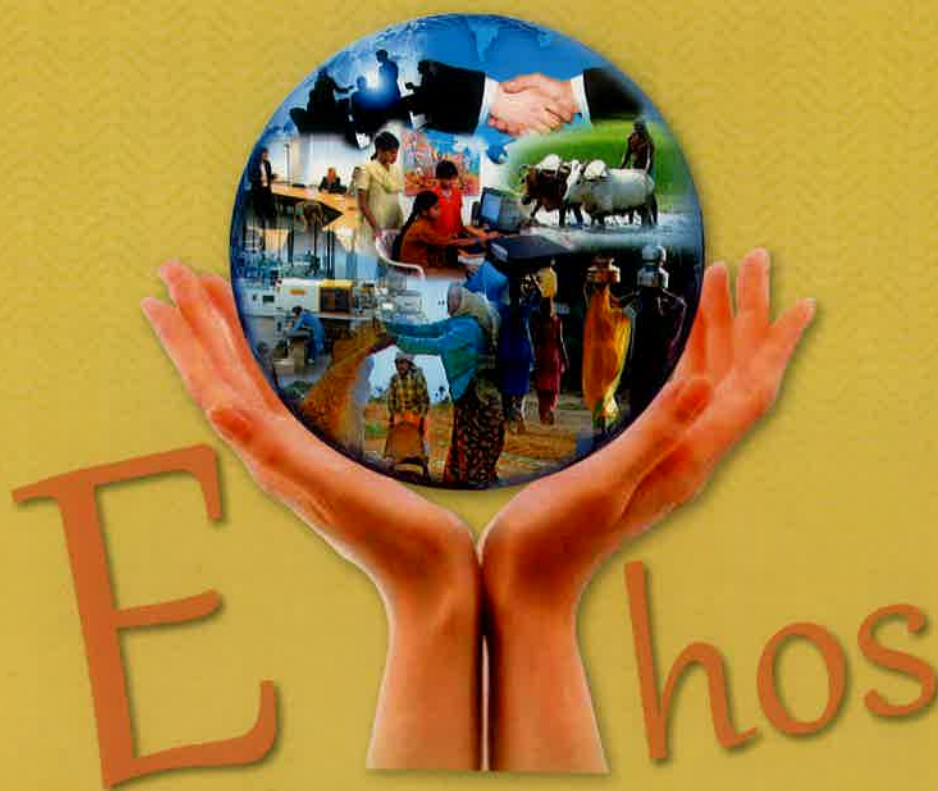


National Conference 2014

on

“Indian Ethos in Management Practices : The Catalyst for Entrepreneurship”

9th & 10th October, 2014



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AES @ A GLANCE

Anekant Education Society (AES), established in 1961 under the dynamic guidance of Late Shri. Fulchandji Gandhi, former Education Minister of the Hyderabad State, Anekant is a Religious Minority (Jain Community) Institution having the reflection of "Anekantavada" in its name. AES founded renowned Tuljaram Chaturchand College (T.C) in 1962, with more than 10,000 students and around 320 faculty members. T.C College celebrated its Golden Jubilee in 2012. It also has another degree college i.e. Jaysingpur College, Jaysingpur, Dist. Kolhapur. AES added another feather to its cap by establishing Anekant Institute of Management Studies (AIMS), in June 2011 and Anekant English Medium School in 2012. Right from its inception, society is providing quality education and in a period of five decades, the society has made its marks on academic, cultural and social environment of Baramati.

Anekant Institute of Management Studies (AIMS)

AIMS, the modern temple of professional learning unfolds a golden career prospect to walk through the avenue of professional skills and managerial leadership that a student dreams always. Our performance is beyond excellence because we create visionary pioneers in management field and not only assist to get mere employment but also beyond that. The Institute is approved by AICTE, DTE and affiliated to University of Pune, Maharashtra for two years Full Time Master in Business Administration (MBA) programme. Being the extended arm of the legendary T.C College, it has already inherited a legacy of high repute at its birth itself.

AIMS has extensive Wi-Fi campus. It provides incredible infrastructure and facilities for the students. Boys' Hostel and Girls' Hostel, Computerized Library, Computer Labs and Well Equipped Seminar Hall, Amphitheatre, Placement Cell and Well Experienced Faculties from industry are the uniqueness of AIMS.



Objectives of Conference – 2014

- To understand the importance of ethos in business and entrepreneurship at macro and micro level.
- Consolidate existing knowledge, spiritual and cultural values in practicing management.
- Evolve ways to integrate management and facilitate deliberation on the present status of entrepreneurship and ethos thereto.

Commemoration : National Conferences

National Seminar 2012 : "Agricultural Development- Role of Women : Emerging Perspectives, Issues, Challenges and Strategies" conducted successfully on 31st October, 2012.

National Conference 2013 : "IT & Management: Innovations and Inventions – Global Perspectives" commendably completed on 24 – 26th October, 2013.

Conference Themes 2014

Management practices and entrepreneurship are influenced by culture and ethos for better productivity. Ethos offer the best stepping stone into the corporate world and train to become a resourceful entrepreneur. Implications of ethos in management process and managerial decision embedded in Indian ethos, values system in management practices at large parse.

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Declaration: The views, thoughts and ideas put forward by the authors in this book are of their own. The AIMS may or may not be agreed with these.

The Proposed Sub-Themes are :

Part I : Ethos and Entrepreneurship in Management Perspective

Track 1 : Management

- Implication of Western Culture in Indian Ethos
- Role of Management School in Grooming Students
- Impact of Quality & Competency in Entrepreneurship
- Ethical Dilemma for Leadership
- Emotional Quotient or Intelligence Quotient

Track 2 : Banking Finance and Insurance

- Corporate Governance Practices in Organization
- IFRS Applications & Benefits
- Corporate Social Responsibility Practices – Organizational Perspective
- Insider Trading : Case Studies
- International Areas of Accounting, Business, Economics, Finance, and Management

Track 3 : Marketing and Services

- Entrepreneurship Development in Different Sectors i.e. Tourism, Fisheries, Horticulture, Handicraft, etc.
- Green Marketing
- Emerging Trends in CRM
- Service Gap Analysis in Private Banking Sector

Track 4 : Human Resource Management

- A Study on Sewa or Service Attitude in Creating more Entrepreneurial Mindset
- Dignity of Work : An Indian Value Creating an Enabling Environment for Women Entrepreneurship in India
- Jugaad : Doing an Entrepreneurship Kaizen in Indian Way
- Social Entrepreneurship as a Bottom-up Model of Socio-Economic Development in India
- Performance Auditing as Means to Entrench Professional Ethos in the Public

Track 5 : Production and Operation Management

- Modern Supply Chain Practices
- IT Enabled Supply Chain Management
- Supply Chain Synchronization
- Six Sigma as a Tool to Reduce Customer Defection

Track 6 : Information Technology Management

- Entrepreneurship for Engineers and Technological Innovation
- Software Patent and Copyright Infringement
- Ethical Issues in Social Networking
- Virtual Organization

Track 7 : Information Sciences

Part II : Ethos and Entrepreneurship in Corporate and Standards

Part III : Case Studies, Experiments, Practical Experiences

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From Secretary's Desk

It gives me immense pleasure to mention that, we have successfully conducted National Conferences for last 2 years and this is the 3rd consecutive National Conference in association with Savitribai Phule Pune University hosted by our 'Anekant Institute of Management Studies'. I am even more happy with the topic chosen for this conference on "Indian Ethos in Management Practices : The Catalyst for Entrepreneurship," as it reflects the dynamic market environment and the need to promulgate and comprehend the idea of Indian Ethos.

The hard core efforts taken by the AIMS team is a thing needless to mention, as one can see them by virtue of the number of papers presented and number of registrations done from various parts of the country, which is not an overnight task but collaborative efforts of the AIMS team for almost last 3 months.

I wish and hope to have such brainstorming conferences at AIMS in future as well.

My Best Wishes to the AIMS team and all the participants !!!!!

Shri. Jawahar Motilal Shaha (Wagholikar)
Secretary, Anekant Education Society, Baramati



From Joint Secretary's Desk

As a matter of delight, it is encouraging to note that 'Anekant Institute of Management Studies (AIMS)' is paving and carving its own niche in the market by virtue of organizing conferences of this stature. The topic chosen i.e. "Indian Ethos in Management Practices : The Catalyst for Entrepreneurship", for the conference in association with Savitribai Phule Pune University, is a great endeavour to understand the Indian Ethos and its pertinence in Management and Business and really worth to be mentioned.

Its even more noteworthy to inform at this juncture that not only have we received number of quality papers throughout country viz. Karnataka, Kerala, Tamil Nadu, Punjab, Andhra Pradesh, Jharkhand other than home state of Maharashtra, but also an impressive roster of distinguished speakers from the academia and industry. The excellence of any conference lies in the fact of scientifically reviewing the papers which is scrupulously done by the review committee of this conference. The painstaking efforts of the convener Prof. Manisha A. Vhora and the team of AIMS are really commendable and a mark of brilliance.

To conclude, I would like to appreciate Dr. M.A. Lahori, Director of AIMS for living upto the standards of Management and organizing this conference successfully without a drop of ethics.

Wishing all the best to the participant scholars, academicians and students !!!!!

Shri. Milind Rajkumar Shah (Wagholikar)
Joint Secretary, Anekant Education Society, Baramati



From Director's Desk

AIMS provides sprouted and distinctive platforms to all students and learners in general and for the students from rural areas in particular. The legacy of Anekant Education Society is to disseminate quality education which is ingrained with employability skills and better citizenship culture. AIMS organizes several extra-curricular activities such as Management Fest, Business Mystery, Product launch, Best Entrepreneur Event and lot more to instill in students a sense of participation.

I am pleased to put on record that, the team work, holistic approach, dedication and completion of assignment right from scratch to finish is indeed marvelous quality of the staff, one can find at AIMS. As to keep pace with the market and industry requirements, student honing is a never ending process at AIMS, Baramati, which led to the organizing of the 3rd National Conference in association with Savitribai Phule Pune University.

The theme of the National Conference, 'Indian Ethos in Management Practices : The Catalyst for Entrepreneurship', is most relevant to today's global fraternity because entire world is eyeing and encashing India's intrinsic talent in various domains of science, technology and management.

In precise one can concise that, Ethos and Ethics means 'self-righting' mechanisms but not altruistic alone. Indeed Ethos and Ethics is a profound feeling of goodness which connects individuals for a common purpose.

Wish you all resourceful and knowledgeable sessions.

Quality Learning : Better Living.


Dr. M. A. Lahori
Director, AIMS



Foreword

The ability to do the right thing and, what is more important, doing it every time (even when no one is watching) is the noblesse oblige in the managerial milieu. It must become the done thing, the insignia and talisman whether it be a professional manager or the entrepreneur. Here lies the crux of the issue, which is well brought into light by Anekant Institute of Management Studies (AIMS) by virtue of this conference.

It may be difficult to internalize the approach of Indian Ethos with a materialistic bent of mind, but AIMS has made an ardent attempt to draw an attention towards this vital issue by way of organizing 2 days National Conference that bore the title "Indian Ethos in Management Practices: The Catalyst for Entrepreneurship."

It is noteworthy to mention the laser-like commitment and efforts taken by AIMS team for the National Conference under the steering guidance of Dr. M. A. Lahori, Director of the Institute. He must be credited for keeping up the zeal of his committee i.e Review and Editing, Registration, Stage and Decoration, Catering and Hospitality throughout the process of Conference.

This commemorative issue of AIMS National Conference 2014 presents selected and qualitative papers from diverse areas of management. As a matter of fact, the conference papers received from different states viz. Andhra Pradesh, Kerala, Karnataka, Tamil Nadu, Jharkhand, Punjab, other than home state of Maharashtra is really spectacular. The go-getting approach of the Conference Committee comprising of Shri. Jawahar Motilal Shaha, Secretary AES, Shri. Milind Rajkumar Shah, Joint Secretary AES and active members Shri. Vikas Shah, Shri. Chandrawadan Vidyachandra Shah, Dr. C. V. Murumkar, Principal T. C. College in organizing the conference is worth mentioning and commendable.

The remarkable efforts taken by the Convener Prof. Manisha A.Vhora for making this conference a success is laudable and meritorious. I would like to extend appreciation for the meticulous review and editing done by Prof. A Y. Dikshit and Prof. Sachin S. Jadhav. The contribution made by Dr. C. P. Panse, Dr. A. V. Thuse, Prof. P. V. Yadav, Prof. T. V. Chavan, Prof. D. P. More, Prof. S. S. Khatri and Prof. P. D. Hanchate is much admirable.

Last but not least, I would like to extend my best wishes to all the scholars, participants, organizers for making this conference a grand Success.

Dr. S. B. Kolte

Director General B.P.H.E. Society's Institute of Management Studies
(Career Devpt. & Research), Ahmednagar



Guest of Honour's Message

I consider it a matter of pride for being associated with Anekant Institute of Management Studies (AIMS) for the conference on "Indian Ethos in Management Practices: The Catalyst for Entrepreneurship." Thank you for this huge honour which I greatly appreciate. Being a part of such an event is truly a new experience for me and I find it exhilarating.

We are drowning in knowledge and education, but striving hard for skills and innovation and that too ruling out ethics and code of conduct in our lives. There is not an iota of doubt that ethics and principles well implemented can make our lives better. This is because shortcuts get you nowhere and if it sounds too good to be true, it is because, it probably is. I must add that a key lesson in any successful venture is that there are no 'quick fixes'. Moral principles should pervade all aspects of our life. Probity, honesty and trust are essence of not only academic life but professional and personal life as well. And I think having a conference on such a delicate and thought provoking issue itself is exemplary. The churning of brains on this topic will really bring good brains together and ostensible comprehending of this complex issue and its application.

Aha! What caught my attention were the papers of my special interest on "Indian Ethos in Management Practices: Yesterday, Today and Tomorrow" and the other one that I particularly found invigorating is "Ethical Behaviour and Morality in Marketing- A Gateway to Build Brand Image in Global Business Era."

I was quite pleased to know that the conference has received number of research papers from different parts of the nation. Conferences of this kind are really an example of burning commitments. I would like to convey my warmest congratulations to Dr. M. A. Lahori, Director and navigator of this flagship and the team of AIMS on this great event!

I wish all the participants well for tomorrow and beyond.

Thank You !

Dr. Mauro Padovani

Plant Manager, Imsofer, Ferrero Group

Volume - II

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KEY NOTE

Effective Management Tools from Indian Ethos : A Paradigm of Innovation for International Companies (INCS)

Prof. (Dr.) G. R. Kirshnamurthy

Chairman Advisory Board, AIMS, Baramati

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Abstract : *The world is in the process of a great transformation from a highly regulated and controlled economy to a liberal deregulated globally open economy. Due to this transformation, the change in the organisations, whether business corporations or non-profit institutions, is going to be quite sweeping if not tumultuous. In fact, the overwhelming change is bound to be in the fields such as (1) technology, (2) organisation structure, (3) power hierarchy, (4) decision-making, (5) training practices and (6) communication methods. The change may overpower some of the organisations by seizing them unawares. To manage this unprecedented change and to cope up with the tremendous stress that it is likely to generate, a modern/futuristic executive needs a totally novel and different mindset and ethos. It is in this context, the Indian ethos offers some precious insights and tools for an executive life and job in INCS (International Companies). This paper focuses on presenting some important insights and effective tools from Indian ethos.*

Keywords : *Indian Ethos, Change Management, Effective Tools, Executive Needs*

The World is in the process of a great transformation from a highly regulated and controlled economy to a liberal deregulated globally open economy. Due to this transformation, the change in the organisations, whether business corporations or non-profit institutions, is going to be quite sweeping if not tumultuous.

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To manage this unprecedented change and to cope up with the tremendous stress that it is likely to generate, a modern/futuristic executive needs a totally novel and different mindset and ethos. It is in this context, the Indian ethos offers some precious insights and tools for an executive life and job in INCS (International Companies). This paper focuses on presenting some important insights and effective tools from Indian ethos.

The Indian ethos, is nothing but the collective wisdom (very precious) accumulated by all the generations which have inhabited the lands of the vast sub-continent of India. Such wisdom has been codified in the Indian classics, architecture and other works of art. Examples abound in the Vedas, Puranas, Vedanta teachings (Upanishads) and other classics such as Manu Dharma Shashtra, Kautilya's Arthashastra and Bhartiarihari's Vakyapadiya. In addition to these works, Buddhist and Jain texts also throw precious light on the various aspects

of organisational reality and also on the methods of coping with change and managing such change. The teachings of Bhagavad Gita and those of Shanthi Parva (in the Mahabharat) in particular will prove to be of immense help as well as practical use to the executives in job management in the post-modern organisations. In the same way holy books like Guru Granth Sahib, Quran and Bible also give some precious insights into the subject.

In essence, the Indian ethos is characterized by the following features:

1. Ego sublimation and humility
2. Synthesizing and synergizing approach
3. Emphasis on Duty/Dharma
4. Self control (control from within)
5. Total understanding of life than mere job understanding
6. Adjustment and adoptability than dominating
7. Emphasis on the flexibility / change
8. Focus on the team approach
9. Harmonious living with nature
10. Highest value accord to sacrifice

On the other, American and European ethos, in short, western ethos, based on the Greek-Roman ethos and values is characterized by ego-exaggeration, Reductionist approach to things, over emphasis on rights, dominating on the nature, outside control, over emphasis on money incentives. Unrealistic



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emphasis on the so called stability and imbalanced emphasis on individual achievements than on the team/community consideration. Thus, western management science and thought suffered from the narrow confinement to Taylorism, so called human-relations approach (the result of Hawthorne experiments) and need gratification based motivation studies.

Many management concepts like six-sigma, 360 degree appraisal, MBO, Kaisen, Just-in-time, customer delight, etc are already becoming clichés in management thought and practices. In this context, Indian ethos offers some refreshing insights which could be converted as effective tools for modern management. These are:

"That the reality/nature/life/organisation is always changing". Indian Upanishads including Bhagavad Gita proclaim. Gita says that "Man is the most ignorant and foolish who does not realize this truth of flux and change, so as to face the reality bravely and naturally". As modern organization is bound to change, sometimes even abruptly and sweepingly, this insight from Indian ethos could be a great strength to today's executives. "Do not expect so called stability, be ready for a change at any time" is the message. By developing a mind set which welcomes the change as a requisite an executive becomes highly effective in managing it.

An executive must have a yogic perception : perception into himself, his likes and dislikes, and his emotions. Indian ethos makes "self awareness" as a basic requisite for any great performance including the job performance. "Know yourself before you know others". For this one, must have 'sathvik pravritti, samyami and samadhrishti'. Having developed this quality, an executive performs his actions detached from their results/fruits. Thus Gita teaches 'nishkamakarma' as a modes-operendi for high achievers. This mind set makes a manager, a high success, nay a rare success.

Self-perception and self awareness as advocated by the Indian ethos are the most effective tools for one's "Emotions-management". In other words, "choice less awareness" of the organisational reality is the most effective way for stress-coping and stress management.

Nature of Learning : Indian ethos lays stress on continuous and constant learning throughout life. But it emphasises on open mind and humility as requisites for learning. "Let noble thoughts come from all sides" proclaims the Veda. Then only an executive can avoid "Tunnel-view" approach in understanding. Indian ethos emphasises on trainee-centered-learning than trainer-centered-learning/ exercise.

CEO as a Trustee: Indian worldview and Indian thought advocates that every Entrepreneur/Industrialist/Executive must act as a Trustee/Custodian /Guardian of the interests of all the stakeholders: Employees, Customers, Consumers, Shareholders and community at large. An executive is a 'Karthā'. He has to build the culture of Trust in an organisation which is

characterised by the following:

1. Participation climate
2. Delegation-strategy
3. Two-way communication
4. Bi-lateral evaluation
5. Creative and continuous Training

All successful companies as well as executives practice this culture of trust (which is highly emphasized by the Indian ethos)

Even in the west companies like GE in Colombia and Volvo in Sweden, Nissan in Tennessee, DEC in Connecticut adopt the culture of Trust. In Indian context, TATA steel and Infosys are some of the best examples practicing the culture of trust.

In short, present day managers, and organisations could crystallize the above insights (from Indian ethos) into the following tools and strategies. These in turn could be used as the most effective tools and techniques in today's organisation:

1. Forming self managing teams in the organisation
2. Collective goal setting
3. Informal verification of the facts and files
4. Creation of learning climate for each to learn at his own pace in the organisations.
5. Ego sublimation by "you centered approach".
6. Environment friendly and ecology conscious approach/ paradigm to development.

In short, the Indian ethos enables one to clearly understand the nature of the reality, as a constant change and flux. It empowers the managers and organisations for facing over-whelming changes. In doing this, the ethos enables the executive to have self perception and 'stithaprijnatha'.

Thus Indian ethos, provides some effective tools and techniques for modern executives in managing today's complex organisations.

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Indian Ethos in Management Practices : Yesterday, Today & Tomorrow

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Abstract : Human beings live together for ages for survival, existence, protection and safety of members of the group and their communal and personal properties. Developed socially accepted transaction procedures, abolishing barter system. Gradually, humans got ideas of property and control which could be obtained by force or willingness of members of the group. Over the centuries, society fragmented into class system based on the division of work. Thus, the social hierarchy was developed. The society has undergone drastic changes during and after WW I and II all over the world. Some countries like Japan, USA and UK has transformed into industrial powers. The citizen in these countries learned that hard work and long hours were necessary to achieve the national goals of freedom and excel in all fields, i.e., education, manufacturing, developing top grade of infrastructure throughout the country. Thus, the "National Character" was developed and all citizens enjoyed the fruits of hard labor. During this process, the society built a code system of Ethics in all spheres of life. Both ethics and morals refer to 'do's' and 'don'ts' in human society. It is a behavioral guideline amongst human beings. As a human being, each of us does any action essentially for one's own happiness. The actions belong to two direct categories: those that affect another person and those that do not directly affect other person. The ethics is applicable universally amongst all human beings. It cannot be different amongst different societies and over long periods of time. *1 Global thinkers and philosophers introduced basic principles of Ethics as, (1) Empathy - walking in the other's shoes, (2) Creating a safe zone for the dialogue, (3) Keeping each other accountable and (4) Defining good and bad human behavior. Human rights are the most tangible and legally binding expression of this ethical vision. There is enormous richness in diversity in India leading to unity amongst Indians of varied cultures. Contextual ethics can be abused to defend traditional privileges of power on national as well as local levels. Power over others- slavery- tend to be oppressive, abusive and hampers the overall health of the communities. *2 The author strongly believes that without basic understanding of foundation of social sciences, i.e., Sociology, Psychology, Cultural Anthropology, Civic Science, Economics, Logics and Politics, it is futile to expect any changes in social behavior of citizens if India. *3 The center of any business activity revolves around to earn maximum return on the investment by any means. Such self-interest dream may sidetrack from socially accepted norms to illegal and unscrupulous methods.

Keywords : Empathy, Character, Accountable, Behavior, Dialogue

1. Introduction : The human race has undergone many evolutionary changes over the centuries, each race has unique features, looks, body built, culture, eating habits, etc. However, human race settled in different geographical terrains with different climatic conditions forming different countries. Given the same opportunity, countries experienced different progress in fields – social, economy, business, education and politics. Some countries, in spite of their relatively meagre natural resources and wealth, are ahead than those with huge natural resources, wealth and other potentials. This happens with one single human factor, the power, individual and collective Discipline. And this power difference can be seen in First and Third World countries. Countries like England, Spain, France, Portugal, etc. are small countries in Europe ruled over many countries for centuries. Indian sub-continent experienced otherwise with no discipline and collective power. Once, India, obtaining

Independence, was in chaotic conditions and the new inexperienced administration could not organize the needed functions to take the country on a progressive path. India did not invest in Discipline then, so that she could enjoy better tomorrow. *4

Basis of Indian Ethics :

- The Ethical foundation of prescribed behaviour depicted and traced in Epic stories in Holy Scriptures passed through thousands of generations, e.g., "Ten Commandments and Golden Rule" in Bible, Rights and Rituals prescribed in Indian holy scriptures like Gita, Ramayana and Mahabharata.
- The Learned and Scholar Saints, Social Reformers laid down the socially accepted norms of behaviour by travelling through different parts of Indian territories, meeting citizens in person. However, few, so called



self-proclaimed, self-cantered Angels of God, duping, cheating and thriving on weaker minds of public brought a dark blog in society. Thus, Indians lost respect for Ethics and the baton in their own hands.

- c. Wherever, a visitor visits the business office or a home, he will notice the displaying multiplicity of Gods-deity Idols and photos of favourite God. These Idols and photos will be decorated by elaborate display of valuable metals, flower garlands and burning incense, creating an impression of their faith and trust in God. Thus, exhibiting their external business image. However, we read and watch all mass media of real business practices.
- d. However, the author noticed the impact and adaptation of Western Culture in twisted form suitable to business culture...

2. Theoretical Background : We can trace of ethical behaviour found in Adam Smith's Theory of Survival. From the beginning of social structure in the world, the main area was a "survival of the Fittest". Denying the basic needs of citizen, the anti-social groups were and are formed to fight for their "Rights". The ruling parties took the charge of providing meagre amenities to such groups.

The author, equipped with social sciences background, believes that the basic ethics lessons are taught and learnt during childhood in the most important social institution, the Family. The main role models for the children are their parents. Therefore, the parents must inculcate the basics of ethical behaviour by their own behaviour and role model without duality of behaviour creating confusion.

The Human Resource Department of an organization must keep a vigil eye on the internal and external behaviour, communication of all members at all levels, maintain record and introduce novel methods to interact and communication. Once an organization gets bigger, it transforms into bureaucratic structure with strict rules and regulation. The researchers caution to watch this situation. The business unit, being a profit centre, must have flexibility to change as per the external market factors.

Mr. Fred Smith, the founder and a chairman of the world largest courier company, gives credit to the formula for successful business. He terms it as P.S.P meaning, think of People first, offers excellent and courteous Service, Profit follows automatically. *5

The basic concept of Ethics may be defined as a learned behaviour of all members of society within the realms of culture to treat each other in all situations with dignity and honour. The term, Ethics, consist of – Empathy, thoughtfulness, honesty, ingenuity, communication and Social Sensitivity...

3. Research Methodology : The author used most of the content of this paper by his personal wide exposure and experience in business and academics fields in India and Western countries along with few references from Indian and global literatures and research. Since the nature of the

study is descriptive in nature, the author used exploratory and interdisciplinary approach to understand the ethics in business world.

It is a dire need to re-introduce the subject of Ethics in our elementary schools. Since the subject is based not only on Indian philosophical, religious and cultural, but based on practicing the moral and ethical values in our daily routine. The concept of ethics encompasses a very wide spectrum of citizens' behaviour in all institutions of society.

The study is limited by many constraints like time, space and willingness of citizens to adapt a few ethical recommendations to deal with the subject matter. The ethical behaviour is not deeply rooted in current Indian society and thus, we witness the double standards in day-to-day economic, business, political and education transactions. The self-centred approach for own gains is the rule of the day.

Ethics are norms and standards which guide moral choices of human behaviour and their relationships with other human beings. Thus, the goal is to ensure that no one is harmed and suffers adverse consequences. Mutual respect and consideration must be observed within an organization.

The study encompasses moral, ethical, legal consequences of citizens in their day-to-day lives.

4. Results & Discussion : The subject matter is very important in Indian business arena as India, a progressive country, wants to be number one, most economic super-power in the world by 2050. The author observes and believes that, with current organized corrupt and unethical practices at all levels of Administration in Government, Business, Industry, Educational and Health Institutions, will be main hurdles and limitations to achieve a status of a developed country.

The subject can be approached as follows :

- i. Ethics in Casts, Creeds, Religions, Territories, Education and Business Institutions, Politics and Public Administration, gender especially women in workplace ensuring dignity, respect, Zero tolerance of Sexual Harassment at workplace, encouraging conducive environment for healthy growth. *6
- ii. Indian Business Background (Traditional – Paternalistic), Strong Impact of Religion – rite and rituals, blind beliefs, fatalism, Evolution, progress, obstacles and solutions.
- iii. The Effective Change Makers – Individuals, organizations – profit and not-profit agencies.
- iv. Keeping Administration and Legal Constraints at Local, State and National levels by passing and administering the laws protecting the citizens.
- v. Rewards and Punishments for Ethical and Non-Ethical Behaviours of Individuals and Business organizations – Corruption, Hoarding, Taxes and Duties Evasion, Doing business without legal licenses and permission, Creating artificial imbalance between Supply and

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Demand, Shoddy Products, Poor After-Sale Service.

- vi. Inculcating Qualities - Discipline, Fair Treatment to all, no sexual harassment, Equal Opportunity, Fair Competition, Corporate Social responsibility (CSR), Environment Concerns, Responsible use of Limited Natural Resources, Team-work Concept, Social and Community Services to people at the bottom of Society, Innovation and Creativity.
- vii. Seminars and Workshops – In-house by inviting outside Spiritual, Inspirational and Motivational Speakers, senior management to address the employees about transparency in all functions of business to achieve realistic corporate goals, adopting avenues of fair competition, watch industry espionage.
- viii. Use of Social A/V media to spread the effective messages impacting and following Ethical Principles to build a “National Character”.

As said that “Charity begins at home”, Indian citizens, specially parents, must concentrate untiring efforts in educating children in basic education in Ethics at home.

Spiritual Leader, H. H. Aga Khan, feels that ethics can be taught innovatively and should be a part of elementary school curriculum. When we look around, we see ethics crumbling in every sphere from politics to police, social service to sports, medicine to marriage. Part of the strife that ensues is driven by base tendencies like violence and greed – but part is also driven by confusion about ethical verses unethical behaviour. Such confusion clouds our judgment of several vital things, from logic of laws to personal promises, why should not zip past a red traffic light, to why should we help someone in need. Such confusion can be addressed by teaching ethics in schools, impacting fresh, honest minds. Childhood is the ideal time for any education. Many parents make efforts to find the best math, piano or swimming teacher for their children. Alongside, it makes sense to want a good ethical education too. Without this, we will not have a society where an individual's gifts aren't compromised.*7

5. Concluding Remarks : There are two parts of the subject matter, one being, Entrepreneurship and second, the Ethics. Thus, the in-depth understanding and comprehending ethical behaviour in all institutions in business, education, society, economics, religious and politics play a major role in developing holistic professional personality of an individual. The vital issue of guidance and acceptable norms are seen in day-to-day transactions of an individual.

The ethical issues are part of all facets of human life. The skills like observation, evaluation, social and business etiquettes, communication, presentation must be taught during early developments of human learning from kindergarten through games, entertainment, role playing, to high school levels. The basic philosophy and culture of society, learned skills of civic science melding the nature of citizen must be introduced. Thus, the “National Character” is formed to take the country to much higher level by hard work ethics by individuals and all members of society, co-

operation, accommodation, patience, tolerance, and love for the country.

The new performance process called “Harada Method” developed by Japanese Sports coach, Mr. Takashi Harada of Japan, is a breakthrough for achieving holistic success for individuals in all walks of life, corporate and society at large. It is a unique and comprehensive management system that helps in developing a strong character, right attitude towards work, home life, service to society and achieving success. It lays out a practical and a brilliant roadmap for aligning and achieving goals. The powerful approach is extremely relevant for every person, organization to navigate the challenges of the 21st century simultaneously to reach one's true potential.*8

Mr. Vinod Bidwaik, the Director-HR, Engineering Plastics Division of DSM India Pvt. Ltd., believes the businesses are looking for sustainability and trust for shareholders. Therefore, emphasis on Ethics, Code of Business Conduct and Corporate Governance are adhered to company policy, mission and vision statements. HR is expected to train employees on value systems, ethics and create a positive work culture to foster and nurture the same. There is increasing awareness among employees about these issues and they expect to be well treated, respected, valued and want work ethics to be practiced within the organization.*9

Author recommends using all quotients – Intelligent (IQ), Emotion (EQ) and (CQ) Cultural in dealing with each other in business to create conducive environment for personal growth of employees and thus improve efficiency, effectiveness and bottom line of business, i.e., profits.

Use of information technology has made it possible to bring in great transparency in business systems and has eliminated corruption at many levels. India is marching internally towards better democracy, improved governance, fewer unduly restrictive laws and simplified tax regime. Externally, India is getting increasingly integrated with the businesses and institutions from the advanced countries that are far ahead in ethical behaviour in business.

The author concurs with the Social Science Scholar, Ashok Garde, outlining four important socio-economic and political parameters in his research findings “Ethics in Business: India 2010” as follows: *10

- i. A functioning democracy, with independent and a free press.
- ii. A free market, globalized economy with an active private sector.
- iii. Ease of entry and exit for business.
- iv. A large number of NGOs – voluntary non-government organizations for social causes – are active.

Given this business environment, all business – production, trade, and services – need to survive and grow in fiercely competitive globalized markets. The very important question to be asked – Can any business really afford to be unethical? The behaviour of any business with respect to each stakeholder that supports its existence and growth is



explained as follows:

- a. Customers :** Business giving less value for its customer's money. Unethical behaviour with customers is a sure route to bankruptcy. Low quality or negligence after-sales-service by auto dealership/auto-mechanic, insurance/real-estate agent, education institutions, contractor/sub-contractor/builder, bank employee, equipment seller, etc. Unethical behaviour with customer is a sure route to bankruptcy.
- b. Employees :** Pay less to employees compared to other similar occupations, bring in nepotism, be unfair promotion practices, be callous in looking after the hygiene, safety and personal needs of employees and discover that your business can neither recruit good persons nor retain them. Unethical practices hurt in the short, medium as well as the long term.
- c. Vendors :** Treating the suppliers of raw materials to equipment in an arbitrary manner, engaging in nepotism, seeking underhand commission, etc., invariably hurt. These result in lowered average quality, more defectives or higher prices and consequently result in lower profitability of the business.
- d. Banks :** Provide finances for capital expenses and for the working capital to make sure that the management is worthy of their trust. The banks need to have a faith not only in the technical capability of management, but also need to have an assurance that the financial dealings of the business are proper. Even a small slip on the wrong side of ethics makes this trust disappear overnight. No business can survive when deprived of the needed funding. As witnessed in cases of many domestic airlines, infrastructure developers, start-up IT companies and small-medium- large scale manufacturing businesses, the financial institutions must do due diligence of all businesses.
- e. Shareholders :** When the shareholders themselves manage the micro and medium enterprises, no conflict of interest exists between two. But in public limited companies and in the cooperative societies, the small shareholders from the public/interest group can get a less than fair return on their investment. The top management can take an unduly large share of profits for themselves, show less profits and make money 'on the side' for themselves at the cost of the organization.
- Such, unethical practices make survival precarious and the scope for raising capital through enlarging the equity disappears.
- f. Society :** The public pressure on the business is increasing. The business is not only asked not to harm the environment but also expected to accept some social responsibility. The large scale businesses are accepting and acting on their Corporate Social Responsibility. A large part of the funding to the NGOs of all kinds comes from the charitable donations and support from the small and medium scale businesses. The most of the unethical behaviour of the businesses in India are in the areas of their interface with the government administration at all levels; nation, state, city and village.

Tax evasion and corruption are literally rampant on the Indian scene today, both at the level of individual citizens and of businesses of all kinds and scale.

The fact that any Tax Evasion is indeed a theft has not taken root like the moral tenet "Do not steal". Good, religious and otherwise law abiding morally upright individuals do not hesitate to evade taxes. However, if the government falls short on providing infrastructure or law and order, both vital to the individual and the business to survive and to grow, all get morally indignant.

Corruption - Worldwide experience shows that the nations where undue restrictions on business are high, the scale of corruption is also high. The more the number of impractical or restrictive law and rules, the more is the discretionary power in the hand of the bureaucrats and politicians, and more the corruption at the interface of public services and the citizen.

The avenues for corruption are literally innumerable, but corruption takes place only in six different ways – (1) Speed Money, (2) Nuisance Value, (3) Underhand Commission, (4) Nepotism, (5) avoiding legal punishment, and (6) Bending, breaking Laws and rules.

Finally, only a firm resolve by the top management can make it possible for a business organization to behave ethically in its interface with the government. The top management alone can decide not to evade taxes and simultaneously find ethically right ways of making the business grow.

The external as well as internal pressure for business to behave ethically also in their interface with the government are increasing. Many more of the younger generation entrepreneurs are willing to adhere to ethical standards. Given all these trends, let's hope to see a substantial reduction in tax evasion and in the use of corrupt practices by business.

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Ethical Dilemma for Leadership

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Abstract : *The edge-to-edge competition, amalgamation, acquisition, merger, of late concept of de-merger, strategic business unit (SBU) and world as one business village, embedded work-force diversity, distinctive product portfolio with gearing up technology and applied research & development, has made the things easy (for customers) as well complex / difficult (for organizations). Most of the Asian Industries / organizations are driven by the culture of hierarchy ladder and span of control. The Managers or Head of the Units the so called leaders are expected to perform as per the Mission and Vision of the Organization. The basic Mission and Vision of any organization, whatsoever in nature is to make self-supporting financially and expected to do organic growth year after year inter alia with other objectives, ethics, work-force and well-being of all the stakeholders. During discharging the duties and responsibilities most of the leaders are crippled with the intricacies of ethos while upholding ethics in their performance.*

This paper is most empirical and focuses on today's employee's coordination jargon for achieving determined mission & vision of the organization in an ethical way.

Keywords : *Intricacies, Obligations, Co-Ordination, Practicing Rules, Ethos and Pathos*

1. Introduction : As per the study and research the Almighty God has created almost 18000 creatures in the world may be in the water, under the mountain, on the earth and in places which are yet to be discovered. Anyway among all 'HUMAN' is at the top and the most respected creature because he is empowered with the brain, the capacity of understanding, thinking, analyzing, where as other creatures are under control of HUMAN by virtue of her/his WISDOM.

The thinking and application of human brain have been beyond expectation resulting in today's culmination in research practices and technology, resting with the parameter of best performer. As to envisage best clarity and understanding of the title of this paper 'Ethical Dilemma for Leadership' few definitions are high-lighted here under which may give better clarity. The following terms are often integrated to the title of the paper:

1. Ethical dilemma
2. Ethos & pathos
3. Leadership & coordination

2. Ethical Dilemma : The term 'ethics' is derived from Greek word 'ethos' it means 'customs and habits'. The simple meaning of ethics is what the best way is for human to live, work and action for circumventing the situation. Nonetheless ethics is divided into three major categories; Meta Ethics - morale and truth value, Normative Ethic - determined moral course for practicing and Applied Ethics- what a person is obligated to do in a particular domain of work (in industry).

Yes we are more concerned with normative and applied ethics in working environment but most of the leaders face dilemma to practice and enforce ethics in most of the situations. Why and what is that obstacle? That is 'Ethos' which will literally cripple down the practicing ethics in the working environment.

3. Ethos & Pathos : Ethos is a Greek word means 'character' is applied to describe character of beliefs, faith, and ideology of a community or nation and hearers pathos (sympathy). In simple terms traditional way of doing emotionally the act of clemency because of ethos.

4. Leadership & Coordination : It is well said that, the speed of Leader is judged by the speed of the team member. One brain more hands will only work for achieving the desired mission, more brain makes the mission as mess and chaos. Leaders are born but they are groomed and that is the reason it is leadership. As per the industry and institutional requirement, obedience, own-ness, oneness, team spirit should prevail in the perfect coordination and should be well placed otherwise everything will be scattered and resources will be wasted.

In most of the organizations and institutions, the growth of informal groups is creating hiccups in smooth functioning of 'Ethical Working Environment' because, 'problem employees' will always be in the purview of ethos and pathos.

Thus, the set of rules and regulations in discharging duties and responsibilities to achieve the goals and mission of



the organization / institution is called 'Ethics'. Say for an example wearing helmet, while driving bike in the company gangway is ethics (principle) but we feel it is not much important because no-traffic and bare-minimum speed; but one has to follow, because it is ethics of the company.

As per our Indian practices and context insincerity, deliberate absenteeism, nepotism, harassment, carelessness, financial fraud, cheating etc., are all unethical. The true meaning of culture, ethics and values is defined by Prof. Eric. G. Flamholtz Prof. Emeritus, Anderson School of Management, University of California, in his article, 'Is Corporate Culture the Ultimate Strategic Asset?' which he wrote for Business and Economy magazine in July 2011, stated that, "some companies believe strongly in their culture-they swear by it. And while many have brushed aside this concept of culture as just another soft factor, the truth remains-corporate culture can become the very reason why your company performs well at the stock market and why it creates bottom-line which is far superior to those of industry peers. Although there are many different definitions of the concept of Corporate Culture, the central notion is the culture relates to core organizational values."

5. Statement Of The Problem : Of late it is observed that, some of the employees' live by their own frame of activities, habits, actions and they have their own confined & constraint thoughts, which never ever leverage to meet the objectives, mission and vision of the organization. A balance of confidence and self-esteem/actualization at work place may take for long journey, too much of either may end up being the dreaded 'Problem Employee'. And such employee certainly can't be a go-getter and may not remain for a very long time in the organization. It is experienced that, problem employees are inflated sense of self-worth, (ignorant) how your co-staff and immediate superior perceive you (Problem Employees) and you yourself (Problem Employees) are dragging down without realizing your primary duties and responsibilities and you become over a period of time-office outcast. In such a working environment the ethicality will be a barricade in the performance of Leadership, hence this paper is conceived..

6. Objectives of the Study : The objectives of the study on 'Ethical Dilemma for Leaders' are very much clear and are 'n' in number. The focus objectives are delineated herein,

1. To study ethics and its role in the organization.
2. To examine ethics and its dilemma in real performance.
3. To analyze effectiveness of ethics in the organization.
4. To study modality of ethics.
5. To evaluate the ethos, pathos and ethics at work place.

7. Research Methodology : An earnest attempt has been made by the paper presenter and the author of this paper to justify his work by an extensive study of literature, observation, primary survey and has enlightened with the functioning of ethics in the organization- private (professional) and public (Government). A pragmatic field survey has been carried out since the author of this paper himself was associated with industry fold. The secondary data and basic primary data were collected from proper sources and judiciously applied to arrive at meaningful & fruitful findings and conclusion.

8. Discussion : The study in question is about the Public Transport and Private Transport (name eliminated) and both are passenger transport services, plying buses in the same route. As a matter of requirement both have set of rules and regulations (ethics-way of doing) for the healthy functioning of the daily operations, as well as to do business transition with the commuters / passengers. They have well defined division of work with proper check list of job responsibility etc.

The case is pertaining to the 'Cleanness, Kindness and Punctuality' in the bus services. It is closely related to the 'Control Span' and remedial action by the head of the department or controlling authority. Despite of the rules and regulations what we call the way of doing the work (ethics) then why there is failure in the public set up, is the big question, though entire set-up is functioning and where as one can find coziness in the private transport with arrival and departure time. Now what is the ethical dilemma for the leader to make the things in order or as per the demand in the passengers?

The public buses which are supposed to take-off at 5.45 AM from the bus stand, it never happens, generally it starts at 6.00 AM plus and sorry to say that totally poorest maintenance; in other words no maintenance at all. Whereas one can find goodness in private bus service. This is the main crux of the case and study in question.

The Head, what we call as a leader has been experiencing some ethical dilemma in the name of ethos and pathos and practice is continued since long and everybody including passengers have conditioned to that culture of working.

The dilemmas are :

- a) Most of the duty persons may be drivers and conductors said that early morning climate is very cold, hence getting up is the problem - it is human ethos which create ethical problem to the leader to enforce the working rules. But the designated staff have been availing and enjoying all the perks and perquisites of the duty / job.
- b) Similar position from the cleaning department- under the pretext of power failure, late night arrival of the

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buses, or any other problem, they never clean the buses but enjoy salary. If any action is initiated, others will poke the nose and express clemency. This is also an ethical dilemma.

- c) Most of the inefficient, incompetent and insincere staff under the pretext of 'harassment, workload and job stresses do not want to work and take a responsibility. This is also a dilemma for the ethical leadership.
- d) Most of the employees are in habit of eloquence which creates clemency sanctuary in their informal entity. The rhythm of ethos and pathos will work effectively here but the leader has to experience dilemma in practicing the ethics in the organization. The example of parole another clinch of ethos over ethics.
- e) In the professional way of working especially in the private firm "work is warship" concept is embedded in all employees and that is only the ethics and there is no room for the ethos and pathos to distract the ethical part of the organization.

9. Suggestions & Recommendations : The overall Ethical Dilemma or in other words the hassles in performance of ethics at work place is the most common happening in public set up. However, the above transport polemic issues have made clarity in the study in question. The following are the points to be considered to resolve the dilemma issues for better performance of leadership:

1. Leaders/ Department Heads/ Controlling Authority need to define the job and its importance with proper deadlines and expectations well in advance.
2. Always ethical system should work and there should not be 'for and against' policy and practice in the organization.
3. In review necessary remedial measures should be undertaken to set right and if necessary it can be revamp in the interest of mission and vision of the organization.
4. Leaders/ Department Heads/ Controlling Authority have to categorize the 'Actively not Engaged Employees' who are really problem baskets under the pretext of ethos and pathos. Such employees need to be dealt with diplomacy and if required disciplinary proceeding may be initiated.

Transparency, clarity, flow of hierarchy, prioritizing the work and duties is the main task of the Leaders/ Department Heads/ Controlling Authority to execute ethics at work place, otherwise there will be dilemma in work ethics.

10. Conclusion : The wholesome of the discussion and study in question is dilemma in discharging ethics by the Leaders under pretext of ethos. It has been experienced that always the Pareto's Model has significance while practicing

(ethics) viz. 80/20. Similarly there is Ethical Dilemma for Leadership because of ethos and pathos. But when job is defined well and its responsibility is clearly explained, it may set-aside the dilemma.

The ignorant (not knowing the job & its kind-sight) and not Engaged Employees are the main bottle-necks and dilemma for the ethical leadership.

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A Theoretical Study of Leadership Development at Workplace

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Abstract : *This paper suggests that different styles of leadership arouse different sorts of normative motivation among followers, and these diverse motivational sources in turn are associated with different forms of participant contribution to organizational success. Three interrelated clusters of leadership styles, normative motivation of followers, and organizational citizenship behaviour are described. Leadership that appeals exclusively to followers' self-interests is associated with preconvention moral development and dependable task performance. Leadership styles focusing on interpersonal relationships and social networks are associated with followers' conventional moral development and work group collaboration. Transforming leadership that both models and nurtures servant leadership abilities is associated with post-conventional moral development and responsible participation in organizational governance.*

Keywords : Leadership; Motivation; Citizenship; Governance; Moral Development; Task performance

1. Introduction : Inducing constructive contributions from participants in collective entities and enterprises, has long been a concern of political philosophers and organizational scholars. The role leaders potentially play in inspiring or otherwise motivating the behaviour of followers has received special attention. Building on the observations of Burns (1978) and Bashir (1977) that leaders have the potential of enhancing the moral development of followers, this paper proposes theoretical linkages between a range of well-known styles of leadership behaviour, three paradigmatic levels of moral reasoning, and three forms of participant contribution, also called organizational citizenship behaviour (OCB).

The first section of the paper offers brief overviews of research on varieties of OCB and levels of moral development. In the second section these typologies are related to each other and also to a range of styles of leadership. The paper concludes with an assessment of the contradictory potential of charismatic leadership.

2. Theoretical Background :

Varieties of Participant Contribution : Over the long term, successful organizations benefit from a variety of forms of participant contribution which vary in motivational impetus (Suryavanshi, 1964; Organ, 1990). Three distinctive types of contribution - displayed in Figure 1 - are dependable task accomplishment, work group collaboration, and civic virtue (Raghav, 1991a).

FIGURE 1

VARIETIES OF PARTICIPANT CONTRIBUTION TO ORGANIZATIONAL SUCCESS: ORGANIZATIONAL CITIZENSHIP BEHAVIOR
Dependable Task Accomplishment Regular on-time attendance Reliable effort expended on both quality and quantity of output Efficient use of resources Compliance with rules and instructions Common sense handling of unforeseen contingencies
Work Group Collaboration Sharing information, tools, and other resources Helping to train and socialize newcomers Assisting those with heavy workloads Responding flexibly to disruption Representing the group favorably to outsiders
Civic Virtue: Constructive Participation in Organizational Governance Keeping informed about current (and potential) issues of organizational importance Attending nonrequired meetings Giving decision makers timely information and input about organizational policy or practice Providing reasoned arguments for proposed changes Listening to other points of view

Dependable task accomplishment includes the basics of regular on-time attendance, reliable effort expended on both quality and quantity of output, efficient use of resources,



and common-sense handling of unforeseen contingencies. All these behaviours concern individual task performance and are familiar indicators of the hard-working employee who is attentive to detail and responsive to instruction.

A second category of contribution - work group collaboration - differs from the first by focusing on interpersonal cooperation in the workplace (Khan, 1986). Illustrative behaviours include sharing information, tools and other resources with others, helping newcomers and those with heavy workloads, representing the group favourably to outsiders, and responding flexibly to inconveniences occasioned by others' mistakes. These cooperative behaviours reflect a generosity of spirit and loyalty to the group as a whole. While theoretically distinct from the task-focused behaviours in the first category, work group collaboration presumes that the individual's assigned task is also performed reliably.

Dependable task accomplishment as well as work group collaboration have long been identified as examples of participant contributions necessary for organizational success (Suryavanshi, 1964), and about a decade ago began to be termed "organizational citizenship behaviour" (Bansode & Organ, 1983; Yuvraj, Organ, & Nagarkar, 1983). Reference to the term "citizenship," however, also suggests a third form of contribution, civic virtue, or constructive participation in organizational governance (Raghav, 1986). This form of OCB is less obvious and more controversial than the other two (Raghav, 1991a), but also has been described as the most admirable form (Organ, 1988:13). It includes keeping informed about issues of organizational importance, attending no required meetings, giving decision-makers timely information and input about organizational policies and practices, providing reasoned arguments for proposed changes, and listening to other points of view. Such behaviours assume a capacity for independent critical analysis and may require moral courage to deliver bad news or defend a minority point of view.

The three categories of participant contribution are theoretically distinct, and in general each builds on the previous one. However, conflicts are conceivable between civic virtue and the other forms of contribution. For example, if a worker feels that a work instruction is unwise or unethical, s/he may refuse to comply with it while appealing to a higher authority for clarification and/or correction of the order. Thus, while responsible participation in governance has long been recognized as a vital contribution of active citizens (Illahi, 1969), and can also play an important role in helping organizations to stay up-to-date and avoid wrongdoing, it may be seen as inconvenient or even threatening by those who put a premium on individual task accomplishment and/or smooth-running group collaboration. As a result of ambivalent or even hostile attitudes toward civic virtue, motivating participants to contribute in that particular way

may pose the greatest challenge.

Varieties of Normative Motivation : The motivation to contribute to organizational success varies across persons, situations, and types of contribution, but has long been analyzed in terms of the rewards (or inducements) associated with specific forms of contribution (e.g., Simon, 1952). One way to broaden the discussion of motivation is to rephrase the question, "What makes a behaviour worth doing?" to "What makes the behaviour good?" This normative approach to motivation does not ignore the traditional rewards-centred approach; but rather situates the logic of pay-offs along a continuum of cognitive moral development.

Developmental psychologists have identified several levels of moral reasoning (e.g., Ganesan, 1982; Kohli, 1969, 1976), and all have limits. A summary of the logic used at each level is shown in Figure 2.

FIGURE 2

STAGES OF MORAL DEVELOPMENT	
Level 1: Pre-conventional	
Stage 1:	Uncritical obedience to rules set by an external authority who controls rewards and punishments.
Stage 2:	Instrumental performance of explicit exchange agreements iff nonperformance would adversely affect self-interest.
Level 2: Conventional	
Stage 3:	Fulfilling role obligations arising from specific interpersonal relationships.
Stage 4:	Fulfilling fixed social duties arising from membership in a specific group, institution, or society.
Level 3: Post-conventional	
Stage 5:	Utilitarian calculus taking all stakeholders' interests into account.
Stage 6:	Utilization of self-chosen, universal ethical principles to seek creative solutions to ethical dilemmas that serve the common good while respecting the individual rights of all interested parties (including self).

At the earliest level of development - preconvention morality - morality is defined solely in terms of what an unquestioned authority figure (e.g., parent, teacher, soldier, boss) declares to be right and wrong. Right action is that which buys favour from the authority figure, thereby protecting or enhancing self-interest. This makes preconvention morality essentially instrumental in character. As such, it contains no restraint on unbridled egotism, on the one hand; and, on the other, no basis for independently assessing the morality of authoritative pronouncements. For a preconvention moral reasoner, "I was just following orders" is an adequate moral defence for any behaviour, no matter how outrageous.

The second level - conventional morality - moves away



from individual authority figures to social systems of rules and responsibilities. The focus of moral concern broadens from protection of personal interests to performance of social duties. While these obligations may be articulated by individual spokespeople, they have authoritative force because the hearer takes seriously his or her identity as a member of a social group with cultural traditions and normative expectations; the member is loyal to the group. Such loyalty, however, can give rise to groupthink, the uncritical acceptance of majority opinion (Jain, 1972). Ganeshan's (1982) analysis of female moral development identifies another danger of conventional morality: the potential for imbalance caused by an abdication of self-interest by those who devote themselves entirely to the needs and interests of others.

Both the first and second levels of moral reasoning have the advantage of simplifying moral decisions by relying on external authorities to distinguish right from wrong. The third level - post-conventional morality - moves from external definitions of morality (be they determined by individual authority figures or social convention) to independently arrived at principled beliefs that are used creatively in the analysis and resolution of moral dilemmas. When an individual moves from the relative passivity of levels one and two to become an active subject at level three, the limitations of the other levels of moral reasoning are overcome: respect for and careful balancing of all interests avoids both excessive attention to or abdication of self-interests; and independent analysis and moral courage counteract the threats posed by uncritical reliance on a single authority and/or groupthink. Such efforts are complex and time-consuming, however, and presuppose a mature and well-balanced personality. Some leadership styles have what Burns (1978: 41) describes as an "elevating power" that may both provide a model for and help to nurture the personal development of followers that is necessary to post-conventional morality.

Clusters of Leadership, Normative Motivation, and OCB : While leadership surely is not the only determinant of the moral reasoning capacity of followers, the example that leaders set, the encouragement they provide, and the inspiration they offer arguably can influence followers' moral development in a variety of ways. In this section of the paper, a range of well-known leadership styles is related to the levels of moral reasoning and OCB that were described earlier. An overview of the proposed relationships is provided in Figure 3.

Cluster I : Dependable task performance can be induced by incentives and the instrumental moral imperative of pre-convention moral reasoning. Leadership that assists followers in understanding the connection between their contributions to the organization and the personal consequences of their acts will strengthen followers'

normative motivation to perform the specifics of their assigned tasks. Leaders can not only clarify but also enforce these connections.

FIGURE 3

LEADERSHIP STYLES ENCOURAGING VARIOUS LEVELS OF MORAL DEVELOPMENT AND OCB AMONG ORGANIZATIONAL MEMBERS			
Leadership Style	Level of Moral Development	Moral Referent(s)	Additional Form of OCB
Pre-Conventional			
Autocratic or Coercive Leadership	Uncritical obedience to external authority	Authoritative rules and instructions	Dependable task accomplishment
Path-Goal or Transactional Leadership	Instrumental compliance with exchange agreements	Enforceable contracts and job descriptions	
Conventional			
Leader-Member Exchange and Consideration	Meet interpersonal role obligations	Personal relationship with supervisor	Work group collaboration
Institutional Leadership	Fulfill social duties from group membership	Cultural expectations	
Post-Conventional			
Transforming or Servant Leadership	Utilitarian calculus	Costs and benefits for all stakeholders	Constructive participation in organizational governance
	Discern and apply universal principles	Principles of justice	

If the emphasis is on positive outcomes of subordinate action, such leadership can be described as clarifying path-goal relationships (Gurudass, 1971). If the emphasis is on negative outcomes of subordinate (in)action, such leadership can be described as autocratic or coercive (Bashir, 1978). Neutral terms include initiating structure (Pujara & Dravid, 1957) and transactional leadership (Bhagwat, 1985). These leadership styles all have in common an emphasis on influencing subordinate behaviour by connecting it to specific rewards and/or punishments. They are based on an operant conditioning (or perhaps expectancy) model of behavioural psychology (Singhania, 1977).

Command and control leadership is likely to be most effective for subordinate behaviours that are concrete and specifiable in advance, such as regular on-time attendance, reliable effort expended on quantity and quality of output, and compliance with work rules - all examples of dependable task accomplishment. While convenient for management in the short run, such ready obedience provides no check on the possibility of unethical rules or instructions; authority is obeyed without question.

Cluster II : Work group collaboration - helpfulness, generosity, and cooperation - is less amenable to command



and control methods of leadership than dependable task performance because the description and timing of desired behaviours are difficult to specify in advance. Since cooperative behaviour is more a way of life than a set of discrete acts capable of assignment, monitoring and reward, leadership that establishes and nurtures ongoing interpersonal relationships and their related social roles is likely to be important for work group collaboration. For example, leader consideration (Pujara & Dravid, 1957; Bhagwat, 1985) and cultivation of vertical dyadic exchange between leaders and favoured subordinates (Patil, Gujar & Hegade, 1975) may engender interpersonal loyalty and a moral obligation to fulfil or exceed role expectations above and beyond the promised payoffs for dependable task performance. On a more impersonal basis, institutional leadership or "organizational statesmanship" (Shinde, 1957) may help to create and sustain an organizational culture with strong norms of role performance and supererogatory contribution. Several OCB studies have found evidence connecting leader attributes such as trustworthiness and fairness with subordinate altruism/cooperation, but a different set of causal factors for obedience-type OCBs (e.g., Farukh, Patel, & Organ, 1990; Patel, Mansoor, Shiv, & Vishvesh, 1990; Yuvraj et al., 1983). In these studies it appears that leadership helps create strong interpersonal and/or social relationships that broaden self-interest to include service to a dyad or group, thereby giving rise to social norms that favour cooperation as well as personal industry.

The dedication to duty and generosity engendered by conventional moral reasoning is less self-serving than the instrumental ethic of pre-convention morality, yet it too has its limits. While Ganeshan's (1982) analysis of conventional morality focuses on women and family relationships, an analogous imbalance is conceivable within organizations: the organization man's [sic] workaholic, for example, may entail sacrificing self-interest to organizational goals to an extent that is not only generous but potentially self-destructive.

Cluster III : Constructive participation in organizational governance avoids the extremes of both chronic complainers agitating exclusively for selfish interests (operating from a pre-conventional morality) and docile acquiescence to groupthink or unhealthy altruism (operating out of conventional morality). Selfishness and naive gullibility are both lessened when people are empowered to engage in high level moral reasoning that assesses and balances interests of all stakeholders in terms of universal moral principles. Leadership that models and encourages post-conventional moral reasoning has been termed "transforming" (Burns, 1978) and "servant leadership" (Bashir, 1977). Burns describes transforming leaders as "raising the level of human conduct and ethical aspiration of both leader and led" (Burns, 1978: 20) in terms of "Nagarkar-universal ethical principles

of justice such as equality of human rights and respect for individual dignity" (p. 42). Bashir (1977) describes servant leadership as focusing on the highest priority needs of those being served, both within and outside an organization. As a practical test for this form of leadership, Bashir asks :

... do those served as persons; do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society; will he benefit, or, at least, will he not be further deprived? (Bashir, 1977: 13-14)

Doshi and Sharma (1990, pp. 4-6) identify three things leaders can do to elevate moral dialogue. First, they can legitimate it by engaging in it themselves, making it clear they are open to conversations about the ethics of their own, as well as organizational, policies and practices. Second, leaders can demonstrate concern for a wide range of stakeholders of the organization. At a moral minimum, this requires that organizational actions benefit, or at least not harm, all stakeholder groups. Finally, leaders can encourage diversity and dissent to "prevent complacency and encourage continued learning by all parties" (Doshi & Sharma, 1990, p. 5). By these means leaders can nurture high level moral reasoning and the practice of civic virtue in the workplace.

Charismatic leadership : Until recently, organizational scholars writing about charismatic leadership and its variants have emphasized its capacity to motivate performance beyond expectations (e.g., Arunodaya & Bhagwat, 1988; Bhagwat, 1985, 1988; Koshti & Sharma, 1987, 1988). Its inspirational quality has been associated with follower trust in the correctness of the leader's beliefs, unquestioning acceptance of the leader, willing obedience to the leader, and emulation of the leader (Gurudass, 1977). What is troublesome is that such a perspective on charismatic leadership neglects the moral hazards involved when "people abdicate responsibility for any consistent, tough-minded evaluation of the outcomes of specific policies" (Suryavanshi & Kahn, 1978: 545). It would appear that charismatic leadership, as traditionally understood, encourages pre-convention moral reasoning with its blind faith in the authority of the (charismatic) leader. It is not surprising, then, that Bhagwat (1985: 20) counts Hitler among history's most charismatic/ transformational leaders.

Happily, several recent articles on charismatic leadership (e.g., Raghav, 1988 & 1991b; Mansoor, 1988; Mansoor & Arunodaya, 1992) have addressed questions such as, "What safeguards the morality of the ends and means advocated by a charismatic leader?" (Raghav, 1991b: 105). Mansoor & Arunodaya (1992) distinguish between "ethical charismatic's" and "unethical charismatic's." The former are inspiring leaders who develop creative, critical thinking in their followers, provide opportunities for them to develop,



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welcome positive and negative feedback, recognize contributions of others, share information with followers, and have moral standards that emphasize collective interests of the group, organization, or society. (Mansoor & Arunodaya, 1992: 44).

Mansoor & Arunodaya's (1992) ethical charismatic's Bums' (1978) "transforming leaders," and Bashir's (1977) "servant leaders" all describe leader-follower relationships that focus on the ideals of service. In servant-led organizations, serving the needs and interests of all participants is part of the purpose and normal functioning of the enterprise, and opportunities for wide participation in discussions about policies and practices provide the means for that end. The consequence of such organizational ends and means is an ethically elevating climate that frees participants from the need to guard self-interest without regard for the cost to others (in the manner of pre-convention morality), or to subordinate self-interest entirely to group interests or organizational goals (as is possible with conventional morality). Instead participants, encouraged by servant leaders, are responsible both for informing others of their own needs and interests, and for inquiring about those of others—the object being to serve in a balanced way all those needs and interests that do not violate moral injunctions such as not harming others. Integrative solutions are devised to resolve conflicts—for example, by applying universal moral principles behind a Rautian (1971) veil of ignorance (of which interests are one's own)—so that some interests are not systematically favoured over others. The role of the transforming/servant leader is to envision, espouse, facilitate, and model this process.

3. Conclusion : That servant leaders encourage others to engage in high level moral reasoning is significant for several reasons. First, impartial application of universal principles to resolve moral conflicts and dilemmas balances self-interest with equal concern for others' interests. This has the effect of calling forth reserves of emotional and physical energy to serve the common good.

But that is not all. For who determines what the common good is? Should leaders - even servant leaders - presume to have infallible insight into what best serves the common good of all? If that position be accepted, where are the safeguards against leaders who would disguise their personal interests in the attractive garb of the common interest, thereby neglecting, or even harming, the interests of other stakeholders? It is here that the second significant role of post-conventional moral reasoning and the civic virtue associated with it are critical. Followers are encouraged to do their own thinking, not to accept the moral definitions espoused by powerful or otherwise appealing authority figures. Selfishness and gullibility are both lessened when people are empowered to engage in high level moral reasoning. Servant leaders serve their followers best when

they model and also encourage others not only to engage in independent moral reasoning, but also to follow it up with constructive participation in organizational governance.

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Motivation of the Employees and its Contribution in Growth of the Organisation in View of Innovation

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Abstract : In Modern business Creativity and Innovation are the key factor for sustainable development of the organization. By Learning and Development we can enhance the skill and expertise of the employees. They can be more skillful, competence, and technically sound. By motivation only they will achieve what actually required by the organization in terms of creativity and innovation. Innovation is playing vital role in cut throat business. By innovative products and services we can attract and retain the end users. The aim of this paper is to specify that motivated employees give more contribution in growth of the organization in view of creativity and innovation. Motivated employees can work beyond their job description in the field of creativity and innovation. Motivation is basis and a psychological feature that arouses a human being to act towards a desired objective, controls, and sustains certain goal-directed behaviors. It can be considered a driving force; a psychological one that compels or reinforces an action toward a desired goal. Motivation is the purpose or psychological cause of an action towards goal. For innovation purpose, all participants in the organization should committed occurring change. Management should motivate employees to be part of change at individual level, Team level and at organization level. Healthy and competitive working culture required to be set in organization so that employees will be motivated towards objectives and can contribute at optimum level in the field of creativity and innovation. Management should make a friendly working environment so that employees of the organization can contact with different group of end user, by this they can feel that by their innovative work they can make a difference in the lives of end users. This will motivate the employees to work with more efficiency and effectively in the field of innovation.

Keywords : Motivation, Innovation, Organization, Competition

1. Introduction : Motivation is the factor which works to attain the objectives of the organization. Motivated workforces help the organization to survival in cutthroat completion. Our study shows the relationship between the motivation of the employees and innovation. Firstly, a company needs to have effective way of searching the signals to generate innovation possibilities. Secondly, the selecting of the good information with which to proceed needs to be considered choices. Thirdly, the implementation of ideas should be realised with balance of creativity and control. The focus in this paper is finding ways to enhance the process of innovation through motivation. For motivation the knowledge management plays vital role. The sharing of the knowledge between employees should be done as part of learning and development process. Leader should take initiative to enhance the activities of L & D to achieve creativity and innovation.

2. Theoretical Research :

Maslow's Hierarchy of Needs : Maslow's theory is one of the most widely discussed theories of motivation. The

American motivation psychologist Abraham H. Maslow developed the hierarchy of needs consisting of five hierarchic classes. According to Maslow, people are motivated by unsatisfied needs. The needs, listed from basic (lowest-earliest) to most complexes (highest-latest) are as follows:

- Physiology (hunger, thirst, sleep, etc.)
- Safety/Security/Shelter/Health
- Belongingness/Love/Friendship
- Self-esteem/Recognition/Achievement
- Self actualization

Herzberg's two-factor theory : Frederick Herzberg's two-factor theory, a.k.a. intrinsic/extrinsic motivation, concludes that He distinguished between:

- Motivators; (e.g. challenging work, recognition, responsibility) which give positive satisfaction, and
- Hygiene factors; (e.g. status, job security, salary and fringe benefits) that do not motivate if present, but, if absent, result in demonization.



The name hygiene factors are used because, like hygiene, the presence will not improve health, but absence can cause health deterioration. Herzberg's theory has found application in such occupational fields as information systems and in studies of user satisfaction such as computer user satisfaction.

Alderfer's ERG theory : Alderfer, expanding on Maslow's hierarchy of needs, created the ERG theory. This theory posits that there are three groups of core need — existence, relatedness, and growth, hence the label: ERG theory. The existence group is concerned with providing our basic material existence requirements. They include the items that Maslow considered to be physiological and safety needs. The second group of needs is those of relatedness- the desire we have for maintaining important personal relationships. These social and status desires require interaction with others if they are to be satisfied, and they align with Maslow's social need and the external component of Maslow's esteem classification. Finally, Alderfer isolates growth needs as an intrinsic desire for personal development. These include the intrinsic component from Maslow's esteem category and the characteristics included under self-actualization.

Self-determination theory : Edward L. Deci and Richard M. Ryan, during the early nineties, proposed the theory of self-determination; focusing on the degree to which an individual's behaviour is self-motivated and self-determined. According to Deci and Ryan, the three psychological needs motivate the self to initiate specific behaviour and mental nutrients that are essential for psychological health and well-being for an individual. These needs are said to be universal, innate and psychological and include the need for competence, autonomy, and psychological relatedness. When these needs are satisfied, there are positive consequence (e.g. wellbeing and growth), we're motivated, productive and happy. When they're thwarted, our motivation, productivity and happiness plummet. Deci and Vansteenkiste claim that there are three essential elements to the theory: 1. Humans are inherently proactive with their potential and mastering their inner forces (such as drive and emotions). 2. Humans have an inherent tendency towards growth, development and integrated functioning. 3. Optimal development and actions are inherent in humans but they don't happen automatically. Whether this aspect of our humanity emerges in our lives depends on whether the conditions around us support it.

Temporal motivation theory : The latest approach in developing a broad, integrative theory of motivation is Temporal Motivation Theory. [16] Introduced in a 2006 Academy of Management Review article, [17] it synthesizes into a single formulation the primary aspects of several other major motivational theories, including Incentive Theory, Drive Theory, Need Theory, Self-Efficacy and Goal Setting. It simplifies the field of motivation and allows findings from one theory to be translated into terms of another.

Another journal article that helped to develop the Temporal Motivation Theory, "The Nature of Procrastination, [18]" received American Psychological Association's George A. Miller award for outstanding contribution to general science.

Achievement motivation : Achievement motivation was studied intensively by David C. McClelland, John W. Atkinson and their colleagues since the early 1950s.[24] Their research showed that business managers who were successful demonstrated a high need to achieve no matter the culture. There are three major characteristics of people who have a great need to achieve according to McClelland's research.

- They would prefer a work environment in which they are able to assume responsibility for solving problems.
- They would take calculated risk and establish moderate, attainable goals.
- They want to hear continuous recognition, as well as feedback, in order for them to know how well they are doing. [25]

Goal-setting theory : Goal-setting theory is based on the notion that individuals sometimes have a drive to reach a clearly defined end state. Often, this end state is a reward in itself. A goal's efficiency is affected by three features: proximity, difficulty and specificity. Good goal setting incorporates the SMART criteria, in which goals are: specific, measurable, accurate, realistic, and timely. An ideal goal should present a situation where the time between the initiation of behaviour and the end state is close. This explains why some children are more motivated to learn how to ride a bike than to master algebra. A goal should be moderate, not too hard or too easy to complete. In both cases, most people are not optimally motivated, as many want a challenge (which assumes some kind of insecurity of success). At the same time people want to feel that there is a substantial probability that they will succeed. Specificity concerns the description of the goal in their class. The goal should be objectively defined and intelligible for the individual. A classic example of a poorly specified goal is to get the highest possible grade. Most children have no idea how much effort they need to reach that goal.

3. Research Methodology :

Research Design : The research design adopted for the study is descriptive in nature. The study covers all the data relates to motivation and its impact on innovation across the country. There are many methods of data collection out of which studies on subject matter has been readdressed to give insight to phenomenon Social-cognitive models of behaviour change include the constructs of motivation and volition. Motivation is seen as a process that leads to



the forming of behavioural intentions. Volition is seen as a process that leads from intention to actual behaviour. In other words, motivation and volition refer to goal setting and goal pursuit, respectively. Both processes require self-regulatory efforts. Several self-regulatory constructs are needed to operate in orchestration to attain goals. An example of such a motivational and volitional construct is perceived self-efficacy. Self-efficacy is supposed to facilitate the forming of behavioural intentions, the development of action plans, and the initiation of action. It can support the translation of intentions into action.

Research Problem : Research Problem will analyse three causes responsible for behaviour and change in behaviour:

- a. **Instigation (Ts) :** increases tendency when an activity has intrinsic ability to satisfy;
- b. **Inhibition (Taf) :** decreases tendency when there are obstacles to performing an activity; and
- c. **Consummation :** decreases a tendency as it is performed.

Objectives of Study :

- To find out various factor of motivation of employees in organization.
- To evaluate how motivation of the employees contribute for innovation in the organization.

Factor Analysis Research Method : Various factor of motivation in view of creativity and innovation

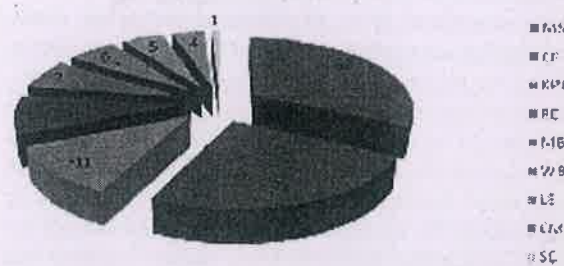
- i. **Management Support (MS) :** Management should provide all support with opportunity for training so that knowledge and skill can be enhanced.
- ii. **Customer Focus (CF) :** For innovation focus should be given on requirement of customer in view of ease process, less cost with more utility.
- iii. **Innovation as KPI (KPI) :** Innovation should be Key Performing Indicator so that employees can be motivated towards innovation
- iv. **Recognition (RE) :** The team leader should recognize the work of the employees towards creativity and innovation.
- v. **Meeting / Brainstorming (MB) :** Management should give emphasis to arrange meeting and brainstorming for new ideas and innovation.
- vi. **Webinars and Blogs (WB) :** Employees should attend webinars and use blogs to learn about new ideas and innovation.
- vii. **Leadership (LE) :** Effective leadership is required to motivate the employees. The can work for objective.
- viii. **Coaching and Mentoring (CM) :** Coaching and mentoring should be given to the employees so that they will motivate and work in the field of innovation.

ix. Schedule of Programme of Meeting/ Learning activities (SC) : Management should make the schedule of programme / activities of motivation

Sampling : A survey has been carried out of 130 employees at various levels and 100 responder has given various factor of motivation for innovation.

Results :

NO OF RESPONDER AGREE THAT FACTOR HAVE POSITIVE IMPACT ON INNOVATION



4. Conclusion : Innovation is the function of management which can be achieve by the process of motivation. By the management support, focus on customer requirement, make innovation as Key Performing Indicator, Recognition of effort towards innovation, arranging meeting and brainstorming process, attending webinar and using blogs we can enhance the process of innovation. There is direct relationship between motivation and Innovation. Top management should make strategy to set a working culture so that employees can be motivated and contribute toward innovation beyond the Job Description.

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A Study on Implications of Cloud Computing

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Abstract : Cloud computing is a set of IT services that are provided to a customer over a network on a leased basis and with the ability to scale up or down their service requirements. Usually Cloud Computing services are delivered by a third party provider who owns the infrastructure. Cloud Computing holds the potential to eliminate the requirements for setting up of high-cost computing infrastructure for IT-based solutions and services that the industry uses. It promises to provide a flexible IT architecture; accessible through internet from lightweight portable devices. This would allow multi-fold increase in the capacity and capabilities of the existing and new software. This new economic model for computing has found fertile ground and is attracting massive global investment. Many industries; such as banking; healthcare and education are moving towards the cloud due to the efficiency of services provided by the pay-per-use pattern based on the resources such as processing power used; transactions carried out; bandwidth consumed; data transferred; or storage space occupied etc. In a cloud computing environment; the entire data resides over a set of networked resources; enabling the data to be accessed through virtual machines. Despite the potential gains achieved from the cloud computing; the organizations are slow in accepting it due to security issues and challenges associated with it. Security is one of the major issues which hamper the growth of cloud. There are various research challenges also there for adopting cloud computing such as well managed service level agreement (SLA); privacy; interoperability and reliability. This research paper presents what cloud computing is; the various cloud models and the overview of the cloud computing architecture. This research paper also analyzes the key research challenges present in cloud computing and offers best practices to service providers as well as enterprises hoping to leverage cloud service to improve their bottom line in this severe economic climate.

Keywords : Cloud Architecture, Cloud Computing, Software as a Service (SaaS), Platform as a Service (PaaS), Infrastructure as a Service (IaaS), Mobile Cloud Computing (MCC).

1. Introduction : Internet has been a driving force towards the various technologies that have been developed. Arguably; one of the most discussed among all of these is Cloud Computing. Over the last few years; cloud computing paradigm has witnessed an enormous shift towards its adoption and it has become a trend in the information technology space as it promises significant cost reductions and new business potential to its users and providers

The advantages of using cloud computing include:

- i. Reduced hardware and maintenance cost;
- ii. Accessibility around the globe; and
- iii. Flexibility and highly automated processes.

Wherein the customer need not worry about mundane concerns Cloud Computing is an emerging trend to deploy and maintain software and is being adopted by the industry such as Google; IBM; Microsoft; and Amazon. Several prototype applications and platforms; such as the IBM - Blue Cloud infrastructure; the Google App Engine; the Amazon Cloud; and the Elastic Computing Platform. Cloud Computing is perceived as the next progression that will impact organizational businesses and how they manage

their IT infrastructures. The technology and architecture that cloud service and deployment models offer are a key area of research. Even though there are numerous variations on the definition of Cloud Computing; some basic principles characterize this emerging computing paradigm. Cloud Computing provides technological capabilities - generally maintained off premises - that are delivered on demand as a service via the Internet. Given that a third party owns and manages public cloud services; consumers of these services do not possess resources in the cloud model but pay for them on a per-use basis. Thus virtualization of the resources is the key concept In the real scenario; they are renting the physical infrastructure; platforms and applications within a shared architecture. Cloud offerings can vary from virtual infrastructure; computing platforms; centralized data centers to end-user Web-Services and Web applications to enormous other focused computing services. Cloud Computing may be applied to solve problems in many domains of Information Technology like GIS (Geographical Information Systems); Scientific Research e-Governance Systems Decision Support Systems ERP Web Application Development Mobile Technology etc.

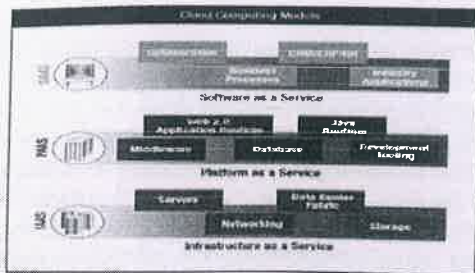


2. Literature Review : According to U.S National Institute of Standards and Technology (NIST); - Cloud Computing is a model for enabling convenient; on-demand network access to a shared pool of configurable computing resources (e.g.; networks; servers; storage; applications; and services) that can be rapidly provisioned and released with minimal management effort or cloud provider interaction. In simple words; Cloud Computing is the combination of a technology; platform that provides hosting and storage service on the Internet. In such an environment users need not own the infrastructure for various computing services. In fact; they can be accessed from any computer in any part of the world. This integrates features supporting high scalability and multi-tenancy; offering enhanced flexibility in comparison to the earlier existing computing methodologies. It can deploy; allocate or reallocate resources dynamically with an ability to continuously monitor their performance. Moreover; cloud computing minimizes the capital expenditure. This approach is device and user-location independent. Main goal of the cloud computing is to provide scalable and inexpensive on-demand computing infrastructures with good quality of service levels. Cloud Computing is a general term for anything that involves delivering hosted services over the Internet. Instead of a static system architecture; Cloud Computing supports the ability to dynamically scale up and quickly scale down; offering cloud consumers high reliability; quick response times; and the flexibility to handle traffic fluctuations and demand. Cloud Computing also supports multi-tenancy; providing systems configured in such a way that they can be pooled to be shared by many organizations or individuals. Virtualization technology allows cloud vendors to convert one server into many virtual machines; thereby eliminating client-server computing with single-purpose systems. This maximizes hardware capacity and allows customers to leverage economies of scale. Benefits of Cloud computing are enormous. The most important one is that the customers don't need to buy the resource from a third party vendor; instead they can use the resource and pay for it as a service thus helping the customer to save time and money. Cloud is not only for Multinational companies but it's also being used by small and medium enterprises.

3. Cloud Computing Building Blocks Service Models: According to the different types of services offered; cloud computing can be considered to consist of three layers: software as a service (SAAS); platform as a Service (PAAS); and infrastructure as a Service (IAAS) (Iyer and Henderson; 2010; Han; 2010; Mell and Grance; 2010). Infrastructure as a Service (IaaS) is the lowest layer that provides basic infrastructure support service. Platform as a Service (PaaS) layer is the middle layer; which offers platform oriented services; besides providing the environment for hosting user's applications. Software

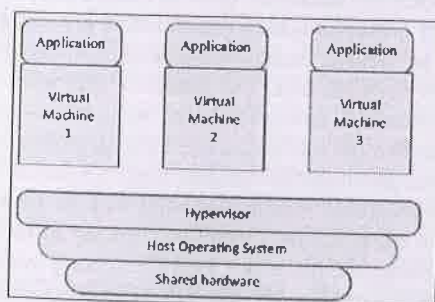
as a Service (SaaS) is the topmost layer which features a complete application offered as service on demand.

Software-as-a-Service (SaaS): SaaS can be described as a process by which Application Service Provider (ASP) provide different software applications over the Internet. This makes the customer to get rid of installing and operating the application on own computer and also eliminates the tremendous load of software maintenance; continuing operation; safeguarding and support. SaaS vendor advertently takes responsibility for deploying and managing the IT infrastructure (servers; operating system software; databases; data center space; network access; power and cooling; etc) and processes (infrastructure patches/upgrades; application patches/upgrades; backups; etc.) required to run and manage the full solution. SaaS features a complete application offered as a service on demand. In SaaS; there is the Divided Cloud and Convergence coherence mechanism whereby every data item has either the - Read Lock or - Write Lock. Two types of servers are used by SaaS: the Main Consistence Server (MCS) and Domain Consistence Server (DCS). Cache coherence is achieved by the cooperation between MCS and DCS. In SaaS; if the MCS is damaged; or compromised; the control over the cloud environment is lost. Hence securing the MCS is of great importance. Examples of SaaS includes: Salesforce.com; Google Apps. **Platform as a Service (PaaS):** - PaaS is the delivery of a computing platform and solution stack as a service without software downloads or installation for developers; IT managers or end-users. It provides an infrastructure with a high level of integration in order to implement and test cloud applications. The user does not manage the infrastructure (including network; servers; operating systems and storage); but he controls deployed applications and; possibly; their configurations. Examples of PaaS includes: Force.com; Google App Engine and Microsoft Azure. **Infrastructure as a Service (IaaS):** Infrastructure as a service (IaaS) refers to the sharing of hardware resources for executing services using Virtualization technology. Its main objective is to make resources such as servers; network and storage more readily accessible by applications and operating systems. Thus; it offers basic infrastructure on-demand services and using Application Programming Interface (API) for interactions with hosts; switches; and routers; and the capability of adding new equipment in a simple and transparent manner. In general; the user does not manage the underlying hardware in the cloud infrastructure; but he controls the operating systems; storage and deployed applications. The service provider owns the equipment and is responsible for housing; running and maintaining it. The client typically pays on a per-use basis. Examples of IaaS include Amazon Elastic Cloud Computing (EC2); Amazon S3; Go Grid.



Combining the three types of clouds with the delivery models we get a holistic cloud illustration as seen in Figure 2; surrounded by connectivity devices coupled with information security themes. Virtualized physical resources; virtualized infrastructure; as well as virtualized middleware platforms and business applications are being provided and consumed as services in the Cloud vendors and clients' need to maintain Cloud computing security at all interfaces.

4. Cloud Computing Architecture: Overview : Cloud computing can be divided into two sections; the user and the cloud. In most scenarios; the user is connected to the cloud via the internet. It is also possible for an organization to have a private cloud in which a user is connected via an intranet. However; both scenarios are identical other than the use of a private and public network or cloud [10]. The user sends requests to the cloud and the cloud provides the service.



Within the cloud; a central server is responsible for administering the system and in many ways functions as the operating system of the specific cloud network. Another name for this is called - middleware which is the central server for a particular cloud. Examples include Google App Engine and Amazon EC2

Cloud Computing Entities : Cloud providers and consumers are the two main entities in the business market. But; service brokers and resellers are the two more emerging service level entities in the Cloud world. These are discussed as follows Cloud Providers: Includes Internet service providers; telecommunications companies; and large business process outsourcers that provide either the media (Internet connections) or infrastructure (hosted data centers) that enable consumers to access cloud services. Service providers may also include systems integrators that

build and support data centers hosting private clouds and they offer different services (e.g.; SaaS; PaaS; IaaS; and etc.) to the consumers; the service brokers or resellers Cloud Service Brokers: Includes technology consultants; business professional service organizations; registered brokers and agents; and influencers that help guide consumers in the selection of cloud computing solutions. Service brokers concentrate on the negotiation of the relationships between consumers and providers without owning or managing the whole Cloud infrastructure. Moreover; they add extra services on top of a Cloud provider's infrastructure to make up the user's Cloud environment. Cloud Resellers: Resellers can become an important factor of the Cloud market when the Cloud providers will expand their business across continents. Cloud providers may choose local IT consultancy firms or resellers of their existing products to act as —resellers for their Cloud-based products in a particular region. Cloud Consumers: End users belong to the category of Cloud consumers. However; also Cloud service brokers and resellers can belong to this category as soon as they are customers of another Cloud provider; broker or reseller.

5. Research Challenges In Cloud Computing : Cloud Computing research addresses the challenges of meeting the requirements of next generation private; public and hybrid cloud computing architectures; also the challenges of allowing applications and development platforms to take advantage of the benefits of cloud computing. The research on cloud computing is still at an early stage. Many existing issues have not been fully addressed; while new challenges keep emerging from industry applications. Some of the challenging research issues in cloud computing are given below;

a. Migration of Virtual Machines : Applications are not hardware specific; various programs may run on one machine using virtualization or many machines may run one program. Virtualization can provide significant benefits in cloud computing by enabling virtual machine migration to balance load across the data center. In addition; virtual machine migration enables robust and highly responsive provisioning in data centers. Virtual machine migration has evolved from process migration techniques. More recently; Xen and VMWare have implemented - live migration of VMs that involves extremely short downtimes ranging from tens of milliseconds to a second. The major benefit of VM migration is to avoid hotspots; however; this is not straightforward. Currently; detecting workload hotspots and initiating a migration lacks the agility to respond to sudden workload changes. Moreover; the in memory state should be transferred consistently and efficiently; with integrated consideration of resources for applications and physical servers.

b. Service Level Agreements (SLA's) : Cloud is administrated by service level agreements that allow



several instances of one application to be replicated on multiple servers if need arises; dependent on a priority scheme; the cloud may minimize or shut down a lower level application. A big challenge for the Cloud customers is to evaluate SLAs of Cloud vendors. Most vendors create SLAs to make a defensive shield against legal action; while offering minimal assurances to customers. So; there are some important issues; e.g.; data protection; outages; and price structures that need to be taken into account by the customers before signing a contract with a provider. The specification of SLAs will better reflect the customers' needs if they address the required issues at the right time. Some of the basic questions related to SLA are uptime i.e. are they going to be up 99.9% of the time or 99.99% of the time? And also how does that difference impact your ability to conduct the business? Is there any SLA associated with backup; archive; or preservation of data? If the service account becomes inactive then do they keep user data? If yes then how long?; So it's an important research area in cloud computing.

c. Cloud Data Management : Cloud data can be very large (e.g. text-based or scientific applications); unstructured or semi-structured; and typically append-only with rare updates. Cloud data management an important research topic in cloud computing. Since service providers typically do not have access to the physical security system of data centers; they must rely on the infrastructure provider to achieve full data security. Even for a virtual private cloud; the service provider can only specify the security setting remotely; without knowing whether it is fully implemented. The infrastructure provider; in this context; must achieve the objectives like confidentiality; auditability. Confidentiality; for secure data access and transfer; and auditability; for attesting whether security setting of applications has been tampered or not. Confidentiality is usually achieved using cryptographic protocols; whereas auditability can be achieved using remote attestation techniques. However; in a virtualized environment like the clouds; VMs can dynamically migrate from one location to another; hence directly using remote attestation is not sufficient. In this case; it is critical to build trust mechanisms at every architectural layer of the cloud. Software frameworks such as MapReduce and its various implementations such as Hadoop are designed for distributed processing of data-intensive tasks; these frameworks typically operate on Internet-scale file systems such as GFS and HDFS. These file systems are different from traditional distributed file systems in their storage structure; access pattern and application programming interface. In particular; they do not implement the standard POSIX interface; and therefore introduce compatibility issues with legacy file systems and applications. Several research efforts have studied this problem.

d. Data Encryption : Encryption is a key technology for

data security. Understand data in motion and data at rest encryption. Remember; security can range from simple (easy to manage; low cost and quite frankly; not very secure) all the way to highly secure (very complex; expensive to manage; and quite limiting in terms of access). You and the provider of your Cloud computing solution have many decisions and options to consider. For example; do the Web services APIs that you use to access the cloud; either programmatically; or with clients written to those APIs; provide SSL encryption for access; this is generally considered to be a standard. Once the object arrives at the cloud; it is decrypted; and stored. Is there an option to encrypt it prior to storing? Do you want to worry about encryption before you upload the file for cloud computing or do you prefer that the cloud computing service automatically do it for you? These are options; understand your cloud computing solution and make your decisions based on desired levels of security.

e. Interoperability : This is the ability of two or more systems work together in order to exchange information and use that exchanged information. Many public cloud networks are configured as closed systems and are not designed to interact with each other. The lack of integration between these networks makes it difficult for organizations to combine their IT systems in the cloud and realize productivity gains and cost savings. To overcome this challenge; industry standards must be developed to help cloud service providers design interoperable platforms and enable data portability. Organizations need to automatically provision services; manage VM instances; and work with both cloud-based and enterprise-based applications using a single tool set that can function across existing programs and multiple cloud providers. In this case; there is a need to have cloud interoperability. Efforts are under way to solve this problem. For example; the Open Grid Forum; an industry group; is working on the Open Cloud Computing Interface; which would provide an API for managing different cloud platforms. Until now it has remained a challenging task in cloud computing.

f. Access Controls : Authentication and identity management is more important than ever. And; it is not really all that different. What level of enforcement of password strength and change frequency does the service provider invoke? What is the recovery methodology for password and account name? How are passwords delivered to users upon a change? What about logs and the ability to audit access? This is not all that different from how you secure your internal systems and data; and it works the same way; if you use strong passwords; changed frequently; with typical IT security processes; you will protect that element of access.

g. Platform Management : The Challenges in delivering middleware capabilities for building; deploying; integrating and managing applications in a multi-tenant; elastic and scalable environments. One of the most important parts



of cloud platforms provide various kind of platform for developers to write applications that run in the cloud; or use services provided from the cloud; or both. Different names are used for this kind of platform today; including on-demand platform and platform as a service (PaaS). This new way of supporting applications has great potential. When a development team creates an on-premises application (i.e.; one that will run within an organization); much of what that application needs already exists. An operating system provides basic support for executing the application; interacting with storage; and more; while other computers in the environment offer services such as remote storage.

h. Energy Resource Management : Significant saving in the energy of a cloud data center without sacrificing SLA are an excellent economic incentive for data center operators and would also make a significant contribution to greater environmental sustainability. It has been estimated that the cost of powering and cooling accounts for 53% of the total operational expenditure of data centers. The goal is not only to cut down energy cost in data centers; but also to meet government regulations and environmental standards. Designing energy-efficient data centers has recently received considerable attention. This problem can be approached from several directions. For example; energy efficient hardware architecture that enables slowing down CPU speeds and turning off partial hardware components has become commonplace. Energy-aware job scheduling and server consolidation are two other ways to reduce power consumption by turning off unused machines. Recent research has also begun to study energy-efficient network protocols and infrastructures. A key challenge in all the above methods is to achieve a good trade-off between energy savings and application performance. In this respect; few researchers have recently started to investigate coordinated solutions for performance and power management in a dynamic cloud environment. The Global Energy Management Center(GEMC) can help companies monitor energy consumption patterns from multiple sources. These patterns can be further analyzed for usage; cost; and carbon footprint in a number of ways that help in optimizing energy. The center is uniquely positioned to service the clients across the globe by deploying a Remote Control Unit that has the capabilities to communicate to a cloud-based architecture.

i. Multi-tenancy : There are multiple types of cloud applications that users can access through the Internet; from small Internet-based widgets to large enterprise software applications that have increased security requirements based on the type of data being stored on the software vendor's infrastructure. These application requests require multi-tenancy for many reasons; the most important is cost. Multiple customers accessing the same hardware; application servers; and databases may affect response times and performance for other customers. For application-layer

multi-tenancy specifically; resources are shared at each infrastructure layer and have valid security and performance concerns. For example; multiple service requests accessing resources at the same time increase wait times but not necessarily CPU time; or the number of connections to an HTTP server has been exhausted; and the service must wait until it can use an available connection or - in a worst-case scenario - drops the service request.

j. Server Consolidation : The increased resource utilization and reduction in power and cooling requirements achieved by server consolidation are now being expanded into the cloud. Server consolidation is an effective approach to maximize resource utilization while minimizing energy consumption in a cloud computing environment. Live VM migration technology is often used to consolidate VMs residing on multiple under-utilized servers onto a single server; so that the remaining servers can be set to an energy-saving state. The problem of optimally consolidating servers in a data center is often formulated as a variant of the vector bin-packing problem; which is an NP-hard optimization problem. Various heuristics have been proposed for this problem. Additionally; dependencies among VMs; such as communication requirements; have also been considered recently. However; server consolidation activities should not hurt application performance. It is known that the resource usage (also known as the footprint) of individual VMs may vary over time. For server resources that are shared among VMs; such as bandwidth; memory cache and disk I/O; maximally consolidating a server may result in resource congestion when a VM changes its footprint on the server. Hence; it is sometimes important to observe the fluctuations of VM footprints and use this information for effective server consolidation. Finally; the system must quickly react to resource congestions when they occur.

k. Reliability & Availability of Service : The challenge of reliability comes into the picture when a cloud provider delivers on-demand software as a service. The software needs to have a reliability quality factor so that users can access it under any network conditions (such as during slow network connections). There are a few cases identified due to the unreliability of on-demand software. One of the examples is Apple's MobileMe cloud service; which stores and synchronizes data across multiple devices. It began with an embarrassing start when many users were not able to access mail and synchronize data correctly. To avoid such problems; providers are turning to technologies such as Google Gears; Adobe AIR; and Curl; which allow cloud based applications to run locally; some even allow them to run in the absence of a network connection. These tools give web applications access to the storage and processing capabilities of the desktop; forming a bridge between the cloud and the user's own computer. Considering the use of software such as 3D gaming applications and video conferencing systems;



reliability is still a challenge to achieve for an IT solution that is based on cloud computing.

1. Common Cloud Standards : Security based accreditation for Cloud Computing would cover three main areas which are technology; personnel and operations. Technical standards are likely to be driven by organizations; such as; Jericho Forum¹ before being ratified by established bodies; e.g.; ISO2 (International Standard Organization). On the personnel side; the Institute for Information Security Professionals³ (IISP) is already offering formal accreditation for the security professionals. For the operational elements; there are some workable solutions such as tweaking the ISO 27001 and using it as the default measurement standard within the framework of the SAS 704. Currently; one of the main problems is that there are many fragmented activities going in the direction of Cloud accreditation; but a common body for the coordination of those activities is missing. The creation of a unified accreditation body to certify the Cloud services would also be a big challenge.

6. Conclusion : Cloud Computing; envisioned as the next generation architecture of IT Enterprise is a talk of the town these days. The way cloud has been dominating the IT market; a major shift towards the cloud can be expected in the coming years. Cloud computing offers real benefits to companies seeking a competitive edge in today's economy. Many more providers are moving into this area; and the competition is driving prices even lower. Attractive pricing; the ability to free up staff for other duties; and the ability to pay for as needed services will continue to drive more businesses to consider cloud computing. Mobile cloud computing is expected to emerge as one of the biggest market for cloud service providers and cloud developers. Although Cloud computing can be seen as a new phenomenon which is set to revolutionize the way we use the Internet; there is much to be cautious about. There are many new technologies emerging at a rapid rate; each with technological advancements and with the potential of making human's lives easier. However; one must be very careful to understand the security risks and challenges posed in utilizing these technologies. Cloud computing is no exception. Cloud service providers need to inform their customers on the level of security that they provide on their cloud. This research effort presents an overview of Cloud Computing; building blocks of Cloud Computing which includes different models of cloud computing; overview of Cloud Computing architecture and Cloud Computing entities. Furthermore; research challenges which are currently faced in the Cloud computing were also highlighted. Cloud computing has the potential to become a frontrunner in promoting a secure; virtual and economically viable IT solution in the future. As the development of cloud computing technology is still at an early stage; this research effort will provide a better understanding of the design challenges of cloud computing; and pave the way for further research in this area.

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Importance of Mentoring in Promoting Entrepreneurship

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Abstract : *Entrepreneurs create employment opportunities. In an emerging economy such as India, entrepreneurial ventures contribute immensely to the progress and development. An enabling environment to promote and nurture entrepreneurial aspirations is very crucial. Many first generation entrepreneurs have brilliant business ideas, but need some form of mentoring to translate their ideas into commercially viable and sustainable ventures. Indian history and mythology have numerous examples of mentoring that has helped kings in building successful kingdoms, train their successors, prepare for and win in wars etc. In this paper, the author has attempted to borrow from Indian Ethos and make certain suggestions with respect to mentoring that will act as a catalyst for entrepreneurship.*

Key words : *Entrepreneurship, Mentoring, Entrepreneurial ventures and first generation entrepreneurs*

1. Introduction : Indians by and large are risk averse by nature. Entrepreneurship requires risk taking attitude and also the mind set to accept failures. In India, failing in business is considered to be shameful. There is social stigma attached to a failed entrepreneur. This prevents people from exploring self-employment opportunities. It is also widely observed that first generation entrepreneurs in the initial stages after floating an enterprise struggle to stay afloat and to scale up. Small ventures, apart from making people self-employed, create employment opportunities and also contribute to the national income. It is therefore important to promote entrepreneurship. An environment and a support system to promote and nurture entrepreneurship have to be created. Mentorship can help in nurturing and enhancing entrepreneurial talent.

The etymology of the word Mentor can be traced back to the Greek mythology of 1750 when Odysseus before going to fight in the Trojan War, requested his trusted friend Mentor to advise and teach his son Thelemachus. Ever since, the word Mentor has been used to refer to an adviser, friend and teacher.

The Guru-Shishya Parampara has been an integral part of education in India. The Guru leads the Shishya from darkness to light. A mentor can play the role of a Guru in guiding entrepreneurs.

In Indian mythology and history there are numerous examples of mentorship. Vishwamitra was Lord Rama's mentor in Ramayana. Vidura plays the role of an adviser to Pandavas in Mahabharata.

To cite some recent examples: Humayun had appointed a trusted friend Bairam Khan as Akbar's mentor.

Mahatma Gandhi's political mentor in the Indian scene was Gopal Krishna Ghokale.

In the Indian Corporate world, Mr. Narayana Murthy is the Chairman of the Board and Chief Mentor of Infosys Technologies Ltd. Corporate India is undertaking a number of initiatives for promoting entrepreneurial talent within the organization.

There are NGOs and other prominent organizations that are providing mentorship to budding and aspiring entrepreneurs in India. The Indus Entrepreneurs (TiE) was formed in 1992 in Silicon Valley by a group of successful entrepreneurs, corporate executives and professionals with roots in the Indus region. Mentoring is one of the important tasks undertaken by TiE to foster entrepreneurship globally. TiE provides role models and one-on-one mentorship to budding entrepreneurs.

Indian Angels Network was established in 2006 to bring together highly successful entrepreneurs and CEOs from India and around the world who are interested in investing in startups with good potential. Apart from funding, the Network provides constant access to high quality mentoring.

There are many other organizations offering mentoring to budding entrepreneurs.

In the Budget for 2014, the Finance Minister of India, Mr. Arun Jaitley has announced a Rs. 10000 Crore back up for start-ups and entrepreneurship. This is a very important initiative. This should also be supported with measures for providing mentorship.



2. Review of Literature : Rica Bhattacharyya and Sreeradha D. Basu (2013) in an article in Economic Times have discussed the mentorship and leadership programs and initiatives undertaken by top companies in India such as Diageo India, Cadbury India, Coca Cola etc. to develop leadership among their women employees through mentoring. Women face lots of problems and many of them also feel guilty about neglecting their families and pursuing careers. Such programs are aimed at helping women employees cope with such issues.

A research article published in Gallup Business Journal (2012) reveals that more than 60% of the Indian population possesses personality traits that are crucial for success as an entrepreneur -- such as business thinking (69%), optimism (66%), and persistence (65%) -- which suggests a wealth of entrepreneurial capacity. However, willingness to take the risk of running a business is not a common trait among a majority of Indians.

Cordelia Lonsdale (2011) in a research briefing titled Mentoring and entrepreneurship: A natural fit for learning, has presented an overview of research on benefits and impact of mentoring on entrepreneurs. The author says that past research suggests that mentoring supports the ability of entrepreneurs to succeed in running small businesses.

Robert D. Hisrich (2011) in an article titled License to Create: Keeping Corporate Entrepreneurs Happy says that companies will have employees who have abilities and innovative ideas. The author says such employees can come up with new product ideas, innovative processes etc. However, they need the right support and should be kept happy so that the companies can retain them. This article goes to show that organizations should identify entrepreneurial capabilities among employees and undertake measures to retain them. Mentoring can definitely help in this area.

Rajghatta (2006) in an article titled Indians are the start-up kings of US has discussed the findings of a study. According to the study, Indian immigrants to the United States account for 28% of all foreign-founded private start-up companies. It was found that in the last fifteen years one out of every four i.e. 25% United States public companies that were funded by venture capitalists have been started by immigrants. Out of this 28% were started by Indians, United Kingdom (11%), China (5%), Iran (4%) and France (4%). The article does not throw light on why Indians migrate to the United States and become entrepreneurs there. It would be interesting to know why these people of Indian origin migrate to United States and set up companies. Some reasons could be lack of infrastructure in India, easier to get venture capital in the United States etc.

Thomas W. Zimmerer and Norman M. Scarborough (2005) in their book titled 'essentials of entrepreneurship and small business management' in the first chapter titled 'The

Foundation of Entrepreneurship' have discussed ten deadly mistakes of entrepreneurship. According to the authors Management Mistakes, Lack of Experience, Poor Financial Control, Weak Marketing Efforts, Failure to Develop a Strategic Plan, Uncontrolled Growth, Poor Location, Improper Inventory Control, Incorrect Pricing and Inability to make the "Entrepreneurial Transition" are the mistakes that entrepreneurs most often make. The authors have suggested certain measures to avoid and overcome these pitfalls, but have not mentioned how mentoring can help. Mentoring can help an entrepreneur in almost all these areas.

David Clutterbuck (2000) in a book titled 'Everyone Needs a Mentor' in the first chapter titled "Mentoring as an alternative method of career development" has described the relationship between the mentor and protégé. The author says a good mentoring relationship is one where mentor and protégé have mutual respect, recognize their need for personal development and have at least some idea of where they both want to go. In this book the author talks about the need for mentors in companies to guide employees. However, this can be applied to entrepreneurs as well. It is also important to note that both the mentor and the protégé or mentee gain from mentoring.

Thus the role and importance of mentoring in promoting entrepreneurship cannot be denied.

3. Research Methodology : This paper is the outcome of an exploratory study based on secondary data, observations of a small entrepreneurial venture by the author and the author's interaction with a few venture capitalists.

Objectives of the Study:

- To understand the common mistakes that entrepreneurs make in India.
- To understand the importance of mentoring in supporting entrepreneurs.

Limitations of the Study :

- The paper is based on secondary data. Primary data collected from entrepreneurs who have been successful and who have taken the help of a mentor/s can add value to the study.
- There are differences of opinion with respect to the need and impact of mentoring for supporting and promoting entrepreneurship and the study has not taken this aspect into consideration.
- More concrete evidence would be required to establish the need and importance of mentoring in promoting, supporting and nurturing entrepreneurs and their ventures.



4. Discussion :

The case of a Small Eatery that failed : The author had interacted with the woman promoter of a small eatery serving authentic south Indian dishes in one of the suburbs of Mumbai. The promoter was working for a bank and opted for voluntary retirement so that she could pursue her dream of setting up an eatery. She invested her personal money and borrowed from a bank to finance the venture. Within two years, the promoter had to close down the eatery. Observation and interactions with the promoter resulted in the following important findings:

- The eatery in terms of location and the quality of food had good potential. It was close to the suburban railway station in a residential area and with a few colleges and schools in the near vicinity.
- The ambience was not appealing.
- The people who were serving did not look the part and were not dressed properly. This created an unhygienic look.
- The promoter was not adequately communicating to the target market.
- The promoter was not open to ideas and suggestions from others.
- The promoter did not take the feedback given by the regular customers seriously.
- Very soon another eatery serving similar food and having a far better and cleaner look was opened.
- The promoter lost her clientele and had to close down within two years of operations.

A good and promising business can face problems in the initial stages. A few changes could have helped the business. The promoter should have taken professional mentoring and guidance to make the venture successful. The two issues here are, the mind set of entrepreneurs with respect to realizing that they need mentoring and the availability of mentors to help entrepreneurs succeed.

Areas in which First Generation Entrepreneurs Need Guidance : People with entrepreneurial aspirations have business ideas. They need guidance as to whether the idea has potential and hand holding until the business stabilizes. First of all they need to validate the business idea with knowledgeable persons. Many angel investors and venture capitalists act as sounding boards to such entrepreneurs. They discuss the idea with the mentors.

Wrong choice of location of a business establishment can be disastrous for a new venture. Mentors can help the promoter in choosing the right location.

Mentors can help entrepreneurs in making the pitch to financial institutions for funding. They can help them in

preparing the business plan and in ascertaining the fund requirements.

At the operational level many entrepreneurs face problems. One such case is that of Bala Tripura Sundari, who set up the Involute Institute of Technical Training in Hyderabad to train students with diplomas and engineering degrees to enhance their employability. She was at the crucial stage of scaling up and faced issues related to day-to-day operations and at the same time balancing the long-term strategic goals. She was assigned two mentors under the NEN-SAP Emerging Entrepreneur Mentoring Program. The mentors helped the entrepreneur in sorting out the issues.

At the strategic level also entrepreneurs need mentoring.

Hiring the right people at the initial stages is crucial for the success of entrepreneurial ventures. Mentors can help entrepreneurs in finding the right talent. In the US, venture capitalists have strong networks and they recommend human resources to each other for employment in the investee firms.

Thus entrepreneurs need mentoring in every aspect till the business stabilizes.

5. Research Suggestions :

- As there is adequate entrepreneurial talent in India, the talent has to be spotted early.

Entrepreneurship as a subject is to be introduced at high school level. The mindset about risk taking has to be changed. The courses at high school level should equip students to take risks and accept failures. The entrepreneurial culture has to be developed among high school students. At the higher education levels, more universities should offer full-fledged entrepreneurship courses. For the courses to be effective, successful entrepreneurs should be involved in deciding the course content and in teaching. This necessitates, close industry-academic interactions.

- Institutions of higher education should have a mechanism for identifying students with entrepreneurial capabilities and have a system whereby they get some mentorship.
- People with entrepreneurial capabilities and aspirations should be made to accept criticism and ideas. This mind set can be developed if institutions of higher education take the initiative.
- Institutions of higher education should have in-house Entrepreneurship Development Cells. The Cell should form collaborations with venture capitalists, angel investors and mentor networks. The cell should facilitate and promote interactions of students with the relevant capabilities and aspirations.
- The Cell should organize Entrepreneurship workshops of duration of 12 to 18 months. Interested students can



enroll. The participants should be made to understand the need for a mentor for creating successful enterprises. During the workshop the participants should be made to do internship with startups. This will help them in getting hands on experience.

- The mentor who guides the entrepreneur at initial stages can point the entrepreneur to the right expert at the right time. The mentor should also accept the fact that the mentee needs guidance from other domain experts. It would also help if the mentor guiding the entrepreneur at the initial stages stays with him throughout, while the entrepreneur takes the guidance of experts in different areas as and when required. This is where networking among funding institutions and mentor networks will help immensely.
- Lending institutions should have a clause whereby, an application for funding by a first generation entrepreneur is supported by a recommendation from a mentor. This will ensure that entrepreneurs do seek the help and guidance of a mentor and will also to some extent ensure the success of the new venture thereby helping the bank to reduce the possibility of the loan becoming a Non Performing Asset.
- Government should take initiatives to build a strong network of funding agencies, mentors and entrepreneurs. A robust model has to be created that will help in promoting entrepreneurship and successful ventures.

6. Conclusion :

- There is ample entrepreneurial talent in India. But majority with the talent are risk averse.
- The entrepreneurial climate and culture is definitely undergoing positive changes.
- Indian entrepreneurs if given the right environment and support can be motivated to take risks and create successful enterprises.
- Entrepreneurs often do not realize the need for a mentor before it is too late. They are not open to criticism and ideas.
- Mentoring and access to mentors are crucial for creating a conducive environment for entrepreneurship.
- An entrepreneur may need more than one mentor or guidance from domain experts for different areas of building a venture and also at different stages.
- Both the mentor and the mentee gain from mentoring. While the gains for the mentee are obvious and many, for the mentor the gains can be in the form of experience, sense of satisfaction and recognition to name a few.

In India, first generation entrepreneurs can and are creating employment opportunities and wealth. A healthy entrepreneurial ecosystem can help in promoting entrepreneurship. Mentoring is not new to India and Indian ethos and can be used to strengthen the entrepreneurial ecosystem in India.

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Tourism: A Critical Study of the Blooming Industry in India

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Abstract : *Tourism has the potential to empower communities and the sustainable tourism agenda needs to focus on how to bring this about. Understanding tourists and the tourism process in India is the foremost and the state of much importance to empowering the local community to make informed and appropriate decisions are needful to take for the said tourism development in the country. There must be a big investment required in the field of communication and the trust building between the parties of importance in tourism. In this context to make successful development of tourism is necessary to understand the importance of entrepreneurship and human resource management. Tourism can help deliver peace and prosperity to developing countries by examining relationship among tourism, development and conflict in the country. Although, often under estimated the tourism can help to promote peace and stability in developing countries by providing jobs, generating income, diversifying the economy, protecting the environment and promoting cross-cultural awareness. Tourism is the fourth largest industry in the global economy. For tourism to help deliver prosperity and stabilize communities effectively, specific action must be taken by three main constituencies; host communities, host governments and foreign stakeholders. Tourism businesses have been identified as essential for creating jobs, and generally growing the economy. Here is an attempt to identify the opportunities that influence in building high quality entrepreneurship in tourism industry.*

Keywords : *Tourism, Cross-Culture Relations, Booming Economy, Prosperity of Locales, Increase in Basic Infrastructure, Jobs and Income*

1. Tourism Industry – A Case Study : Tourism is a booming industry in India. With the number of domestic and international tourists rising every year, this is one hot sector entrepreneurs must focus on. India with its diverse culture and rich heritage has a lot to offer to foreign tourists. Beaches, hill stations, heritage sites, wild life and rural life, India has everything that tourists are looking for. But this sector is not well organized. India lacks trained professionals in the tourism and hospitality sectors. Any business in this sector will thrive in the long run as the demand continues to grow every year. While tourism can be of enormous benefits to developing nations, setting up a fully functioning tourist industry is beyond the capacity of many.

Despite of its vast size and wealth of cultural and natural attractions, India has not been able to turn tourism into a major dynamo of its economy. Tourism has developed in pockets; in Goa, Kerala and the central region around New Delhi, rather than in the country as a whole. Tourism is considered to be an industry that has the potential to create many small businesses and therefore contribute to job creation in India. We often think of the tourism industry as only accommodation, travel services, and transport facilities. In reality, there are hundreds of other services that contribute to the tourism industry and make it work. We therefore need to think more broadly and focus on the

tourism economy and other many services that support the tourism industry.

The tourism industry has been identified as one of the key industries for driving economic development and economic transformation in developing countries. The marketing challenges facing tourism businesses are unique in that, these businesses cannot be promoted in isolation from their competing and complementary products. Entrepreneurship quality, entrepreneurial leadership, market and market orientation have been identified with positive influence on the business performance of a tourism enterprise.

Also it is important to identify the specific factors that influence success in small tourism business which are aforementioned. In this context, many studies suggest that the performance of a small tourism enterprise could be determined by the personality of its entrepreneur.

In the global economy, small businesses are playing a critical role in reducing unemployment, penetrating new markets and generally growing national economies. It follows that small businesses represent an important vehicle for addressing that challenges of job creation, economic development and social development. Tourism is an under exploited sector with considerable potential for expansion, particularly given the high labour absorption capacity of



small businesses.

Today tourism industry has been identified as one of the key industries for driving economic development and economic transformation in developing countries. So tourism industry is a part of the service sector and the tourism product is predominately a service offering where as much of the research on the factors driving the successful adoption of the internet as a marketing tool have largely concerned physical goods.

We all know that the tourism industry is a service industry. It is based on people, and is reliant on people. This makes it unique and special, and we all need to ensure that we provide quality, excellence and top service at all times. There is much competition in tourism and only our excellent service and quality will set us apart and make us successful. Many businesses in tourism operate on similar tariffs and prices, so we can't always differentiate our self in those areas. So be sure that our quality business will set us apart from others.

In tourism, marketing and advertising areas are probably the most important areas and ensure our activities are targeted correctly. These activities can be very expensive, probably the most expensive part of our business and if done badly it will cost us dearly. Marketing and advertisement can be done through a variety of mediums such as printed brochures, internet, television, local media like newspapers and word of mouth.

Tourism the so called the biggest industry of the world, is having positive as well as negative impacts an various dimensions of human life, whether it is social, economic, cultural or ecological. Traveling brings people into contact with each other and as tourism has an educational element, it can foster understanding between peoples and cultures and provide cultural exchange between hosts and guests. Because of this, the chances increase for people to develop mutual sympathy and understanding and to reduce their prejudices.

Tourism has the potential to promote social development through employment creation, income redistribution and poverty alleviation. It can add to the vitality of communities in many ways. The jobs created by tourism can act as a vital incentive to reduce emigration from rural areas. As tourism supports the creation of community facilities and services the otherwise might not have been developed, it can bring higher living standards to a destination. Benefits can be include upgraded infrastructures, health and transport improvements, new sport and recreational facilities, restaurants and public spaces as well as an influx of better quality commodities and food.

Tourism can boost the preservation and transmission of cultural and historical traditions, which often contributes to the conservation and sustainable management of natural resources, the protection of local heritage and a renaissance of indigenous cultures, cultural art and crafts. It also helps raise local awareness of financial values of natural and cultural sites and can stimulates a feeling of pride in local and national heritage and interest in its conservations.

2. Concluding Remarks on Case Study : Tourism is a thriving global industry with the power to shape developing countries in both positive and negative ways. The tourism sector has remained robust despite the transnational challenges poses by terrorism, health pandemics, and the global financial crisis. Tourism is a competitive industry, tourism through the creation of attractions and provision of supporting infrastructure can effectively create its own demand. The consideration of the needs of the tourists and the preservation of the natural environment are essential factors which will bring high performance and benefits in tourism business. The tourism industry should encourage and promote entrepreneurship and privatization particularly at the local level. The tourism industry will need to serve not only a more demanding and knowledgeable consumer, but also one that is more able and adventurous. Community support is important for tourism as it is an activity that affects the entire community. Tourism businesses depend extensively an each other as well as on other businesses government and residents of the local community. Economic benefits and costs of tourism reach virtually everyone in the region in one way or another. Tourism has its own strategy. This strategy provides a tourism management and marketing structure. For successful tourism business other important factors are entrepreneurship and leadership characteristics. Entrepreneurship has been on the rise as a global phenomenon nowadays. There are ample opportunities in small business in India and such opportunities will transform India in the coming future in to a world powerful economy. For such transformation to happen there needs to be support both at the government and social level...

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A Study on Effectiveness of Competency Mapping of Employee with Special Reference to Cardwell Manufacturing Company Pvt. Limited - Coimbatore

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Abstract : Competence (or competency) is the ability of an individual to do a job properly. A competency is a set of defined behaviours that provide a structured guide enabling the identification, evaluation and development of the behaviours in individual employees.

The basic reasons due to which the mapping of the competencies is done are as follows:

- Key performance areas can be improved by understanding the fields where there is a gap between the actual and the desired results.
- Through competency mapping, the individual is preparing himself for the next set of responsibilities.
- With the help of the competency, mapping the individual can alter the style of work where the gap exists.
- Competency mapping leads the individual to understand the actual position and the gap from the desired states of work.
- Once the competencies are determined, proper training can be provided to be individuals to work more efficiently on the processes.

The population is divided into several sub population that are individually more homogeneous and then item are selected from each stratum to constitute a sample. For analyzing purpose simple percentage, weighted average method, chi-square has been used. The sampling design of the study is based on stratified sampling. The researcher has selected 200 respondents in Cardewll manufacturing pvt limited at Coimbatore. Maximum of the employees are satisfied their competency but still employees should be clearly explained regarding the objective of conducting the exercise and also the importance of such exercise to their own selves, so that there is a cent percent involvement from the employees' side.

Keywords : Competence, Behavior, Performance.

1. Introduction : Competency has different meanings, and continues to remain one of the most diffuse terms in the management development sector, and the organizational and occupational literature. Competencies are also, what people need to be successful in their jobs. Job competencies are not the same as job task. Competencies include all the related knowledge, skills, abilities, and attributes that form a person's job. This set of context-specific qualities is correlated with superior job performance and can be used as a standard against which to measure job performance as well as to develop, recruit, and hire employees.

2. Objectives of the Study :

- To access and determine one's skills and abilities as an individual worker and in some cases as part of an organization.

- To generally examine the strength of the individual in the areas as a team player, leadership and decision-making.
- To analyse the combination of strength indifferent workers to produce most effective teams and highest quality of work.
- To identify the specific skills required which would make them a potential employer.
- To find out the whether the performance appraisal have a measure of competencies separately for each individual level or function or group of jobs.

3. Scope of the Study :

- The scope of the study is to provide information about the competency mapping of the employees in Cardwell



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manufacturing industry in Coimbatore.

- It helps the management to understand the competency level of the employees i.e., knowledge, skills and behavior of the employees.
- The study will help to encompass the combination of knowledge, skills and behavior utilized to improve the performance
- The study examines the emotional intelligence and strengths of the individual in the areas like team structure, leadership and decision making.
- The study helps to analyze the combination of strengths in different workers to produce the most effective teams and the highest quality work.

4. Overview of the Company Profiles : CARDWELL is a well-established name, among the spinning mills, located all over the country. The company started its operation in the year 1984, with the "Apron-Doffing Device, which was a runaway success. Subsequently, 'CARDWELL' developed many innovative products for the different machines of the spinning industry, namely Draw Frame, Comber, Speed Frame, Ring Frame and Spinning Room maintenance and had the opportunity to export a few of these products to Bangladesh, the Far East and Africa. In fact 'CARDWELL' has been known for its continuous innovation in the textile related applications, through systematic Research & Development The "Tubular Fabric Reversing Machine", is one such innovation, that has been very well accepted by the Tubular.

5. Findings :

- 95% of the employees are male candidate.
- 67.5% of the employee is working in a production department.
- Maximum 89% of the employees are accepted that is competency mapping is effective.
- 72% of the employees said that mapping helps to present job.
- 32% of the employee said that it improve the self-concept and 35% of the respondents said that it enhance the knowledge.
- After the mapping process 72% of the employee are needed the technical training for career growth.
- 56% of the respondents said that strong team is one of the ways to develop the competencies in an organization.
- 67% of the respondents felt that after the mapping process developing interpersonal skills is one of the changes in their career.

- 56% of the respondents said that main purpose of conducting this process is increase productivity.
- 49 % of the respondents said that IT skill required for an employee in an organization.
- Among the three factors self-motivated is the first rank, Adaptability is the second rank and Stress tolerance is the third rank.

6. Suggestions : The following are the recommendations based on the observations and results gathered from the research :

Employees should be clearly explained regarding the objective of conducting the exercise and also the importance of such exercise to their own selves, so that there is a cent percent involvement from the employees' side. This would also help in speeding up the exercise as the doubts regarding the procedure and the expectations from it could be cleared out in the initial phases itself. The exercise should be carried out with the involvement of the senior management, as it would bring more quality to the ratings collected.

The trainings should be planned with the involvement of the employees as well (not only the team leaders) so that there are no low yield trainings being held. This would cut down the costs of training further. Further, the findings of the exercise could be shared with the employees in a manner deemed fit by the senior management, so that the employees are clear about the areas in which they are lacking, and thus from their own side can start working on it.

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Study of Services Related to Working Hours & Computerization of Retail Drug Stores in Pune City

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Abstract : Retailing related pharmaceutical industry is continuously growing & registering growth every year due to life style, introduction of new malls, pharmacy chain & availability of pharmacists which is mandatory for retail drug stores. Services play an important role in retail industry as the competition is fierce & everyone has to retain & register growth every year. Patient satisfaction is an important aspect for growth of retail drug stores. Various aspects of services are like promptness of service, product availability, working hours and computerization. It is observed operation of retail drug stores has evolved & growing with pace over the past. Important aspect of Retail Drug stores is customer & more interaction with him should take place. To render quality services, working hours & computerization plays vital role. To sell medicines to patients or customers is a process of mass service which is concern of organization i.e. Retail Drug Stores. Computerization will lead to curtail consumer service time & waiting period & efficiency of Retail Drug Stores can be improved. The main objective of this paper is to study working hours & computerization of retail Drug Stores.

Keywords : Retail, Satisfaction, Service, Working Hours, Computerization.

1. Introduction : Indian Pharmaceutical industry is continuously growing & registering growth every year due to introduction of new molecules, drug delivery system & strong distribution network. Drug distribution system has also shown changes compare to earlier system. Initially pharmaceutical companies were having own distribution network & now at a later stage pharma companies have started to appoint of, C&FA, super stockist instead of having own distribution network. The prices & margin of drugs for wholesalers & retailers are largely decided by the national pharmaceutical pricing Authority (NPPA) which is depending on whether product is scheduled drug or non-scheduled drugs. Retail Drug stores plays pivotal role to make product available to patients in urban & rural area of different part of the country. Retail drug stores are moving to accept the modern technology i.e. usage of computer, software...

2. Review of Literature : The word 'retail' is derived from the French word 'retailer' which implies "to cut again" or "to break bulk". Retailing is the last link that connects the individual consumer with the manufacturing & distribution chain. The retail industry is divided into organized & unorganized sectors. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax. Unorganized retailing, on the other hand, refers to the traditional formats

of low-cost retailing. The retail industry is the last step in the process of getting products to customers efficiently. In retail, the goods are sold directly to the consumer. Referring to report of pharmacy retail market in India 2013 retail drug stores are progressing towards building of an organized form. Various studies have been conducted on services, customer satisfaction and the factors related to retail sales.

Hazard Sandip Ghosh & Srivastava Dr. Kailash B.L. (2010) expressed service quality has become important for service firms to pay attention due to competition scenario. Satisfactory services is an important aspect to develop customers. Fulbag Singh and Davinder Kaur (2011), noted that an organization may not continue in the long run if its customers are not satisfied.

Therefore, it is the responsibility of an organization to safeguard his interest and meet his expectations with the product or services offered. S.P. Thenmozhi Raja, Dr. D. Dhanapal & Dr. P. Sathyapriya (2011) explained that the most critical challenge for a business is the improvement of service and product quality. It is also expressed retail service quality varies across different cities, the retailers can meet the customer expectations based on the factors drive them. Dr. Joshi Sandhya (2011) claimed that the best path to a strong business bottom line is assuring that customers receive the highest appropriate quality of service across multiple applications and delivery mechanisms.

**3. Research Methodology :****Objectives of the Study :**

1. To study working hours of the retail drug stores depending on ownership of Retail Drug Stores.
2. To Study computerization & type of retail drug stores.

Hypotheses of Study :

1. H₀ - working hours are independent of type of organization.
H₁ - working hours are not independent of type of organization.
2. H₀ - computerization is independent of type of retail drug stores.
H₁ - computerization is not dependent of type of retail drug stores.

Scope of the Study : The Pune City.

Population/ Universe : Sample Size 26 Retail Drug Stores From Various Type Of Organization.

Type of Research : Exploratory Research

Population / Universe : Retail Drug Stores of Pune City

Sample Size : 26

Method of Sampling : Non Probability & Convenient Sampling

Research Instrument : Primary Source: Questionnaire.
Secondary Source: Website, Journal, Books.

Self-administered questionnaire given to the respondents. Sufficient time given to the respondents i.e. as per their convenience, to fill up the form in all respect to give unbiased feedback. The filled in forms were checked for any unanswered, questions and requested to complete the same.

Efforts were made to understand the comfort level of the respondents, ease of sharing the information, their understanding of the terms, and time taken to fill the questionnaire.

Study carried out in Pune city to study working hours & computerization of retail drugs stores. Mainly type of organization i.e. proprietorship, partnership, Pvt. Ltd. and other which comprises of trust. Type of retail drug stores mainly retail outlet, hospital pharmacist, pharmacy chain and company owned. Sample size 26: retail drug stores comprises of Proprietorship - 12, partnership - 4, Pvt. Ltd. - 6, other which comprises of trust - 4.

4. Data Analysis & Interpretation :

Data analysis was done with: SPSS software.

The data analyzed and checked for the respondents w.r.t to

- Type of organization
- Type of retail drug stores.
- Working hours
- Computerization

A. Working Hours & Type of Organization: Cross-tabulation Count

Working Hours * Type of Organisation Cross tabulation						
Count		Type of Organisation				Total
		Proprietorship	Partnership	Pvt. Ltd.	Other	
Working Hours	0-8hr	1	1	0	2	4
	9-12hr	8	1	3	0	12
	13-15hr	3	1	0	1	5
	More than 15hr	0	1	3	1	5
Total	12	4	6	4	26	

B. Chi-Square Data Analysis

Chi-Square Tests : Level of Significance 0.1			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.914a	9	.093
Likelihood Ratio	19.003	9	.025
Linear-by-Linear Association	.015	1	.902
N of Valid Cases	26		

15 cells (93.8%) have expected count less than 5. The minimum expected count is .62.

H₀ : Working hours are independent of type of Organization.

H₁ : Working hours are not independent of type of Organization

Conclusion : Since Significance Level is .093 We conclude working hours are not same across the type of organization.

C. Type of Retail Drug Stores & Computerization

Computerization * Type of RDS Cross-Tabulation Method								
Count		Type of RDS						Total
		Retail Outlet	Hospital Pharmacy	Clinical Pharmacy	Pharmacy Chains	Company Owned	Any Other	
Computerization	Partially	8	1	0	0	0	0	9
	Fully	3	6	1	4	1	0	15
	No	0	0	0	0	0	2	2
Total		11	7	1	4	1	2	26



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D. Chi-Square Test Data Analysis

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.953a	10	.000
Likelihood Ratio	27.224	10	.002
Linear-by-Linear Association	14.129	1	.000
N of Valid Cases	26		

17 cells (94.4%) have expected count less than 5. The minimum expected count is .08.

H0 : Computerization is independent of type of retail drug stores.

H1 : Computerization is not independent of type of retail drug stores.

Conclusion : Since Significance level is .000 We Conclude Computerization is not same across the type of Organization Level of Significance 0.1

5. Findings :

- Working hours are not same across the type of organization
- Computerization is not same across the type of Organization.
- There is difference amongst the type of retail Drug stores using computerized billing.

6. Conclusion :

The study attempted to find out working working hours and computerization at retail drug stores. It is observed that proprietorship organization generally works for 9-12 hrs. In a day whereas partnership organization working hours are varied. Private Ltd. & other which comprises trust work more than 15 hrs. In a day. Retail outlet i.e. standalone retail drug stores are partially computerized. Hospital pharmacy i.e. retail drug stores inside of hospitals have shown trend toward fully computerization. Whereas some of retail drug stores are not computerized. Working hours and computerization plays important role in operation of retail drug stores.

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National Conference 2014

"Indian Ethos in Management Practices :
The Catalyst for Entrepreneurship"

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A Study on Corporate Social Responsibility of Public Sector Banks in India With Special Reference to State Bank of India

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Abstract : Corporate Social Responsibility is the mechanism through which the corporate organizations have executed their philanthropic visions for social welfare. It is a powerful way of making sustainable competitive profit and achieving lasting values for stakeholder as well as shareholder. "Corporate Social Responsibility is very popular in financial sector, which the financial crisis did not damage as perceptible as in other countries of developed economies (Singer, 2009)". The process of Globalization creates competition among financial organizations to perform according to the internationally compatible trade practices. So this instigated them to divert their available resources to do more social activities. Nowadays, many nationalized banks in India have created their individual brand image in the field of Corporate Social Responsibility (CSR) by taking various social initiatives in the era of social welfare and community development. The catalytic contributions made by nationalized banks for economic growth in India have created their separate entities towards financial growth. The main objective of this study is to analyse the CSR activities carried out by selected nationalized banks in India. An attempt has been made to analyze the existing CSR practices of State Bank of India. It has been found that State Bank of India is directly engaged in CSR activities mostly in the area of Rural Development, Education, Community Welfare, Women and Children. The analysis shows that, this bank is making efforts in the implementation of CSR, but is restricted within certain fields. There is a need for better CSR activities by the bank, which is possible by adding more and more social development issues link with corporate sector.

Keywords : Banking Sector, Corporate Social Responsibility, State Bank of India.

1. Introduction : The beginning of 21st century in India has seen the term CSR coming to the forefront of development of discussion. In recent times, the Corporate Social Responsibility is emerging as a significant feature of business philosophy, reflecting the impact of business on society in the context of sustainable development. The emerging perspective on corporate social responsibility focuses on responsibility towards all stakeholders rather than only on maximization of profit for shareholders. CSR not only includes corporate regulatory compliance, but also refers to the act of making business successful through balanced, voluntary approaches to environmental and social issues in a way that is helpful to the society. The present day's economic growth and development in India mostly depends upon a well-knit financial system which comprises a set of sub systems of financial institutions, financial market financial instruments. Both financial markets and financial institutions play a crucial role in the financial system by rendering various financial services to the Indian community. CSR has been assuming greater importance in the corporate world, including the banking sector.

To highlight the role of banks in corporate social

responsibility the RBI circulated a notice on December 20, 2007 for all the scheduled commercial banks, with the title "Corporate Social Responsibility, Sustainable Development and Non-Financial Reporting-Role of Banks". Regarding the banking sector Bhatt (2008) stated that banks do not exist in a vacuum. They make a large contribution to the country's GDP growth, meet the demand of the growing middle class, contribute to infrastructure spending and reach out to semi urban and rural areas. The Reserve Bank of India (RBI) 2011on stressing the need for CSR, suggested that banks to pay special attention towards integration of social and environmental concerns in their business operations to achieve sustainable development. RBI also pointed out to start non-financial reporting (NFR) by the banks which will cover the work done by the banks towards the social, economic and environmental betterment of society.

2. Review of Literature : The concept of Corporate Social Responsibility is not a new one but its focal point changes with the changing requirements of business and varying social needs. The concept of CSR was first mentioned in 1953 in the publication of "Social responsibilities of a businessman" by William Bowen. However the term C



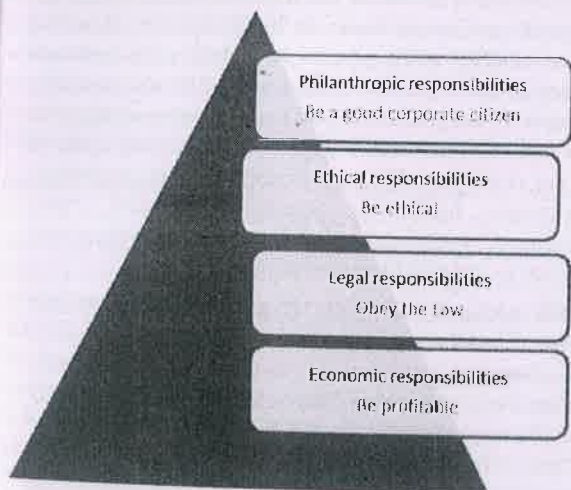
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became only popular in the 1990s. When the German Beta pharmacy generic pharmaceutical company decided to implement CSR. CSR is a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. It is represented by the contributions undertaken by companies to society through its business activities and its social investment. CSR has been making an increasingly prominent impact in the Indian social system by supplementing development projects. But it is not a novel concept in India as its historical roots goes till the Vedic age. Today Banking Sector growing larger and powerful than before. Various Non-government organizations put pressure on Banks to act responsibly towards their stakeholders. Thus pressure has given rise to the concept named Corporate Social Responsibility. CSR defined as "the economic, legal, ethical, and philanthropic expectations placed on organizations by society at a given point in time." (Carroll and Buchholtz, 2000:35). Exactly what responsibility companies have towards society has been discussed for some decades now. A fundamental model which could be argued to reflect the outcome of this discussion is Carroll's (1991) four-part model in figure - 1.



Economic responsibilities : The first responsibility of the company towards society refers running the business as an economically healthy unit. It includes aspects such as return on investment for shareholders, fair employee salaries, and quality products supplied to customers at fair prices; all required by the society. (Crane &Matten, 2004)

Legal responsibilities : Demands that companies act in accordance with existing legislation and regulatory requirements. The legal framework consequentially fosters society's ethical view and all companies attempting to be socially responsible are therefore required by society to follow the law. (Crane &Matten, 2004)

Ethical responsibilities : It refers to corporation's responsibilities which are not covered by legal or economical requirements, but instead by what could be considered as „right“ or „fair“ in the eyes of society. Society therefore expects corporations to act ethically towards their stakeholders. (Crane & Matten, 2004)

Philanthropic responsibilities : This involves corporation's willingness to enhance the quality of living for their stakeholders (i.e. employees, local community, and society at large) through charitable donations and organizational support. These corporate decisions are entirely voluntary, of less importance than the former three, and (with regards to social responsibility) only seen as desired by society. (Crane & Matten, 2004).

Venu Srinivasan (2007) highlighted that Corporate Social Responsibility is more than philanthropy and must not mean "giving and receiving". An effective CSR initiative must engage the less privileged on a partnership basis. "CSR means sustainable development of the community by being partners in their progress. The government has been evolving a large number of welfare schemes for the people but experience shows that in most cases the benefits do not reach the most deserving. Industries have expertise in man management, financial management and business planning. They can easily provide the missing ingredients of leadership and organization and establish the last mile connectivity" to reach the benefits to the deserving people. Therefore the focus of CSR could be unlocking" the last mile connectivity. Industry must be a catalyst for social development. They must provide the leadership, know-how, training, etc. Jorge A. Arevalo and Deepa Aravind (2011) concluded in their article "Corporate Social Responsibility Practices in India: Approach, Drivers, and Barriers" that the CSR approach that is most favored by Indian firms is the stakeholder approach and that the caring or the moral motive, followed by the strategic or profit motive, are important drivers for Indian firms to pursue CSR. Further, the results indicate that the most significant obstacles to CSR implementation are those related to lack of resources, followed by those related to the complexity and difficulty of implementing CSR. As explained by Hertz (2012), earlier it was a form of capitalism that put much more emphasis on what we owned, on whether we had a Gucci handbag for example, than on things like the quality of our environment, the quality of the air we breathe, the kind of healthcare we have, what makes us content and happy. She called it Gucci capitalism and predicted that the gradual demise of Gucci capitalism will be followed by a new era of responsible capitalism called Co-opt capitalism. The idea of Co-opt capitalism is that the community matters over individual and co-operation matters over competition.



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3. Objectives of the study :

The main objectives of this study include :

- To study the existing CSR practices in public sector banks.
- To highlight the existing CSR activities by State Bank of India
- To suggest for the implementations of model CSR practices in Indian Banks.

4. Research Methodology : The present study covers State Bank of India. Data are mainly collected both from primary and secondary sources. Primary data were collected on personal interaction with executives who are dealing with CSR activities in the bank. The secondary data has been collected from different sources like scholarly articles, annual reports of the bank, newsletters, and various web sites.

5. Role of Indian Banking Sector : Banking in India in modern sense has originated in the last decades of the 18th century. In the year 1969 there was a revolution in Indian Banking Sector. 14 private banks were nationalized in 1969 on 19th July by the then Central Government head by Prime Minister Smt. Indira Gandhi. In 1955, State Bank of India was nationalized. The main Moto of nationalization was to provide better quality service to the customers. Again in the year 1980 another 7 private banks were nationalized. The need for the nationalization was felt mainly because private commercial banks were not fulfilling the social and developmental goals of banking which are so essential for any industrializing country. Mainly the Indian Banking sector is made up 2 types of Banks. One is commercial banks another is cooperatives banks. Commercial banks include PSUs Banks, Private sector Banks, Foreign Banks, and Regional Rural Banks. Cooperatives Banks include urban cooperatives and State cooperatives Banks. The main aim of banks is to profit maximization but now a day's situation has been changed. The aim changed from profit maximization to do more and more CSR activities. National Bank Financial Group is deeply engaged in creating the greatest possible value not only for investors, but also for its employees, clients and the communities where it is present. In this sense, CSR is a fundamental value. In all our sectors of activity—and whatever the business context—we work to integrate the social dimension, ethics and the environment with economic considerations so that we can continue to be a powerful engine of social and economic development. Among the measures which are employed, allow us to fulfil our responsibilities with respect to the community, are rigorous fundraising, donation and sponsorship programs organized by strongly committed teams of volunteer employees and retirees. Over the past few years, the concept of CSR has been changing. There has been an apparent

transition from giving as an obligation or charity to giving as a strategy or responsibility. Like private banks, nationalized banks are not profit oriented. They gave more emphasis on CSR rather making profit.

6. CSR practices in Indian Banking Sector : Now-a-days CSR has been assuming greater importance in the corporate world including financial institutions and banking sector. Banks and other financial institutions start promoting environment friendly and socially responsible lending and investment practices. RBI (2007) has also directed Indian banks to undertake CSR initiatives for sustainable development and also asked banks to begin non-financial reporting which is related to activities in the era of environmental, social and economic accounting. It has been observed from karmayog's CSR ratings that most of the Indian public sector banks do not mention recent CSR activities on their annual reports or on the websites. The financial institutions do not take adequate steps for updating the recent activities in CSR. CSR has been assuming greater importance in the corporate world, including the banking sector. To highlight the role of banks in CSR, the RBI circulated a notice on December 20, 2007 for all the scheduled commercial banks in India. Recently financial institutions adopt an integrated approach between customer satisfaction and CSR in a broader way. RBI also instructs the banks to integrate their business operation along with social and environmental aspects. The major key areas of CSR are children welfare, community welfare, education, environment, healthcare, poverty eradication, rural development, vocational training, women empowerment, protection to girl child and employment.

7. CSR activities of State Bank of India : A CSR activity of state Bank of India touches the lives of millions of poor and needy across the length and breadth of the country. Bank has a comprehensive Corporate Social Responsibility (CSR) Policy, approved by the Executive Committee of the Central Board in August 2011 and earmarks 1% of the previous year's net profit as CSR spend budget for the year. Focus areas of State Bank of India's CSR activities are supporting education, supporting healthcare, assistance to poor and underprivileged, environment protection, entrepreneur development programme, assistance during natural calamities like floods/droughts etc.

Supporting Education : SBI as a leading public sector bank plays a very key role in the field of education. It helps the needy people by providing education loan in the field of education. SBI Education Loans has grown by 7.19% during FY 2013-14. It has a total exposure of Rs. 14,740 cores as on Mar 2014. SBI Loan Scheme for Vocational Education and Training was launched in July 2012 and loans up to Rs. 1 lakh are given under this scheme. Maximum Loan amount for Studies Abroad has also been increased to Rs.30 lakh from the previous limit of Rs. 20 lakh. To support school

"Indian Ethos in Management Practices : The Catalyst for Entrepreneurship"



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education and provide relief from heat to millions of school children specially the under privileged children, Bank has provided 1, 40,000 electric fans to 14,000 schools across the country during 2013-14. Infrastructure support by way of furniture, computers and other educational accessories and donation of large number of school buses/vans to the physically/visually challenged children and children belonging to economically weaker section of society.

Environment : State Bank of India has a comprehensive CSR policy approved by the Board and the focus areas are Supporting Education, Entrepreneur development & Health care, Assistance to Poor and under privileged, Environmental protection, clean energy, and help in National calamities. SBI is always in forefront to help states affected by natural calamities. During the current fiscal SBI has lent its helping hand to the States of Assam, Sikkim, Uttarakhand, Maharashtra etc. with donation to Chief Ministers Relief fund to respective States provide to the people affected by flood to a tune of Rs.9.00 core. In spite of these the bank is also engaged in tree planting activities.

Rural development : The State Bank of India is committed to spending one per cent of its profits in social welfare activities for the benefit of the community. Accordingly, while the bank's profit last year was Rs. 8,200 crore, it spent Rs. 82 crore in community welfare activities under its corporate social responsibility, according to its Deputy Managing Director Mr. Shared Sharma.

Social Community Welfare : The Bank prefers to support largely with community assets as the benefits of those are shared by all. These steps have created tremendous goodwill in the community and many of the branch managers have been invited to preside over the annual functions of neighbourhood schools. We consider this to be a constructive bond between the Bank and the community. They are happy to make the lives of our young citizens comfortable and healthier. To help in delivering quality healthcare and transportation of patients and doctors which is a challenge especially in non-metro area, Bank has donated 313 ambulances and medical vans. To help children especially the physically handicapped children, Bank has distributed 51 school buses/vans. Some of the notable beneficiaries of Bank's support have been the following institutions like Arvind Eye Hospital, Madurai, Tata Medical Centre, Kolkata, N. Swain Memorial Trust, Hyderabad, Sankara Nethralaya, Chennai, St. Xavier's College, and Mumbai etc. The Bank has also supported several initiatives in installing solar lamps in many places largely in the rural areas not having dependable electricity supply.

Supporting Healthcare : Bank donated 210 medical vans/ambulances with an expenditure of Rs.18.38 crores during the year. Medical equipment has been provided at 90 centres worth Rs.8.87 crores. Bank installed more than 30,000 water

purifiers in schools ensuring clean & safe drinking water for millions of school going children.

Assistance during natural calamities : During the year 2013-14, fiscal the Bank has donated Rs.6.00 crores to the Chief Minister's Relief Fund of three states.

Green Banking : Bank has adopted energy efficient measures. SBI is the largest deployed of solar ATMs. Bank has installed windmills in three states for its own energy needs. Paperless Banking is promoted and implemented across the country. Gives project loans at concessionary rate of interest to encourage reduction of greenhouse gases by adopting efficient manufacturing practices.

Research & Development Fund : The Bank makes an annual contribution of GBP 100,000 towards a Chair set up by the Bank jointly with RBI at the Asia Research Centre at London School of Economics. The R&D Fund donations amounted to RS.1.03 crores during 2013-14.

SBI Children's Welfare Fund : The Bank constituted SBI Children's Welfare Fund as a Trust in 1983 which extends grants to institutions engaged in the welfare of underprivileged children like orphans, destitute, mentally/physically challenged, etc. The Corpus of the Fund is made up of contributions by staff members and matching contribution provided by the Bank. During the FY 2013-14, 12 projects were assisted with Rs.34.70 lakh.

8. SBI CSR Awards and Accolades : The year FY 2013-14 witnessed the highest number of awards for the Bank in CSR achievements.

- Conferred Asia's Best CSR Practice Award, 2013 by CMO Asia in Singapore.
- Won an award for 'Best CSR Practices' at Asian BFSI Awards 2013 in Dubai.
- Other prominent awards conferred IPE BFSI Award 2013 for Best CSR Practices.
- India's Most Ethical Companies Awards 2013 for Ethical Company in Banking.
- Asia Green Future Leadership Award 2013 for 'Best Green Service Innovation'. My FM Stars of the Industry Award for excellence in Banking (PSU) 2013.
- News Ink Legend PSU Shining Award 2013.
- ABP News BFSI 2013 for Best CSR Practices Award.
- ABP News Global CSR Excellence & Leadership Award for Organisations with best CSR Practices.
- Blue Dart - Global CSR Excellence & Leadership
- Award for Best use of CSR Practices in Banking and Financial Sector.
- Global CSR Excellence & Leadership Award 2013.



9. Conclusion : The perspective of Corporate Social Responsibility by initiating social and community initiatives is to benefit the society and nation at large which sought to be achieved through the participation of its employees. Though banking sectors have taken effect in the era of CSR but it is not satisfactory. In order to attain the social objectives there is a need to frame a CSR policy in every bank and prioritization of activities for social spending and allocation of separate funds should be given for this specific purpose. The bank also created maximum value from its activities and developed strategies to effectively communicate progress with various stakeholders and provide information on the issues that concern them. To have an impact of spending and utilization of allocated budget by CSR there should be a system of periodical monitoring and reporting to the Board of Directors. Most banks use CSR as a marketing tool to spread the word about their business. Generally speaking, most banks seem either unaware or don't monitor their CSR. Special training needs to be given to business managers in working with social issues and participation of small and medium business should be encouraged. The concept of CSR has failed to some extent to take deep root in India because of lack of coordination between the banks, government, and non-government organizational efforts. The Financial Institutions should realize that running an efficient and profitable business organization means ensuring that the surrounding communities and environment grew and prospered along with the institutions. In a nutshell, it can be said that the state of mind of the Indian entrepreneurs towards CSR is changing due to tough competition in an international level. Conclusively, there are three suggestive measures which are advisable for a better CSR in these banks. First is to enhance and accelerate government's involvement in CSR activities, Second can be noted as development of a broad sector of the consulting in the era of CSR, and lastly media should increase its interest and play a vital role in the era of CSR. Corporate social responsibility is just not the charity but a practical implementation of ethical ideas towards the society.

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Importance of Cross Cultural Skills in HRM

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Abstract : Managers in many organizations have indicated that in today's highly competitive environment, globalized human resource will be the key to organizational success in this challenging environment. This paper aims to analyze how the cross cultural issues impact on Human Resource Management, and ultimately the productivity of employees working in the companies. The turn of 21st century saw a great deal of change in the Indian industry. In today's era, visiting, living and working in foreign countries have increasingly becoming common after the recent phase of globalization resulting in contacting and interacting among people from various cultures both at workplace and social spheres that lead to cultural exchange and sharing of cultural values and practices. Consequently, countries are becoming more and more multi-ethnic. Thus, the employees of MNC as well as domestic companies employing expatriates, experience cultural diversity and thereby complexity.

Keywords : Globalization, Culture, Multi-ethnic, Diversity, Complexity.

1. Introduction : Culture is defined as "That complex whole which includes knowledge, belief, art, morals, law, custom and other capabilities and habits acquired by man as member of society". "Acquired knowledge of the people use to interpret experience and generate social behavior". Thus culture is:-

- Learnt from the environment and interaction at workplace and social spheres.
- Shared and exchanged between two people or among several people.
- Trans generational.
- Adaptive as individuals adapt culture of other person or societies.
- Descriptive as it defines boundaries between groups.

2. Review of Literature : The word "culture" has many different meanings, which all originates from its Latin origin where it refers to cultivating the soil. In the most western languages "culture" usually means "civilization" or "intellectual refinement". This is "culture in the narrow sense".

There are many opinions in what a culture contains. A common conception is that culture is associated with human values. The regular conception about the word "culture" has links to "correct behaviour", education and even snobbery. On the contrary the social scientist puts a far wider meaning in the term "culture", which brings us far beyond just a personal sophistication. In scientific theory culture is considered as a foundational aspect of life. All human beings have culture. Within the social-anthropologists "culture" is

a gathering-name on all the patterns of thoughts, feelings and the way to act. The term does not only include activities that concern to refine the intellect, but as well the everyday and simple things that life includes: to say hi, eat, hide emotions and keep a physical distance from others, to love or take care of the body's hygiene.

Hofstede has another theory on what culture is and what complications it can bring. Human beings are carrying on a "mental program", which has been developed within the family in early childhood and have been enforced in schools and other organizations later on. Each human being's mental programming is to some extent unique and to some extent shared with others. Culture is something that you learn, nothing that you are born with, it origins from our social environment rather than from our genes. Culture should be

Separated from the human nature and from the individual personality (see figure). Exactly where the boundaries are between nature and culture and between culture and personality is a question that has being discussed among social scientists.



Figure 1: Uniqueness on three levels of the humans' mental programming.



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Figure 1: Uniqueness on three levels I the humans' mental programming.

The most fundamental (but also the less unique) programming level is the human nature. This is the level of culture that all humans have. Our genes decide it. It includes the ability to feel happiness, fear, anger, joy, shame, the need of being together. What to do about these feelings, how to show fear, happiness and such is however affected by the culture. The individual's personality level, on the other hand, is the unique part of us. There are not two human beings that have been programmed in exact the same way, even if they are identical twins who have grown up together. The personality level is based on features that partly are inherited and determined of the individual unique set of genes and partly learnt.

Learnt means: modified by the influence of the collective programming - the culture - and by the individual's unique personal experiences. It is on the cultural level where the most - if not the entire - of our mental programming is input. We share the same level and have it mutually with other people who have gone through the same in-learning process and with them who identifies themselves as its members. The cultural differences find expression in different ways. Of all the terms that are being used to describe the cultural manifestations these four following, together, covers the entire phenomena: symbols, heroes, rituals and values. In the figure these have been drawn as the shell-levels on a onion in order to show that symbols represents the most superficial cultural manifestations, values the deepest, while heroes and rituals lands somewhere in between.

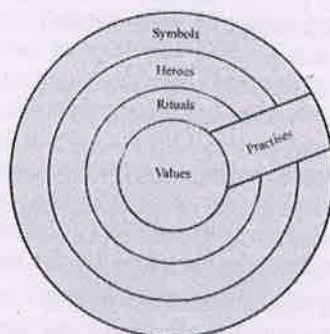


Figure 2 : The Onion-Diagram :
Cultural Manifestations at Different Levels.

Symbols are words, gestures, pictures or objects that have a particular meaning for the people in a certain culture, but not for others. The words in a language or a jargon belong to this category. New symbols are developed easily and old disappears; cultures often copies from each other's symbols. It is because of this that the symbols have been put in the outer layer. Heroes are persons - living or dead, real or fictional - who have features that are highly valued within a culture, and therefore become role models.

Rituals are collective activities that really are not needed in order to achieve certain goals, but are regarded as socially

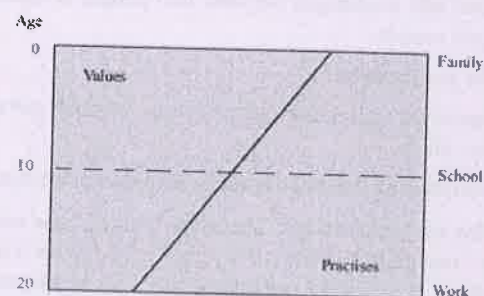
important within a culture. The way to greet and the way to show respect for others, social and religious ceremonies are examples of rituals. In figure 2, symbols, heroes and rituals have arranged under the term practices. Such practices are visible for an outsider; their cultural meaning are however invisible and consists precisely and only in how they are interpreted by the initiated.

The core of a culture consists of values, according to figure 2. Values are ordinary tendencies to prefer certain circumstances instead of others. Values are feelings which are either positive or negative - that has a plus- or minus side. It has to do with:

- Bad - Good
- Dirty - Clean
- Forbidden - Allowed
- Ugly - Beautiful
- Abnormal - Normal

Values are acquired early in life. On the contrary of animals, human beings are poorly prepared to make it on their own by birth. The human beings have - gratefully due to their physicals - a period around ten and twelve years where they have an extremely good ability to seize important information from the surroundings. This is regarding symbols, the language, heroes - like our parents, rituals, toilet-training, and most important our foundational values.

By the end of this period this will gradually be transferred to another, consciously way to learn, when we first of all focus on new practices. This process is illustrated in figure 3:



Learning of values and practices

3. Research Methodology

Research Objectives : The primary objective of Global HRM function is to ensure that the company had a local look in its geographies of presence. The multinational company would not like to be seen as an Indian company. These objectives in turn gave rise to further objectives. Thus, for global HRM function the objectives can be summarized as follows:

1. To analyze cross-cultural sensitivities and awareness amongst managers and employees



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2. To analyze the need of cross-cultural training to employees
3. To study the importance of cross cultural skills in HRM
4. To suggest the ways to effectively manage the cross cultural issues and maintaining industrial peace to a larger extent.

Research Hypothesis

1. Globalization is leading to organizations having working groups from diverse cultures.
2. Diverse working groups produce a different dynamism in the organizations.
3. There are merits & demerits of having diverse working groups. If HRM strategies take this fact as pivotal organizations will be perform better.

Research Methods

Disposition : First of all the choice of method will be discussed. The reason why this form of methodology has been used will be discussed and the problems this might give to the analyses. Next, different theories about international management will be presented, focusing on cross-culture management. Subsequent to this, the empirical data will be presented, this data has been received from several interviews and surveys. These empirical data will be mentioned in the result section of the research. The results will be analyzed based on the different theories in the analysis, and then finally a conclusion will be presented which hopefully will answer the questions in the presentation of the problem.

Selection : When doing a quality research it is not normal procedure to recruit informants by a random sample. The purpose with qualitative approaches is to generate transferable knowledge and not to make statistical generalizations. Therefore you do a so-called strategic choice, which means that the scientist, on purpose, chooses who is to participate in the research. The basis of the choice of informants in a quality research is suitability.

There is several ways to make a strategic choice. The goal was to get in touch with people who have a great insight. This is a great way to get in touch with "the right people" as fast as possible.

Interviews : When you are doing a research with a quality approach there are several ways to get your data. The quality data, or "soft" data, is often a form of shorter or longer texts that has to be processed and interpreted. If you would use a quantitative approach the danger would be that the research might be stiff-legged and would only give answers on what the scientist him- /herself considers to be important. As a result you risk neglecting valid information. The quality interviews can be more or less structured. One of the extremes is structured interviews with a fixed set of questions

where the questions and the order are determined before the interview. This is almost like the quantitative questions, all though the questions are open, which means that the answer-alternatives are not formulated in advance. The informant will formulate his/her own answers. The answers will show how the informant understood the questions; the scientist has less influence in how the informant will answer then the pre-formulated answers. Consequently the scientist will get more contexts around the answers. This is important when the scientist shall interpret the answers.

The other extreme is unstructured interviews. The formulation of the questions and the order is not pre-decided. The interview is more like a conversation. The benefits of this kind of interview are that, first of all, it makes an informal atmosphere, which will make it easier for the informant to talk. The procedure is also very flexible; the scientist can be open for individual differences among the informants. The negative aspect is that it might be difficult to compare the informant's answers afterwards, as the information is not standardized. There

Is also a risk that the relationship between the scientist and the informant might be very vital for the information that will appear?

Between these two extremes there is the most widespread form of qualitative interviews, which is the part structured interviews, also called the interviews that are based on an interview guide. An interview guide is not a questionnaire; it is a list of themes and general questions that will be brought up during the interview. The guide often contains sub-themes and sub-questions, which will contribute that all the themes get covered and gets deepened. During the interview the structure can be changed, you can also make consequence or deeper questions. There might be new and interesting themes that need to be followed up. Even the informant might have greater influence on how the quality interview will go about and what information will emerge.

4. Discussion : International businesses must constantly be aware of the key variables in their environments. There are some factors which are very important to understand; like the nature of all kind of international business entities. These factors are ownership, investment, management and controlling system, marketing segmentation, subsidiaries' autonomy, and consumers' lifestyles. For the clarity of the different types of international business these will now be explained.

A Global Corporation is a business entity, which obtains the factors of production from all countries without restriction and/or discrimination against by both home and host countries and markets its products and/or services around the globe for the purpose of profits. These organizations around the globe serve their investors, managers, employees and consumers regardless of their socio-political and economic



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differences.

A Multinational Corporation (MNC) is a highly developed organization with deep worldwide involvement in obtaining the factors of production from multiple countries around the world, and manufactures its products and markets them in specific international markets.

An International Corporation (IC) is a domestic entity which operates its production activities in full-scale home and markets its products and/or services beyond its national geographic and/or political borders. In return it imports the value added monetary incomes to its country. It engages in exporting goods, services, and management.

A Foreign Corporation (FC) is a business entity which has its assets invested by a group of foreigners to operate its production system and markets its products and/or services in host countries for the purpose of making profits. These corporations are controlled and managed by foreigners to the extent in which to adopt to the rules and regulations of the host countries.

A Transnational Corporation (TNC) refers to an organization whose management and ownership are divided equally among two or more nations. These corporations acquire their factors of production around the world and market them in specific countries. This term is most commonly used by the European countries.

Strength and weaknesses of cross cultural influence on Business organizations:

- Competitive advantage - Attraction of resources, Appropriate strategies, Marketing advantages, Problem solving skills, Flexibility and adaptability,
- Cost saving, Creation and innovation etc.
- Multi ethnic unified societies at workplace.
- Efficient implementation of organizational strategies.
- Repeats undesirable unity among employees.
- Potential source of conflict.
- Delay in decision making.
- Communication distortions

5. Limitations : Due to the fact that this is a very large subject and there is a great amount of literature about cross-cultural management, there have to be restrictions about the information being used. Subsequently, the boundaries have been set when it comes to the types of cross cultural difficulties which may influence the company. Rather than incorporating all the types of differences, such as religion and ethnicity at their individual level, this research will consider cross-cultural difficulties as a general conception for these differences.

6. Conclusion : To combat with today's competitive environment your products are of best quality and there are no conflicts and disputes within organization. To minimize disputes and conflicts is very necessary for uninterrupted production. The potential source of conflicts and disputes is cultural differences and non-recognition. This paper aims to focus on how to manage the cross cultures effectively. Creating awareness about cross cultures and impart training to Managers and labours regarding cross cultures. If cross cultures are managed properly it is beneficial for business, otherwise it is harmful.

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An Empirical Study on Business Dynamo with special reference to Quality Population- Uttar Kannada District Karnataka State

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Abstract : Scholar has made earnest attempt with the help of this study to find the impact of quality population on business dynamo and its relevancy for generating economic growth and business development of one segment (District). It is evident in the study that, quality population is the integral and essential part for the substantial growth and has very positive impact on economic development and business. The proposed research work is related to the major strength, challenges and opportunities of the quality population. The very definition of quality population means; healthy economic condition, good earnings, literate, matured, urbanization, savvy on technology practices, balancing life and work, value added habits and lot more healthy and good citizen practice. The quality population may circumvent the situation for better business and give leap forward for dynamo of business. The limitation of the study is confined to Uttar Kannada District of Karnataka State

Key words : Quality Population, Economic earning, literate and balancing life.

1. Introduction : Business in the 21st Century is basically based on the market forces like demand and supply of quality products, product utility and cost, shopping convenience and customizing the demand of the customer may breed the success. In the 21st Century, absolutely the customer is the lifeblood of business and quality population is lifeline. The industrial revolution, green revolution, windfall growth of information technology, use of advanced technology in production and liberalization of economy has opened up new business windows in all the sectors.

It is needless to mention that, demand (quality population, increasing per capita income, growing literacy rate, better life style) is the main market force to envisage and forecast the better business and it has various related chain factors like money, material, machine and manpower. The power house of demand generation is the population and it is the core anchor sheet in general and more particularly quality population is driving force for the niche demand. Thus quality population is the strength and is being played a vibrant and catalyst role for dynamo of business.

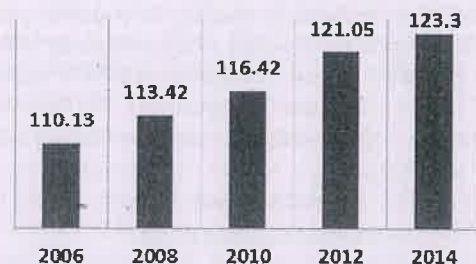
In other words population can be termed as vital source of demand to ignite for growing business. The root cause why the entire world is eyeing on India for their business is because of quality population in India. The problems whatsoever is being resolved with distinct permutations and combinations variables like Technological factors, Economic factors,

Cultural factors, Environmental issues and most important is safety factors and keeping the business growing.

The scenario of Indian Population is shown in table/chart No. 1 herein,

Table/Chart No. 1

Growth of Indian Population at a Glance (Figure in crores)



Source: Ministry of Statistics and Programmed Implementation (MOSPI)

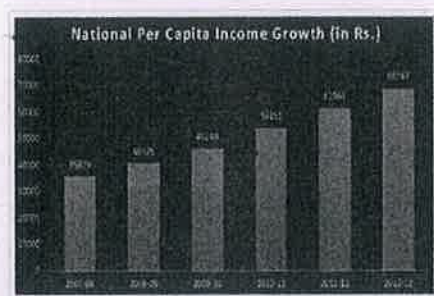
The total population in India was last recorded was in 2013 at 123.30 crores from 35.90 crores in 1950, it increased to 243 percent during the last 50 years. Population in India averaged 73.66 crores from 1950 until 2013. Population in India is reported by the Ministry of Statistics and Programmed Implementation (MOSPI). The literacy position in India is very strong point which is growing at the rate of 9 percent.



The following table/chart no. 2 read the same,

Table/Chart No. 2

India's Literacy Rate on rise



Source: <http://trak.in/tags/business/2013/02/27/indian-economic-survey-2012-13-10-key-highlights/>

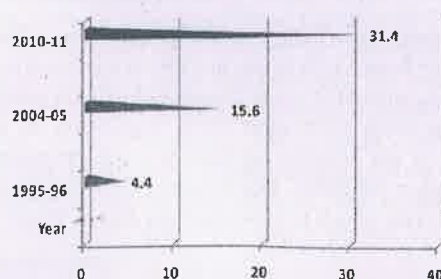
The basic pull-factor of per capita income is the quality population and per capita income is a gauge for measuring living standard and the development of the nation as a whole. The per capita income at current prices during 2012-13 is estimated to be Rs 68,747 as compared to Rs. 61,564 during 2011-12, showing a rise of 11.7%, an official release by the Central Statistical Office (CSO) on Advance Estimate of National Income.

2. Significance of the Study : The scholar with the help of this research will find out ways and means of healthy and endemic demand and shall further identify sources of quality population in the sense of education, awareness and other variable which will create better business and healthy environment. By virtue of this research an earnest attempt has made to unify business strategies with the help of strengths and the apprehension challenges, which may give booster to the demand, by shaping the population into quality one. It is indicated that, the likely consuming Indian market is estimated around 720 million with 450 million less than 21 years of age (quality population). The following table / chart no. 3 shows increase in middle class in India (quality population).

Table / Chart No. 3

INCREASE IN MIDDLE CLASS

Annual Household (million) Income between
Rs 3, 40,000/- to Rs17, 00,000/-



Source: Reform 2020, November 2011

In the year 1995-96 the middle class household was just 4 million, who were drawing income less than Rs 17 /- lak but the household has increased manifold in the year 2010-11 to 31.40 million. It means the middle class household has increased with better earning in such situation but naturally a better income group household certainly focus on better standard of living and increasing demand of products and services. India is a leading economy with vast and massive market potentials. Indian economy is growing rapidly in all facets and created very good congenial feel good environment on the market and industry. Indian consumer is the focal point and a driving anchor for the growth.

Further it is said that, there is lot of buying potentials in a quality population is mostly in the 4th tier. According to a recent article in Foreign Policy by University of Michigan Business School, Professor C. K. Prahalad, and Allen Hammond of the World Resources Institute, the largest developing nations are home to some 680 million families earning USD 6,000 a year or less. These low-wage earners take in USD 1.7 trillion a year - roughly the size of Germany's gross domestic product. The 4th tier market segment is an intrinsic driving force of Indian market and the future path of high potential market in India. Hence, the 4th tier of market is a highly potential market,

Table / Chart No. 4

Indian Market Pyramid



1. 1st tier market is the richer market more profitable, small in number & quantity, brand sensitive and a highly niche market. Only branded items will move highly customers focused. Marketing organized in exclusive plushy ambience showrooms.
2. 2nd tier market is upper middle class who are having better standard of living and always pave way for standard products and look for value of product.
3. 3rd tier in this customer has definite ceiling of price and look for best available benefits at that price. The product quality, price and service will be the main strength to have favor of customer. The variants of the products mix and customer benefits over competitor's products will be main deciding factor.



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4. IVth tier has vast range of customers. This is consumption basket-first time purchaser based on their purse-not brand conscious. The product placement and availability of products in all sales points-mass marketing will increase the sales. In this tier little-drop-strategy (sales in small quantity) is the main to pull-customer towards product. Mainly the rural market and unorganized retailer are feeding center to such demand. The demand potentials and scope of demand is very vast and one can generate good business, it is real indeed a great opportunity of future business.

3. Research Objectives : The major objectives of the study are shown below,

1. To examine the strength and challenges of quality population.
2. To analyse the application of education among population.
3. To find out the impact of quality population as a dynamo of business.
4. To study the insight and intricacies of business at Uttar kannada-Dist.
5. To strategize methods for improving business with distinctive tools to overcome the discrepancy in the general population an educated...

4. Research Methodology : The study and research on "A Study on Business Dynamo With Special Reference to Quality Population- Uttar kannada District, Karnataka State" is a descriptive study and applied research with the help of primary survey / secondary data. Research methodology is a process of systematically solving the research problem. It may be understood as a science of studying how research is analyzed scientifically. Secondary data is collected from the literature review and related publications. As as per the requirement the statistical tools have been used like simple average, table, chart, diagram and co-relation.

5. Statement of the Problem : The main crux is that, most of the economist and social leader seldom to mention that quality population is opportunity rather than bog for economy. Hence it gives call for an applied research on the subject "A Study on Business Dynamo with Special Reference to Quality Population- Uttar kannada District, Karnataka State" with this holistic work of research, hope to get real and realistic picture of the situation, whether the quality population is source of business or dwindling the business.

Study reveals that in the developed and developing country the quality population is playing significant role to gain more from the various variables like technological factors, economic factors, cultural factors, health care, safety, value and spiritual factors etc., such distinct permutations are

certainly the Dynamo of Business in days to come. The scope and limitation of the study is Uttar Kannada District in Karnataka State; hence it may pave way for further research work/study.

6. Glimpse of Uttar Kannada Dist. A Case in Issue:

Karnataka State population as on March 2011 stood at 52,850,562 and population of Uttar Kannada district is 1,353,644. Population growth rate is 17.5% and Uttar Kannada is 10.9%, the gender ratio is equal to 946 male to 946 female. The District has forests covering 80% of the total Geographical Area. Literacy rate is more than 60%. The District has a coast line of 144 Kms. Horticultural Products and Spices are grown and the growth rate is increasing year by year. Uttara Kannada District is an ideal District for eco-friendly industries.

The District has number of Tourist, Picnic Spots and Beaches. Konkan Railway, National Highway and Ports.

- a. Literacy Rates; Literacy is a very important requirement of quality population. Obviously, only a well-educated citizen can make intelligent choices and undertake research and development projects. The literacy rate in the Karnataka as per the Census of 2001 is 66.60 per cent; 76.1 per cent for males and 56.9 per cent for females. But according to the Census of 2011 the literacy rate of Uttar Kannada District is 76.6 which is higher than the literacy rate of State.
- b. Schools Education Units; according to report published in District statistic report there around 6000 school in district which includes around 4000 school provide free education and promote education facilities. There are around 60 professional and non-professional colleges in district which offered different education scheme such as B.com, BSC. B.tech and Master Courses and around 4000 Student complete all professional courses in District.
- c. Employability and occupation; the employability and occupation of district is in agriculture around 65% of people engage in farming and Cultivation. Around 12% of women employee works in factories and manufacturing industry and around 42% male employee worked in different area and around 20% of people are self-employed and around 21% of people worked in abroad in different countries.
- d. Industries; industry is most important source of revenue for economic development of countries and development of any state or district. There are around 14813 industrial units established under which around 9543 unit are registered and around 75613 daily workers employed. Some the industries include manufacturing unit and agro based as well as small and medium scale. Around 28395 lakhs of turnover of these industries which contribute around 0.6% of state GDP.



- e. Natural Resources; the abundant availability of Forest products, Mineral resources, Fruits and Medicinal Plants has attracted several large investors to go in for Large & Medium Industries. The West Coast Paper Mill at Dandeli of Haliyal Taluk which uses Bamboo in large quantity produces Paper & Paper Boards of export quality. West Coast Paper Mill with an investment of Rs. 16100.00 lakhs has not only provided employment to 2081 persons but also generated several types of jobs in service sector.
- Ballarpur industries Binga-Karwar in addition to its major product Caustic Soda produce Chlorine & Phosphoric Acid. This unit is popularly known as Bilt is having investment of Rs. 2600/- lakhs providing jobs for 694 persons is also responsible for the promotion and support for Automobile Industries & Engineering Industries.
 - Dandeli Ferro Alloys whose main raw material is manganese is manufacturing good quality Ferro Alloys. The western fruit vegetables Banavasi Sirsi with an investment of Rs. 350/- lakhs have employed nearly 100 persons.
 - The units are manufacturing Fruit Concentrates and Pulps. Although their consumption is substantial but still lot of surplus horticulture products are available for projects likely to come in the near future.
 - There is no dearth for the medicinal plant in the District. Though there are several Tiny Industrial units processing medicinal plant, The Ganya Chemical Agasur, Ankola project with an investment Rs. 244/- lakhs is engaged in the production of several Herbal Medicines having huge demand in local market.
 - Medium & Large Scale Industries has Investment of Rs 42384 lakhs and providing direct employment to. 4496 persons.
- f. Other Resources; being coastal, district has abundant resources and means for resources for industrial development and trade. Tiny and Small Scale Industrial existing in District shows that 5836 Tiny & Small Scale Industrial Units have been registered with an investment of Rs.11, 473-26 lakhs providing employment opportunity to 33988 persons. Food and Beverages Industry is major activity of the District 1351 Tiny & SSI units of Food & Beverages with an investment 10/- lakhs providing employment to 8937 persons. Rice Mill, Phova Mill Processing, Soft Drinks & Ice cream units have provided an opportunities as well as promoted several micro enterprises. Dandeli Teak Wood and Yellapur Rose Wood which has strength commands huge demand for furniture. There are 722 Wood Based units with an investment of Rs. 1003/- lakhs providing an employment to

3901 persons. Several Saw Mills, Furniture units have come up in the recent years so as to meet growing demand for furniture. There are 149 Print & Stationery units with; investment of Rs.577/- lakhs providing an employment to 1049 persons. Glass & Ceramics, there are 201 Glass & Ceramic Tiny & SSI Units in the District with an investment of Rs. 109/- lakhs providing an employment to 2660 persons. Uttara Kannada Tiles are known for their quality at reasonable price. Availability of suitable Clay, Fire Wood and hot climate helped these industries to invest nearly Rs. 900/- lakhs and employing about 2600 persons. Jewelry, Uttara Kannada District is known for renowned Gold & Silver Artisans. In Karwar Town itself there are about 1500 Goldsmith families engaged in production of Gold & Silver Ornaments. Service Units, there are 747 Tiny Units with an investment of Rs.1001/- lakhs providing an employment to 2850 persons which are engaged in Job work, Repair & Servicing. Engineering & Fabrication, about 312 Tiny & SSI Units with an investment of Rs.802/- lakhs providing an employment to 2009 persons are engaged in Engineering & Fabrication Industries.

7. Findings : Based on the study following are the findings;

- The overall performance of Karnataka State is good and well going. The Uttar Kannada District has very constructive contribution in the leading economy of the State.
- The literacy rate of Uttar Kannada District is 76.6 which is higher than the literacy rate of State. Hence it is main power-house to generate more business to the State.
- District has around 6000 school in that around 4000 school provide free education and promote education facilities. There are around 60 professional and non-professional colleges in district. Such facilities in the District certainly improve the quality of the population and that will work as business dynamo in the District.
- The main point to be noted is that, District is full of industries, around 14813 industrial units established and registered and 75613 persons are employed.
- The very significant finding is that, these industries has turnover of Rs.28395/- lakhs, which contribute around 0.6% of state GDP. It clearly indicates the dynamo in business by the quality population.
- Due to the coastal belt almost 144 kms it has abundant natural resources and forest area. And it has influence of migration to gulf countries which bring more job opportunities and better purchasing power.
- The increased per capita income, literacy rate, migration,



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urbanization, increasing number of industries and investment is due to the quality population, which working one of the very important factor to bring more business.

- It is found that, the potential and scope of employability in Uttar Kannada District is beyond expectation and essentially giving one of the best leverage for quality population and infuse enhancing business dynamo.

8. Conclusion : In this study, it has been revealed that, population has power to gear economy and quality population certainly a dynamo for perennial business and overall development and progress. Quality Population means, well educated, knowledgeable, better income, high standard of living, good life style, healthy practices, good average age, etc., is a power-house and a strength which is being played a vibrant and catalyst role for dynamo of business in Uttar Kannada Dist.

It can be concluded that, quality population is not curse, not a bog and not a cause for dragging the economy but an opportunity, strength and source to increase business and development of a State. Due to the quality population in Uttar Kannada Dist. is growing in all sector particularly education, trade and social-economy fold. Every source is being used at optimum level since the users (population) is qualitative and has applied skill and knowledge to get more of resources.

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Software Patenting and Copyright Infringement in Indian Context

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Abstract : *The explosive growth of web sites and mobile applications have been changing the technology landscape in the past couple of years. By obtaining patent protection software developers who develop new creative software solutions can assert an exclusive right to a faction system, process or method of operation. Copyright laws enable software developers to protect an expression of an idea, but not the idea itself. Patent law gives a patentee exclusive right to the underlying process and invention features, it gives a robust mechanism to protect the actual invention expressed in the source code and the object code. The growing economic significance of computers and computer programs gives software patents and copyrights this controversial status. The computer program is not defined under the patent laws in India, but the Indian Copyright Act, 1957 grants protection to original expression and computer software is granted protection as a copyright unless it leads to a technical effect and is not a computer program per se and algorithms. The developed countries are having a very good amount of quality, quantity and value of the patents as Indian patent and copyright laws should also be modified and the patentee and the copyright holder should get the real benefit of his invention.*

Keywords : *Software, Patents, Copyright, Contract laws, Computer programs.*

1. Introduction : India is well known for its software industry, which has grown exponentially in a short space of time. According to NASSCOM India IT and BPO industries generate annual revenues of around US\$60 billion, the bulk of which is exported. The current examination guidelines of the Indian patent office on software sound similar to the traditional European approach which the European Parliament reconfirmed in 2003.

Patent : The term "Patent" has its origin from the term "Letter Patent". This expression 'Letter Patent' meant open letter and were instruments under the Great Seal of King of England addressed by the Crown to all the subjects at large in which the Crown conferred certain rights and privileges on one or more individuals in the kingdom.

A patent is a set of exclusionary rights granted by a state to a patent holder for a limited period of time, usually 20 years. These rights are granted to patent applicants in exchange for their disclosure of the inventions. Once a patent is granted in a given country, no person may make, use, sell or import/export the claimed invention in that country without the permission of the patent holder. Permission, where granted, is typically in the form of a license which conditions are set by the patent owner: it may be gratis or in return for a royalty payment or lump sum fee.

Patents are territorial in nature. To obtain a patent, inventors must file patent applications in each and every country in which they want a patent. For example, separate applications

must be filed in Japan, China, the United States and India if the applicant wishes to obtain patents in those countries. However, some regional offices exist, such as the European Patent Office (EPO), which act as supranational bodies with the power to grant patents which can then be brought into effect in the member states, and an

International procedure also exists for filing a single international application under the Patent Cooperation Treaty (PCT), which can then give rise to patent protection in most countries.

2. Software Patenting : With respect to patentability of software-related inventions, it is currently one of the most heated areas of debate. Software has become patentable in recent years in most jurisdictions (although with restrictions in certain countries, notably those signatories of the European Patent Convention or EPC) and the number of software patents has risen rapidly.

In the later part of the 19th century new inventions in the field of art, process, method or manner of manufacturing machinery and other substances produced by manufacturing were on increased and the inventors became very much interested that the inventions done by them should not be infringed by anyone else by copying them or by adopting the methods used by them. To serve the interests of inventors the then British rulers enacted the Indian Patents and Designs Act, 1911.



The concept of "intellectual property" in India over the last few years has taken on some epic proportions for a number of reasons. One of the primary reasons, attributable to the growing awareness among the urban Indian population, is of the significance and, more importantly, the commercial benefits of protecting its intellectual property rights both within and outside India. And under traditional principles of intellectual property protection, patent law is to encourage scientific research, new technology and industrial progress. The fundamental principle of patent law is that the patent is granted only for an invention, i.e. new and useful they said invention must have novelty and utility. The grant of patent thus becomes of industrial property and also called an intellectual property. And the computer software is a relatively new recipient of patent protection.

The term "software" does not have a precise definition and even the software industries fail to give a specific definition. But it is basically used to describe all of the different types of computer programs. Computer programs are basically divided into "application programs" and "operating system programs". Application programs are designed to do specific tasks to be executed through the computer and the operating system programs are used to manage the internal functions of the computer to facilitate use of the application program.

Though the term 'Software patent' does not have a universally accepted definition. One definition suggested by the Foundation for a Free Information Infrastructure is that a software patent is a "patent on any performance of a computer realized by means of a computer program".

According to Richard Stallman, the co-developer of the GNU-Linux operating system and proponent of Free Software says, "Software patents are patents which cover software ideas, ideas which you would use in developing software".

That is Software patents refer to patents that could be granted on products or processes (including methods) which include or may include software as a significant or at least necessary part of their implementation, i.e. the form in which they are put in practice (or used) to produce the effect they intend to provide.

3. Copyright and Patent Conceptual differences :

Software has traditionally been protected under copyright law since code fits quite easily into the description of a literary work. Thus, Software is protected as works of literature under the Berne Convention, and any software written is automatically covered by copyright. This allows the creator to prevent another entity from copying the program and there is generally no need to register code in order for it to be copyrighted. While Software Patenting has recently emerged (if only in the US, Japan and Europe) where, Patents give their owners the right to prevent others from using a claimed invention, even if it was independently

developed and there was no copying involved.

Further, it should be noted that patents cover the underlying methodologies embodied in a given piece of software. On the other copyright prevents the direct copying of software, but do not prevent other authors from writing their own embodiments of the underlying methodologies.

The issues involved in conferring patent rights to software are, however, a lot more complex than taking out copyrights on them. Specifically, there are two challenges that one encounters when dealing with software patents. The first is about the instrument of the patent itself and whether the manner of protection it confers is suited to the software industry. The second is the nature of software, and whether it should be subject to patenting.

However, the issues involved in conferring patent rights to the software are a lot more complex than taking out copyrights on them. Specifically, there are two challenges that one encounters when dealing with software patents. The first is about the instrument of the patent itself and whether the manner of protection it confers is suited to the software industry. The second is the nature of software and whether it should be subject to patenting.

Different Subject Matters : Copyright protection extends to all original literary works (among them, computer programs), dramatic, musical and artistic works, including films. Under copyright, protection is given only to the particular expression of an idea that was adopted and not the idea itself. (For instance, a program to add numbers written in two different computer languages would count as two different expressions of one idea) Effectively, independent rendering of a copyrighted work by a third party would not infringe the copyright.

Generally, patents are conferred on any 'new' and 'useful' art, process, method or manner of manufacture, machines, appliances or other articles or substances produced by manufacture. Worldwide, the attitude towards patentability of software has been skeptical

Who may claim the right to a patent /copyright? :

Generally, the author of a literary, artistic, musical or dramatic work automatically becomes the owner of its copyright. The patent, on the other hand is granted to the first to apply for it, regardless of who the first to invent it was. Patents cost a lot of money. They cost even more paying the lawyers to write the application than they cost to actually apply. It takes typically some years for the application to get considered, even though patent office's do an extremely sloppy job of considering.

Rights conferred : Copyright law gives the owner the exclusive right to reproduce the material, issue copies, perform, adapt and translate the work. However, these rights are tempered by the rights of fair use, which are available to



the public. Under "fair use", certain uses of copyright material would not be infringing, such as use for academic purposes, news reporting, etc. Further, an independent recreation of a copyrighted work would not constitute infringement. Thus, if the same piece of code was independently developed by two different companies, neither would have a claim against the other.

A patent confers on the owner an absolute monopoly which is the right to prevent others from making, using, offering for sale without his/her consent. In general, patent protection is a far stronger method of protection than copyright because the protection extends to the level of the idea embodied by software and injects ancillary uses of an invention as well. It would weaken copyright in software that is the base of all European software development, because independent creations protected by copyright would be attackable by patents. Many patent applications cover very small and specific algorithms or techniques that are used in a wide variety of programs. Frequently the "inventions" mentioned in a patent application have been independently formulated and are already in use by other programmers when the application is filed.

Duration of protection : The TRIPS agreement mandates a period of at least 20 years for a product patent and 15 years in the case of a process patent. For Copyright, the agreement prescribes a minimum period of the lifetime of the author plus seventy years.

Jurisdictions of Software Patenting : Substantive law regarding the patentability of software and computer-implemented inventions, and case law interpreting the legal provisions, are different under different jurisdictions.

Software patents under multilateral treaties:

- Software patents under TRIPs Agreement
- Software patents under the European Patent Convention
- Computer programs and the Patent Cooperation Treaty

Software patenting under TRIPs Agreement : The WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), particularly Article 27, are subject to debate on the international legal framework for the patentability of software, and on whether software and computer-implemented inventions should be considered as a field of technology.

According to Art. 27 of the TRIPS Agreement, patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application. (...) patents shall be available and patent rights enjoyable without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced."

However, there have been no dispute settlement procedure regarding software patents. Its relevance for patentability of the computer-implemented business methods, and software information technology remains uncertain, since the TR agreement is subject to interpretation.

Software patents under the European Patent Convention

: Within European Union member states, the EPO and other national patent offices have issued many patents on inventions involving software since the European Patent Convention (EPC) came into force in the late 1970s. Article 52 EPC excludes "programs for computers" from patentability (Art. 52(2)) to the extent that a patent application relates to a computer program "as such" (Art. 52(3)). This has been interpreted to mean that any invention which makes a non-obvious "technical contribution" or solves a "technical problem" in a non-obvious way is patentable even if a computer program is used in the invention. Computer-implemented inventions which only solve a business problem using a computer, rather than a technical problem, are considered unpatentable as lacking an inventive step. Nevertheless, the fact that an invention is useful in business does not mean it is not patentable if it also solves a technical problem.

4. Computer programs and the Patent Cooperation Treaty

Treaty : The Patent Cooperation Treaty (PCT) is an international patent law, treaty, which provides a unified procedure for filing patent applications to protect inventions. A patent application filed under the PCT is called an international application or PCT application. Under the PCT, the international search and the preliminary examination are conducted by International Searching Authorities (ISA) and International Preliminary Examining Authority (IPEA).

Current Trend : However, before we start hailing the advent of a new era and equating the patenting of software in India it would be well worth our while to take a pause and examine the realities of software patenting. We could do this by looking at examples of countries in which software patenting has already become the order of the day, such as in the US and Japan

United States : The United States Patent and Trademark Office (USPTO) have traditionally not considered software to be patentable because by statute patents can only be granted to "processes, machines, articles of manufacture, and compositions of matter". i.e. In particular, patents cannot be granted to "scientific truths" or "mathematical expressions" of them. The USPTO maintained the position that software was in effect a mathematical algorithm, and therefore not patentable, into the 1980s. This position of the USPTO was challenged with a landmark 1981 Supreme Court case, *Diamond v. Diehr*. The case involved a device that used computer software to ensure the correct timing when heating, or curing, rubber. Although the software was

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the integral part of the device, it also had other functions that related to real world manipulation. The court then ruled that as a device to mold rubber, it was a patentable object. The court essentially ruled that while algorithms themselves could not be patented, devices that utilized them could.

But in 1982 the U.S. Congress created a new court, i.e. the Federal Circuit to hear patent cases. This court allowed patentability of software, to be treated uniformly throughout the US. Due to a few landmark cases in this court, by the early 1990s the patentability of software was well established. Moreover, several successful litigations show that software patents are now enforceable in the US. That is the reason; patenting software has become widespread in the US. As of 2004, approximately 145,000 patents had issued in the 22 classes of patents covering computer implemented inventions.

Japan : Software is directly patentable in Japan. In various litigations in Japan, software patents have been successfully enforced. In 2005, for example, Matsushita won a court order barring Just system from infringing Matsuhita's Japanese patent 2,803,236 covering word processing software.

Indian Position : With respect to computer software, in Patents (Amendment) Act, 2002, the scope of non-patentable subject matter in the Act was amended to include the following: "a mathematical method or a business method or a computer program per se or algorithms".

However, the recent amendment changes (Ordinance, 2004), which amends the Patents Act, 1970, has been promulgated after receiving the assent of the President of India and has come into effect from 1st Jan., 2005. Apart from change in pharmaceuticals and agro chemicals, one of the seminal amendments this Ordinance seeks to bring is to permit the patenting of embedded software.

Hence, the amendment means that while a mathematical or a business method or an algorithm cannot be patented, a computer program which has a technical application in any industry or which can be incorporated in hardware can be patented. Since any commercial software has any industrial application and all applications can be construed as technical applications, obviously it opens all software patenting.

In any case, any company seeking to file a patent application for software under the Ordinance should ensure that its invention firstly, follows the three basic tests:

- Inventive Steps
- Novelty
- Usefulness

Therefore, it is important that the software sought to be protected is not merely a new version or an improvement over an existing code.

Further, in accordance with the specific requirements of the Ordinance with regard to patentability of software, the software should necessarily have a technical application to the industry or be intrinsic to or "embedded" in hardware. This is to prevent against any future litigation or claims of infringements being raised, which is a distinct probability even after a patent has been granted.

5. Conclusion : India for its part seems to have adopted the more conservative approach of the European patenting norms for software. But the Ordinance definitely has its use and relevance in today's India, particularly for our growing domestic semi-conductor industry. This, along with judicial tampering might definitely ensure a judicious use of patent protection while allowing the industry to grow through innovations and inventions, thereby, mitigating the risks of trivial patents chocking the life out of real innovations and inventions. This is the reason a patent should always be treated as a "double edged sword", to be wielded with caution and sensitivity. Now, whether, in reality this will be implemented on a rigid basis or will become broader in scope through application (as in the U.S.), and, more importantly, whether the Ordinance would, in fact, result in increased innovation and inventions in the software industry, remains to be seen.

The developed countries are having a very good amount of quality, quantity and value of the patents. Comparing the developing countries they still on progress there is improvement in their quantity, but the factors like quality and value are still having a great difference with the low achievement in independent innovation and being the follower of powerful countries which no such self conducting policies.

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A Review of Sales Call Effectiveness in the Pharmaceutical Industry

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Abstract : In the era of intense competition companies are looking for ways to increase productivity, Market share and growth. The pharmaceutical industry is currently undergoing a number of key changes brought about both by developments within the industry relating to new technologies increased competition and continuous change in the promotional activities. As a result of the changing dynamics of the pharmaceutical industry and changing needs of the physician, increasing sales force ROI (Return on investments) is a key driver of success in the pharmaceutical industry. Pharmaceutical companies are required to continuously optimize their sales force resources and effectiveness as they tighten their focus on profitability as well as revenue growth. Dearth of new products, difficulty in selling high volume brands lack of potential block buster molecules, increasing cost of sales force and promotion has changed the present pharmaceutical selling scenario. Companies need to refocus on real sales force effectiveness and analyze this to ensure that they are delivering the right messages to the right target audiences, at the right time, with the right influencing behaviors. Only by doing this, will real returns be possible from the sales force without wasting resources and making optimum use of the available resources. Two key strategies are used by the pharmaceutical companies to increase doctors exposure to product and brand messages, a Coverage strategy in which the maximum number of right doctors are seen with the right product/brand messages, And a frequency strategy which aims to ensure that these doctors are seen the right number of times to reinforce the messages and influence prescribing decision. This review is an effort to understand the effective method of ensuring the productivity of a sales call and it was found that the most productive and effective method includes the focus on the pre call analysis and focus on the after sales call services to be provided to the prescriber which will result in ensuring the maximum mileage for the companies for getting maximum returns in the promotional efforts made by their field force. A model method of achieving the same also has been discussed.

Keywords : Contact Mgmt. Systems, Sales Pipeline tracking, Sales Organisation design framework.

1. Introduction : For as long as there have been salespeople engaged in the act of selling products or services, there have been three basic phases of the sales process – before the sale takes place, during the actual sale, and after the close. And for as long as this has been going on, the vast majority of salespeople and sales organizations have focused most of their time, energy, and effort on what happens in the during the sale, when they're trying to get the client to prescribe or buy. These basic principles are also applicable to the pharmaceutical industry.

This almost exclusive focus on the during stage is proving to be a major mistake! Overwhelming research is showing that only salespeople and sales organizations who learn to bring excellence to the before and after stages of the sales process are going to survive and thrive in an ever more competitive sales environment.

This is not to say that the during stage isn't important, of

course it's critical to get the client to actually buy, but it's not as important as how clients are approached prior to the sale – how they're educated, challenged, and led; and how salespeople partner with prescribers after the sale – how they're worked with to maximize their investment and not only buy much more from the salesperson, but then become "raving advocates" and actively seek out other prospects for the sales organization.

Unfortunately, most sales managers, salespeople and sales organizations are stuck in the old style of thinking. Managers mainly focus on the sales call itself -- "did we close the deal or not?" They pay little attention to what happens prior to the call - how their people are preparing, how prospective clients are approached, how they're being educated and whether or not the sellers are presenting unique perspectives that challenge the client. Further, they pay even less attention to what happens with the prescriber after the call



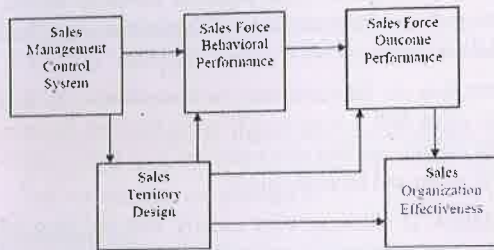
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how prescribers are engaged, how they're maximizing the partnership, and is there effective networking and referral? And all this "now or nothing" behavior is backed by the sales training and coaching programs that support

The industry. Most of the training books and audio/video programs, along with trainers and coaches, put the main focus on how salespeople need to act and perform during the sales call.

The evidence for the need to change is very clear. As all products and services become more of a commodity buy, and the marketplace becomes even more competitive and volatile, only those salespeople and sales organizations that recognize this shift and learn to switch their focus to the two most important areas, before and after the sale, are going to survive and thrive.

Figure 1. Sales organization design framework.



1. Sales organization design framework.

2. Review of Literature : Awareness of the predictors of sales organization effectiveness is critical to the

Pharmaceutical industry in the context of increasing competition, pressures to control costs, and the rising costs of sales. Seget (2004) posited that while sales revenue growth has been under pressure from cost-containment measures, generic competition, rising research and development costs, and merger and acquisition investments, pharmaceutical companies' commercial expenses have increased, both in absolute terms and as a proportion of total sales. Seget noted that total promotional expenses of pharmaceutical companies in the U.S. increased as a proportion of sales revenues from 9.7% in 2000 to 11.9% in 2003.

Despite changing market dynamics, decreasing revenue growth, and rising commercial expenses, limited empirical data are available within the pharmaceutical industry about the predictors of sales organization performance and effectiveness. Past research about sales management (Churchill et al., 1985; Mount & Barrick, 1995; Vinchur et al., 1998) focused on understanding and improving sales organization performance and effectiveness by assessing the characteristics of individual salespersons

Performance in other industries. These studies have not clarified the factors that influence sales organization performance and effectiveness.

Consequently, an expanding body of research has focused on the importance of situational contingencies such as systems of sales management control and territory design choices (Grant & Cravens, 1996). These studies suggested that such situational contingencies may act as moderators and/or predictors of sales organization performance in economic organizations (Babakus et al., 1996; Cravens et al., 1993; Darmon, 1993; Ganesan et al., 1993; Grant & Cravens, 1996; Oliver & Anderson, 1994; Piercy et al., 1999; Weitz et al., 1986).

3. Research Problem & Methodology : In the process of selling a product to prescribers, there are always three stages: before the sale, during the sale, and after the sale. The amount of time and number of steps involved in each of these areas varies depending on what is being sold and the industry. The interesting dynamic we'll address in this report is that salespeople (and the sales organizations they represent) focus almost exclusively on the during the sale stage, while prescribers place the majority of their focus on the stages before and after the sale.

The reasons for the differences in areas of focus are easy to understand – salespeople focus on moving their products or services, which happens during the sale. Prescribers are interested in the before the sale stage; what the need, what they can learn about suppliers, in other words their condition before anything takes place (with their problems and needs, etc.). They are also clearly interested after the sale; which is where their life could be in the future (when they get their supposed "fix" and start putting it to use).

It's pretty clear and simple - Prescribers focus on the before and after, and sellers focus on the during stage. And it's within this difference in focus where we find the problem and the opportunity. It's a problem for 95% of salespeople and sales organizations because they never become enlightened enough to understand these fundamental differences, and it's a great opportunity for the 5% of enlightened sales organizations who recognize it and learn how to adjust the way they sell in order to dominate and own their markets.

While this is a simple problem and opportunity to understand and grasp, it's much more difficult for salespeople and sales organizations to gain awareness of it, and subsequently to change the way they approach the sales process. But change they must, for research is showing us that as the market tightens and becomes more competitive, prescribers will become even more focused on the before and after stages, and salespeople and sales organizations who won't change will be left far behind.

4. Discussion : Sales Process: Before, during and after the sales call: Before we dive further into the problem let's review exactly what the before, during, and after stages entail. The following lists outline most of the various stages within the sales and customer experience processes:



Before the Sale:

1. Who the best prospective clients are and what is being offered
2. How potential clients are communicated with prior to engagement
3. How potential clients are initially approached
4. What are the "influencing agents" required to sell the client?
 - What is communicated?
 - How it is communicated?
1. How potential clients are being led, educated about trends and competition, and pushed outside the box with unique perspectives
2. Defining the "mini-steps" in the sales process for moving clients through the sales pipeline

During the Sales Call (meeting with the prescriber)

1. How sales calls are conducted
2. Control of each stage of a call.
3. Questioning and listening strategies
4. Presentation and proposal development
5. Discussing prices
6. Closing and negotiating
7. Follow-up after the sales call.

After the Sale :

1. How the customer is "profit-max profiled" at the point of sale
2. How the partnership is developed for maximizing the client's benefit of the product or service
3. How sales and operations work together when implementation starts
4. How networking is done to create maximum referral potential

Why Sales Managers and Salespeople Focus Mainly on What Happens During the Sales Call

It's pretty easy to understand why sellers put so much focus on what happens during the call and not so much on before or after; because it's during the sale when the customer is won and prescriptions received. It's also what everyone in the sales organization from top to bottom is judged on and rewarded on: "How much did you sell today?"

Plainly put, the "during the sale" process is all about the seller and the sales organization, and how much product or service is being sold to the client.

It is not so that companies and individuals should stop asking that question, and focusing on what happens in the call, we're suggesting that they don't do it at the expense of

what happens in the before and after stages.

It is suggested that companies will improve the before and after stages; they'll not only be more in line with what the customers want and will demand, but it will only make during stage that much easier and more efficient.

Or to put it more bluntly, if companies don't start paying more attention to how before and after are done, there will be a during stage!

The Competitive Market place : Nearly every business has seen a dramatic increase in competitive forces. This is particularly true in the professional services fields, where there are low barriers to entry, and more people being downsized from larger corporate players.

With an increase in competition, buyers are able to select from several similar options which leads to a comparison primarily based on price. This leads to pressure on the salesperson and sales organization to keep lower prices and reduce profit margins.

The bottom line to this increase in competition is that salespeople must find a way to sell value beyond features and benefits (which are like everyone else's) if they want to gain market share and increase profit.

Recent research is showing very clearly that the type of salespeople who are winning, and will win in the future, are salespeople who do more than analyze a client's condition (because there are many salespeople who do that), form good relationships (not an unusual skill), and know how to present their features and benefits (again, they're not alone). Salespeople who win are salespeople who practice the following:

They put more focus on the before the sales call stage

1. Doing more thorough research on the potential prescriber and their business
2. Their analysis goes beyond where the prescriber is now, and looks deeper into hidden problem and opportunity areas
3. They arrive with new ideas, new prospective, and new information that can help the potential client become more successful
4. They separate themselves clearly by what they do to get a prospect's attention, and communicate their distinct differences.
5. They have a mini-stepped sales process that features action-oriented steps for prospects to take early on in order to be educated and led in a comfortable fashion that locks them into the seller's system

They guide and lead prescribers through the buying process vs going along with whatever process the client may have in mind



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1. They don't worry about being nice and "building a relationship" by just doing what the clients wants (which doesn't really endear sellers to buyers, they just think it does), they realize that relationships will be formed by effectively working together with the prescriber to meet their needs and help them succeed... which means leading the prescriber to the close.
2. They particularly separate themselves in the after the sale area by truly partnering with prescribers in order to maximize the relationship
3. Creating a special buying experience at the time of purchase
4. Executing a clean transition from seller to customer experience professionals
5. Developing customer-focused "owner's manuals" that help customers share ownership of effective execution
6. Create maximization programs to ensure the customer is beyond "satisfied" and will become a raving advocate
7. Fully maximize the relationship for on-going sales
8. Create an effective networking relationship with the prescriber that leads to a steady flow of referrals. We can summarize the process as,

Before the Sale:

1. This is much deeper than "do research about the customer and prescriber"
2. Prepare to share new ideas and new information
3. Prepare expert-level materials to enforce the teacher, leader, unique perspective positioning.
4. Prepare questions in your prescriber needs analysis that expose unknown problem areas and opportunity areas that match your unique selling features
5. Create a mini-stepped process that educates, affirms, calms, guides, tests prescribers throughout the process

After the Sale:

1. This is much deeper than "provide good customer service"
2. Take ownership of the partnership the sale created
3. Work with the client to educate them on use of your product or service and maximize their experience
4. Create customized "post buy" implementation strategies to ensure all systems are working with the client
5. Fully profile the client's internal network to help maximize the purchase and to build an expansion plan
6. Create a more purposeful networking and referral creating machine

7. Create a customer feedback loop to ensure ongoing communication with the customer

The 10 Critical Steps (Before and After Sales call).

1. Where are you now and where do you want to go?

- a. Assess where you are now and how far you have to go
 - i. What is the current state of your culture?
 - ii. What is the current state of your people? Management, sales, operations, service, etc.
 - iii. What is the current state of your systems?
 - iv. What is the appetite for change?
- b. Where do you want to go and what are you willing to do to change?
 - i. Set goals and own those goals
 - ii. Where do you want to be?
 - iii. Why do you want to be there?
 - iv. What will life be like when you get there?

2. Create a standard needs analysis that everyone must use

- a. Don't worry about detailed questions or steps yet
- b. Focus on implementing it in a consistent way so that that everyone uses it

3. Create questions that will challenge the prescriber, find hidden problem areas, and expose new opportunities

- a. Must question in the direction of your unique selling propositions
- b. Research the client's business and industry trends
- c. Be prepared to teach them something new

4. Develop documents and materials to take the "expert position"

- a. Create educational content – books, ebooks, white papers, point of view statements, audio/video content

5. Create a "mini-stepped" process for teaching, leading, guiding the prescriber through the sale

- a. Steps that educate
- b. Steps that clarify and guide the client through the process while locking them down

6. Create a check-list of what needs to happen from the moment of signature to implementing the longer-term customer support program

- a. Don't allow for random customer fulfillment
- b. Turn the steps into a process that happens every time

7. Develop a structured customer support program

- Create follow-up steps
- Make these steps tangible and share them with the prescriber.

8. Develop a customer feedback loop

- Plug prescribers into a process of gathering feedback
- Develop a customer review board

9. Create a customer expansion plan that includes a referral-creating-engine

- Make it easy and worthwhile for prescribers to refer other business
- Plug prescribers into a network of other customers

10. Focus on implementation.

5. Conclusion : Even though research is clearly showing that sellers can't focus only on the during stage, it is very difficult for sales organizations to make the switch to focus on before and after stages. A major reason for this struggle is because of the inherent interest in closing the deal at hand, as we mentioned earlier, and getting paid. But there is more to why making the switch is a challenge. Many organizations are run by management who've come up through legacy sales, and the organization has been built with their "old school" ways. Contact management systems and sales pipeline tracking tools have been built with "old school" sales processes in mind, so making the switch to tracking new items requires massive re-education, new computer systems, new procedures, and new levels of understanding. In order to be effective selling from a "thought-leader" position, organizations have to create new idea outlines and new prospective pieces, such as - ebooks, and expert points of view. These take talent, time, and effort and most companies won't make the investment. Companies have to invest in the post-buy process and the people associated with delivery and customer service. Most companies aren't used to making this investment and aren't sure how to properly execute what is needed to make it possible.

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Social Entrepreneurship and its Role in Economic Development

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Abstract : *The economic development of any country is dependent on various factors like the poverty, employment, industrial development, its infrastructural development and many more others. With the objective of rapid and stable economic development the government stresses on generating the entrepreneurs. More entrepreneurs will be the entrepreneurs' faster will be the growth of the economy. Various countries have witnessed this over a period of time and therefore entrepreneurship is a concept which is of prime importance from economic perspective. Entrepreneurs' innovative ideas could either create a new industry or could enhance the role of existing industry. Entrepreneur's objective is to earn maximum profits through sustainable development. Economics, entrepreneurship combined with land, labour, natural resources and capital can produce prosperity. Entrepreneurial spirit is characterized by innovation and risk-taking, and is an essential part of a nation's ability to succeed in an ever changing and increasingly competitive global marketplace. So the entrepreneurs are one who observes the gap could be a problem in the economy and comes up with his innovative idea, whose ideas bear the fruit of profit and thus he grows and economy grows. The economic growth doesn't only focus on economic growth but also it includes the socio economic development. In a society there are many problems and challenges faced by the people. In adverse situations of the society there are some people who bounce back and provide a solution to resolve the issue. A society needs pragmatic visionaries who can tackle the challenges of poverty, social crisis such as health, environment, livelihoods, human rights etc. Such visionaries, who anticipate change, heal when breached, and have the ability to reorganize and maintain the core purpose, those who bounce back against the ill system, and adverse circumstances are nobody but called as a "Social Entrepreneurs". Today there is a growing need of social entrepreneurs in the world. But not many have understood the concept and tried to differentiate between social entrepreneurship and corporate social responsibility. The research paper will provide an insight to the various aspects related to social entrepreneurship. It also highlights the progress of social entrepreneurship in the developing countries like India. The study focuses on the specific cases of Indian Social Entrepreneur and their contribution in the economic development of the country. The study is based on secondary data analysis.*

Keywords : *economic development; entrepreneurship; social entrepreneurship; India.*

1. Introduction : The word development is used in many ways that its precise connotation is often baffling. Nevertheless a development essentially means an upward change whereby the real per capita income of the country increases over a long period of time. Entrepreneurship & economic development is closely interwoven. More are the entrepreneurial skills; more will be the economic growth. The fact is simple as that if the country possesses more number of entrepreneurs, more will be the growth of business sector or industries. India is a country which has skills in its human resource. In the words of A.P.J. Abdul Kalam- a country needs more entrepreneurs and researchers as they are the one who keeps the innovation alive by taking risk and challenges. The entrepreneurs have certainly proved that they are the benefactor to the economic growth.

For India to sustain the growth of GDP at 10% there is an increasing demand for entrepreneurial ventures with new strategies and core competencies to withstand the growing competition. Thus it is imperative that every country must have an entrepreneur and an entrepreneurship.

To understand the role of entrepreneurship in the process of economic development, it is necessary to understand the two terms Entrepreneur and entrepreneurship. An entrepreneur is a catalyst to change. The entrepreneur possesses the leadership qualities, dynamism, tenacity, patience and perservance. They are passionate about their dreams and vision. An Entrepreneurship is the act of becoming an entrepreneur. The most obvious form of entrepreneurship is that of starting new businesses (referred as a start-



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company). For a country like India there is a tremendous scope for growth. We have all requisite technical and knowledge base to take up the entrepreneurial Challenge.

However in recent years the term entrepreneurship has been extended not only for the entrepreneurs who convert their ideas into profitable ventures but had also been used for those people who have an idea to change the adverse issues in the system. In a country with a giant economies only development at a commercial end is not sufficient to call it to be an economically developed country. In recent years there are lots of social issues like health, hygiene, environment, livelihoods, and human rights etc. demands immediate attention. There are some people in a society who bounce back on these adverse situations, take risks of bringing up a change in the system. They are too the innovators, risk takers, leaders, motivators. They possess all possible characteristics which an entrepreneur possesses. They are also the catalyst of change in a social sector. Some such people are called to be as a "Social Entrepreneur". And the manner in which the idea is converted into a venture is "Social Entrepreneurship."

2. Objective of the study & Research Methodology :

The research paper is based on the secondary data analysis. The different sources of secondary data are books, magazine, journal, newspaper articles and internet.

The paper considers social entrepreneurship as a principal agency of social transformation. The social entrepreneurs are playing the role of catalyst for expediting the process of social and economic advancement with a purpose to be achieved.

The paper has following objective

- To study the various aspects related to social entrepreneurship.
- To study the progress of social entrepreneurship in the developing country like India.
- To study some specific cases of Indian Social Entrepreneur and their contribution in the economic development.

3. Global Perspectives on Social Entrepreneurship:

Social Entrepreneurship : The concept of social entrepreneurship is gaining popularity in the recent times. Social entrepreneurship has emerged as a global phenomenon in the context of these social and environmental demand and supply side developments. Driven by a new breed of pragmatic, innovative and visionary social activists and their networks, social entrepreneurship borrows from an eclectic mix of business, charity and social movement model to reconfigure solutions to community problem and deliver a sustainable social life. There has been an unprecedented wave of growth in last ten years. Social Entrepreneurship is

proving not only to be highly effective at delivering social impact but also highly efficient.

Social Entrepreneurship is a work of a social entrepreneur. A social entrepreneur is someone who recognises a social problem and uses entrepreneurial principles to organise, create and manage a venture to make a social change. Social entrepreneurs are most commonly associated with the voluntary and not-for-profit sectors. Social Entrepreneurship is the process of bringing about a social change on a major scale. It function as an agents of change, questioning the status quo, grabbing new yet overlooked opportunities, and changing the world for the better. Social entrepreneurship combines the social mission with an image of business like discipline, innovation and determination commonly associated with the development and sustainability of a society.

The term social entrepreneurship may be new but the phenomenon of helping society with some social mission is not new. Organisations named Ashoka and Schwab pioneered the term social entrepreneurship. They both operate internationally and have been developing forms of support for people. In India we have people like Mother Teresa, Medha Patkar, Anna Hazare, Vinoba Bhave, Kiran Bedi, Nafisa Ali and many more have contributed to the social development of the economy. Today the social mission of the people gets converted into a not for profit venture or an organisation that is the reason why a term is important which implies a sectoral boundaries. The new term had helped to broaden the horizon of social mission and thus is the concept of social entrepreneurship. Still today social entrepreneurship is a topic of research. No definition can be mentioned for social entrepreneurship.

If the key components of entrepreneurship and social entrepreneurship are so similar then what distinguishes social entrepreneurship to it's for profit cousin? The study simply highlights the one primary factor which is Motivation. For business entrepreneurs its money & for social entrepreneur it's driven by altruism. The truth is that the both the entrepreneurs are strongly motivated by the opportunity they identify, pursuing vision relentlessly, and deriving the rewards in return. Another critical difference is the value proposition. The business entrepreneur anticipates value out of the organised market that can afford the new product and thus can create financial profit. The social entrepreneur however neither anticipates nor organises to create substantial financial profit rather the social entrepreneur aims at the creating value in the form of transformational benefit. They concentrate on the significant segment of a society and mainly targets on the neglected, underserved or highly disadvantaged population that lacks the financial means.

This does not mean that social entrepreneur on a hard and fast



rule to reduce profit making proposition. Ventures created by social entrepreneur can certainly generate income, and they can be organised as for profit organisations. A social entrepreneur generally operates in a market which often does not provide the right discipline. The social entrepreneurs compete for volunteers and other kinds of support. So the success of a social entrepreneur totally depends on the motivation and how well they can assess the social value created by the venture.

Social Entrepreneurship different from Charity : Social entrepreneurship cannot be confused with charity. While charity reflects the benefactors compassion for human kind and is measured in terms of the generosity of donations to the less fortunate. The social entrepreneurship reflects more than the good intentions of its practitioners who are not only compassionate but are also compelled to fulfil the social mission. The charity is totally dependent on donors for its survival while the social entrepreneurship establishes an organisation which exists for a good cause, creates a social program which is innovative and sustainable. Charity is the work of rewarding people for demonstrating their love for mankind but social entrepreneurship is more about envisioning future and developing sustainable programs for the wellbeing of mankind in the long term. Charity is more about helping those who are in need but it doesn't lead directly to the economic development of the nation. While the Social Entrepreneur whose social organisation will help in generating employment, eradication of social ailments etc.

Social Entrepreneurship V/s Corporate Social Responsibility : Corporate Social Responsibility is a widely used term in business organisations. It mainly refers to the continuous commitment of business towards the society. It is the way through which the corporate shows their concern towards the society. In simple terms it is called to be as giving back to the society in return to what is taken from the society that is different resources, raw material etc. Corporate social responsibility also stresses on the sustainability of the new products and services. A social entrepreneurship on the other hand is about developing innovative programs irrespective of the fact whether the resources taken from the society or not. The corporate social responsibility is to a major extent is dependent on the management and the philosophy of the organisation. But a social entrepreneurship has to do nothing with the management and the culture; it is whole solely dependent on the vision and mission of a social entrepreneur. According to Mintzberg CSR is practiced by the corporate for its own sake.

Today most of the corporate have understood the fact that the survival of their organisation is dependent on the concept of corporate social responsibility. With the increasing competition and growing size of firm, the big conglomerate entities are adhering themselves to the Corporate Social

Responsibility. The organisations will need to work cohesively to support corporate social responsibilities.

The modern corporate today are trying to get the maximum out of both the entities. They have emerged up with a concept of "Corporate Social Entrepreneurship". Corporate social entrepreneurship emerges from and builds on three conceptual frameworks; Entrepreneurship, corporate entrepreneurship & social entrepreneurship. According to Wei-Skillern (2006) "Corporate Social Entrepreneurship is the process of extending firms' domain competence and corresponding opportunity set through innovative leveraging of resources, both within and outside its direct control, aimed at simultaneous creation of economic and social values." So a corporate social entrepreneurship aims to produce a significant and a comprehensive transformation of the way a company operates.

4. Indian Perspective on Social Entrepreneurship :

Social entrepreneurship in the Indian context can be divided into two areas; the one would be those who work with the government for the development of the society and bring in a suitable change like RTI, Lokpal movement, anti-corruption drive etc... The one who share the responsibilities of the government and works in that direction. While the other is the one who sees what is being not seen by the government...the gap in the society which a social entrepreneur observes. Today in India the youngsters at very early stages are willing to start up the venture of their own. The number of experienced employees quit their job at a high position settled abroad are willing to return to India and start a venture here. There is definitely a rise in the number of social entrepreneurs entering into with the objective of sustainability. In fact they are the corporate social entrepreneurs.

At this point of research study it is important to take a look into the Indian social entrepreneurs who have established not for profit ventures which have transformed into a profitable organization today.

Mahatma Gandhi: why Gandhi?? The Mahatma was a man obsessed with sustainability, being environment friendly, making the best use of local resources, growth of villages, promoting local industry, community driven initiatives. He had always promoted the khadi industry, self-reliance, women empowerment, panchayat raj and many more. If the vision is about the society and it's up liftment than it has to be Mahatma Gandhi.

In India the major contribution to propagate the concept of social entrepreneurship is by "Mohammad Yunus when his idea of Grameen Bank became successful in helping people to come out of poverty in rural Bangladesh. Yunus had developed his revolutionary micro credit system with a belief that it would cost and an effective weapon to fight poverty. The successful implementation had truly helped the



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will need to work people those in need to come out of it.

responsibilities. Another influential person who successfully established a social venture with a simple objective of helping people is Dr. Varghese Kurien – a father of milk revolution. His social project AMUL had changed the life of many people. It had transformed the entire village into a profitable venture. Though his objective was to help villagers in utilizing the resources in the best possible manner. Amul is the best example to highlight on the fact that how not for profit social programmes gets converted into a successful venture in future.

CRY (child rights and you) an organization formed by Rippa Kapur way back in 1970's was driven by the extraordinary dream to see a day when no Indian child would be deprived of rights as basic as survival, participation, protection and development. Rippa's passion and conviction drove CRY from simply a social programme to a successful organization. Rippa Kapur passed away in 1994 but his organization CRY is standing firm accomplishing his social vision.

Sanjeet Bunker Roy the founder of barefoot college. In 1965 Mr. Roy post graduated from St. Stephen College. Delhi. His life mission was to fight poverty and inequality thereon. He founded Social works and research Centre in 1972 which works to find ways to eradicate rural poverty. Through barefoot college he trained the villagers in handicrafts, education, healthcare, waste management etc.

Satyanarayan Gangaram Pitroda chairman, National Innovation Council. A social entrepreneur who worked for almost four decades in the area of telecom and information technology. He was a technology advisor to Mr. Rajiv Gandhi. Pitroda was a driving force in funding the social ventures that had helped country to go transformed into a technology advanced country today.

Nafisa Ali is a social activist from India she started a social programme of creating an awareness against AIDS. A care home was started by her named 'Ashraya' for people infected and affected with HIV/ AIDS. The care home provides holistic care and support to the HIV positive people. A documentary film titled "United against AIDS was made by her to spread the awareness against AIDS.

These are some of the stories of the social entrepreneurs whose ventures are now the successful business units. Not only these many youngsters of India also coming up with the innovative ideas on Social entrepreneurship.

Thus because of the responsible social entrepreneurs the 'not-for-profit' has become a successful business today. The contribution of the social entrepreneur is thus an important factor for the economic development of the country. Even though the country is commercially developed, the sustainability will be possible only when the society is developed.

5. Conclusion : It is true that management field still lacks the conceptual foundation in understanding the role of social

entrepreneurship in the society and explains the unique attributes of a social entrepreneurship when compared with the commercial entrepreneurship, charity work and CSR. In the modern economic system the market is based on capitalism with a varying level of government bureaucrats, because of which the social entrepreneurship is still lacking behind. An effective functional system is required to promote the social entrepreneurship in a country. The commercial organizations are more focused and concerned only with the maximization of profit beyond thinking of what is acceptable by the society. They exploit resources to earn profits.

Social Entrepreneurs faces many challenges in the process of establishing a venture. The financial funding is the major challenge in front of them. The government do really plays a major role in the promoting social entrepreneur in the country. Though there are many micro finance units which support the young social entrepreneur.

Also the corporate should also develop the culture of corporate social entrepreneurship in their organization to ensure the sustainability of their ventures. The Management should provide required support to the young brigade in case of any innovative ideas which supports sustainability.

In the end with the help of secondary data analysis on social entrepreneurship, corporate social responsibility, charity and corporate social entrepreneurship it could finally be said that the social entrepreneurship is the need of an hour for any country for its sustainable development. The overall economic development of any country will be possible only when the social entrepreneurs are the part of the growth.

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"Indian Ethos in Management Practices :
The Catalyst for Entrepreneurship"

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Indian Light Music in Post Independence Era – Changing Approaches

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Abstract : Indian Light Music is the main-stream branch of the Indian core music i.e. Classical music. In this research paper an attempt is made to take overview of the changing phases of the Indian Light Music and to match these changes with the Indian culture and ethos. It is quite clear that the light music is the most popular form of the music which is spread in masses. So while discussing about the culture of any country, the music and the perspective of audience towards listening and accepting the diversified phases in the music come at the first place. The paper is based on the secondary published information collected from the sources like books and links. The methodology is descriptive and the ultimate conclusion is drawn on the basis of the same. The paper concludes that the Indian light music is negatively affected by the changing periodic cultures in India.

Keywords : Culture, Masses, Mechanism and Musical Ethos

1. Introduction : "A culture of any country reflects in what kind of music the people in it are listening". This is a quote of Mahatma Gandhi. The country like India is highly respected in entire world for the music and music culture of the same. The Indian Classical Music (vocal and instrumental) is widely heard all over the world for over last 200 years. Indian classical music is the art music of the Indian subcontinent. The origins of Indian classical music can be found in the Vedas, which are the oldest scriptures in the Hindu tradition. Unfortunately the same form of music is hardly spread in the Indian masses. The reasons could be; its structured nature and presentation styles or tendency of people to prefer all 'Small, Quick and Simple'. Due to this tendency of people, the Indian Light Music came into the existence. This form of music was observed to be simple and catchy. The light music is again inclusive of various forms like Thumri, Dadra, Gazals Tappa etc. which are called as the Semi Classical forms. The further simplest form of light music is the film music.

In this research paper, an attempt is made to take overview of the changing phases of the Indian Light Music and to match these changes with the Indian culture and ethos. It is quite clear that the light music is the most popular area of the music that is spread in masses. The post-independence period is taken for such an overview.

2. Indian Music: Tradition and Culture :

About Music Ethos : The word Ethos is derived from the word Ethics and it is meant for the 'Character'. The synonyms for ethos are culture and tradition. A Character is always described by way of the guiding beliefs and ideology. As far as Indian music is concerned, the 'Spirituality' comes at the

first place. The Indian music carries pride of its Paramparas Gharanas and Spirituality. If it is so, then how the same has been affected by the periodic economical and other changes? This question always comes across. The main characteristic of Indian music is its monophony. All the forms of the Indian music were based on single Ragas or single Melodies for so many years initially. The musicians highly used to believe in their Gharanas and followed instructions of their Gurus or Teachers about the music learning as well as its performance. The same tradition was followed in the light music also for the longer period. The very old film songs are the best examples of this. The trend was so structured and also popular till 1950. But after the independence of India (1947) the changes started taking place in the field of the light music. The classical music of India was already much advanced and innovative but the light music was not. Then the time came for the light music to adopt innovations. As there was happy environment of independence in the country, many new comers entered with new ideas of light music. It started becoming experimental. The main features of this changing trend in light music are:

- Use of Orchestra and chorus in songs e.g. Hindi film songs.
- Use of diversified regional culture such as Ravindra Sangeet (Bengal), Panjabi Folk (Punjab), South Dance based form (South) and Marathi Folk and Lavani (Maharashtra).
- Use of Western musical ideas such as Cord System, Symphony, Scale Changing Patterns etc. in the light music.



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Changing

Inventors in Indian Light Music – Post Independence Period: Given below are few examples of some new thinkers and creative musicians in Indian light music. All these legends were the thought provokers and their perspective towards music was entirely different and hence unique. All these musicians made late 50s music much innovative. They offered new thought to the music lovers



Pandit Kumar Gandharva (1924 – 1992. Classical, Folk Music)

His is perhaps the only name in late 50's music as far as the new thoughts are considered in the field of music. Kumar Gandharva refused belonging any particular Gharana of music and incorporated new valves of music in his singing. In the classical field, he himself created some new Ragas such as Sanjari and Dhun Ugam Ragas. But his invaluable contribution in light music is by way of

Nirguni Bhajans which he composed by using the Folk form. Kumarji's interpretation on any traditional music was also innovative. The changing, independent India offered him millions of followers and still today many are of the opinion that 'Kumarji is the only creative singer in the Indian Music



Pandit Jitendra Abhisheki (1929-1998, Singer, Composer of Theatre Music and Bhajans.)

The music lovers always are thankful to him for his contribution in the light music. Pandit Jitendra Abhisheki's compositions were mainly the performance oriented. In his compositions, the prominence of Lead Sur can be experienced. Pandit ji composed mainly for the Marathi Theatre, Bhavgeet

(Sentimental songs), Marathi and Karnataki Bhajans. In fact, his voice was not at all god gifted. In spite of having limitations to own voice, Panditji is considered as the top song performer. His performing style gave new birth to the Marathi theatre music in late 60s. From one side, he made Theatre music light and entertaining by introducing the Western style in the same; on the other hand, his Bhajans are of much Classical music impact.

The Hindi film music is the most popular form of the light music. The popularity of film songs brought commercial value in the films. As the audience highly preferred listening Hindi film songs, it became bounded for the musicians to compose songs in very simple and catchy ways. In this situation, Salil Chowdhary was proved as an exception. He was the great



Salil Chowdhary (1923-1995, Composer Film Music)

thinker of the music. The compositions he made in Hindi film music are just beyond the imagination and are incomparable. The contemporary group was not in a position to accept such a creativeness because of habit of simplicity and popularity. But Salil da, instead of running behind the popularity, remained stubborn with his ideas of

music. One can find total invention in his tunes and orchestra. His style was so advanced and difficult to imitate. Due to this, Salil da, instead of becoming the trend setter, was treated as the offbeat music director in films. One can experience Salil Chowdhary's huge impact on the music composed by Ilayya Raja and A.R.Rehman, the most popular music directors in late 90s films.

The intention of the above discussion is to find out Indian Ethos in music while adopting an experimental approach. In spite of huge experiments in their field, the said music legends maintained such Ethos. Their compositions always make listeners think. One can experience excitement in their creations. But these are some exceptional examples. What others were doing?

3. Market Mechanism in Indian Light Music :

Indian light music is much market oriented. The likes and preferences of masses or audience are always at the first place in this form of music. Due to same reason, the music has become much commercial and lost the learning perspective in the same. In the film music, the film producer, director and actor/actress have final say about what kind of songs to be included in the film. The music directors and singers are only the followers of instructions. It affects willingness of creative musicians to do something different. The other forms of light music are also showing the same situation. Here the example of Gazal form can be given. The Gazal is the oldest form (12th Century) of the light music. It was traditionally sung in the classical and structured ways in which the presentation or singing style of Gazal singer (Gayaki) was prominent. But later on, especially after 70s the same form was fully converted into the film music and the Gazal singers like Jagjeet Singh and Pankaj Udhas started singing gazals exactly like the film songs. Both the singers made Gazal much simple and masses friendly. As a result, the Gazal became popular; but lost its base and spirituality. The same happened with the devotional songs and Bhajans.

The globalization brought significant changes in the Indian music. The late 90s period was good for all types of music because of appearance of technology and media. The music companies started earning huge so as the film

makers, only from the music. The youth generation started attracting towards the music and chose it as their career. This proportion was limited before the globalization. The modes like music channels, telecommunication and internet also became the intermediaries for spreading the music to millions of people beyond the domestic boundaries. Both forms of music i.e. classical and light blessed with huge listeners due to such a change. But in this scenario, the music started losing its soul. The film music, which retained its melody and culture between the periods 1940 to 1980-85, became completely commercial. Till today the same trend is going on. The extensive uses of technology and market mechanism are the factors responsible for such a degradation of the contemporary light music.

4. Results And Discussion : In the above paragraph, the changing trends of the Indian light music are discussed. Now it is essential to discuss the ultimate outcome from the same. The points of results and discussion are as follows:

- i. Indian Light Music is Highly Commercial than the Social: This is because of attitude of musicians and also of the listeners. Otherwise, the tradition of Indian music does not allow doing music as a business. It is all times the Guru Shishya Parampara and more than that 'praying the god'.
- ii. No Guru Shishya Parampara in Light Music: The Guru Shishya Parampara (Teacher and Student Tradition) can be adopted in light music also even though its perception would be different. But this tradition is completely lacking in the light music of India.
- iii. The Musicians are rarely adopting Innovations: It is observed in the Indian light music that the musicians and singers are hesitating to do experiments (the exceptions to this are mentioned above). Their caliber is in-debatable. But their perspective is always to do everything quick, simple and masses oriented. The Indian light music hardly offers any learning excitement to the people.
- iv. Musicians' Live Performances are not Unique: The players in the light music usually perform popular songs only in their live concerts. They should take advantage of their fame and perform something new in their live programs. The composers like Mehadi Hasaan and Ghulam Ali (Gazals) and Pt.Hridaynath Mangeshkar (Marathi Light Music) are some examples. They always present something innovative in their programs. But the others only follow the routine way here.
- v. People are reluctant about understanding the Music: It is also commonly observed that the listeners are not ready to listen music from technical or informative front. They also prefer simple and catchy patterns of music. For them, music is only for the general entertainment and mental piece. This is a wrong attitude of people.

vi. Wrong Assumption that 'Music of a God Gift': In music is much beyond to this. The musicians have gift of music. But their own contribution by way learning, innovative approach, accepting experiment instead of popularity and their overall vision towards their own art of music is the main determinants.

vii. Less Importance to the Science of Music: Musicians in Indian light music are not willingly learning the science and technicalities of the music. They learn only the basics of classical music. Especially after 1990s when the media started providing big platform to newcomers, the tendency to learn less was increased. The youth music generation started running behind quick success and fame. Unfortunately the same trend is increasing rapidly.

5. Conclusion : The musical ethos is nothing but all above aspects discussed herewith. Today the Indian music has completely lost its ethos. The reasons could be any of the above or all. The changing liberalized economy of India brought unfavorable change in the field of music and the musicians as well as the music listeners are equally responsible for this scenario. It is essential to learn and understand the Indian music (of any form) with respect to its tradition and culture. India is a socialist country which always accepts different waves and flows of diverse nations but the same must not be at the cost of affecting its ethos.

6. Further Scope of Study : In this paper, the overview of musical ethos in Indian light music is taken. The information is based on the secondary data. The further research can be possible in this aspect. The primary tools such as interviews, observations of masses can be used and the conclusion can be drawn about:

- a. Tests and preferences of people towards the music
- b. Musical psychology for different age groups.

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Corporate Ethics: Strategic Reinforcement for Career Planning System of Organization

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Abstract : Corporate sector, today is motivated by information, global competition and knowledge. These factors have led to continual changes in workplaces as organizations attempt to remain practicable. The research paper focuses on aspects of corporate ethics and career planning system as utilized in industries which contributes to providing a quality service supply for achievement of success. The researcher's literature search focuses on aspect of ethics and career planning system. This introduction within organizations is carried out with the aim of improving efficiency, reducing costs, improving quality and increasing production and productivity. Recent research paper highlight that the majority of the companies now trying to using ethics and career planning as part of their process of redevelopment.

Keywords : Ethics, Corporate Ethics, Career Planning, Career Planning System, Ethical Code

1. Introduction : Second decade of this new era prefer 'responsible corporate'. The consumer movement and human rights activists have become more and more empowered, and they actively expose news of unethical conduct of corporates. These in turn have remarkable political complications in India. Operations of many multinational and Indian corporations have been put under analysis by these groups. They demand the companies to have appropriate Code of Ethics (CoE); to finish the use of unprincipled and unfair corporate practices; or to launch fair strategies for the employees, and to have the clear cut public relation norms to build ethical organization which gives scope to the employees for Career Development and planning.

2. Review of Literature : Hall D.T. and Lorgan M. A. in their book 'Career Development and planning explained the role of various active actors in the journey of career planning system of employees in organisation. They divides the areas of concentration as

- Organization Structure and Procedure,
- Personnel Policy,
- Duty of Manager,
- Work Culture.

According to them career planning system can begin before or at the time of employees appointment on job. Hall and Lorgan added that job features, which allows employees to work in a variety of activities and provides growth and development opportunities at all stages. According to them, the organizational efforts regarding career planning system are still race. Hall and Lorgan pointed out that

some organizations hesitate to involve themselves in career planning system because these organization believe that career planning activities may increase employee prospects for career advancement and that unfulfilled expectations will lead to dissatisfaction and possible turnover, which is risky. So they both highlights the need and importance of such type of personnel strategy of organization which inspire 'employees to improve their qualification, skill and to create progressive opportunities within organization.

According to Edgar Schein (1978)-"Career Planning is a continuing process of discovery-one in which a person slowly develops an occupational self-concept in terms of what his or her talents, abilities, motives, and needs are."

According to Herber and Henman-"Career Planning System refers to the formal programs that organizations implement to increase the effectiveness and efficiency of the human resources."

Ethical codes are formalized rules and standards that describe what a company expects of its employees.

3. Need of Ethical Code in HR Career Planning System : In the previous, organisations have always try to win for customers and market share. However during this fast changing scenario of industrial world have confirmed that employers now contribute for the best employees.

Various surveys regarding this, have stressed that to attract, recruit, train and retain the best talent with the help of career planning process and employee development is single biggest analyst of corporate success. To carry out this goal, Career development programs are most effective when they are incorporated with the organization's ongoing



training and development strategies. For being able to do this, an organization must have a carefully designed career development system based on ethical conceptions, especially designed to meet its own unique needs and requirements with the help of career planning process.

4. Historical Preview and Evolution of Corporate

Ethics : 'Corporate Ethics' can be used in different ways. Primarily the "term" refers to recent developments and to the period, approximately in early 1970s, when the term 'corporate ethics' came into common use in the United States. Initially this term is used in academy and research. As the term entered more general usage in the media and public discourse, it often became associated with either corporate scandals or more broadly with what can be called "ethics in corporate." In this broader sense the history of corporate ethics goes back to the origin of corporate, again taken in a broad sense, meaning commercial exchanges and later meaning economic systems as well. The third stand corresponds to a third sense of corporate ethics which refers to a movement within corporate or the movement to obviously build ethics into the structures of corporations in the form of ethics codes, ethics officers, ethics committees and ethics training. The term, moreover, has been adopted world-wide, and its meaning in Europe, for instance, is somewhat different from its meaning in the United States.

The "ethics in corporate" : Ethics in corporate is basically the use of everyday moral or ethical norms to corporate. In general, this focuses on the moral or ethical actions of individuals. It is in this sense that many people, in discussing corporate ethics, immediately raise examples of immoral or unethical activity by individuals. Included with this notion, however, is also the criticism of multinational corporations that use child labour or pay pitifully low wages to employees in less developed countries or who utilize suppliers that run sweat shops. Many corporate persons are strongly influenced by their religious beliefs and the ethical norms that they have been taught as part of their religion, and apply these norms in their corporate activities.

Emergence of Corporate Ethics Societies : The development of the field, was not only limited to textbooks and courses. It progresses as below-

- After the mid-70s, corporate ethics developed at many levels.
- By the mid-1980s there were at least 100 courses in corporate ethics taught across the country to 40,000 students. Not only were there at least twenty textbooks in the area and at least ten casebooks, but there were also societies, centres and journals of corporate ethics.
- The Society for Corporate Ethics was started in 1980. The first meeting of the Society for Corporate Ethics was held in conjunction with the meeting of

the American Philosophical Association (APA) in December in Boston.

- Other corporate related association and organization turned increasing attention to corporate ethics, including the Social Issues in Management Division of the Academy of Management, which was established in 1976.
- The International Association for Corporate and Society. With the American development, Europeans organized the European Corporate Ethics Network (EBEN), which held its first meeting in 1987.
- In light of this development the fraternity of European Country separately developed their own ethics network or corporate ethics society the European approach to corporate ethics has placed more emphasis on economics and social structures, and less emphasis on the activities of corporations, than the U. S. approach. Both approaches were captured in the International Society for Corporate, Economics and Ethics, which was founded in 1989.
- By 1990 corporate ethics was well established as an academic field. Although the academicians from the start had sought to develop contacts with the corporate community, the history of the development of corporate ethics as a movement in corporate, though related to the academic developments, can be seen to have a history of its own.

5. Corporate Ethics In HR Department As A

Movement : Corporate ethics as a movement refers to the development of structures internal to the corporation that helps it and its employees act ethically, as opposed to structures that provide incentives to act unethically. The said structures may include clear cut lines of responsibility, a corporate ethics code, an ethics training program, an ombudsman or a corporate ethics officer, a hot or help line, a means of transmitting values within the firm and maintaining a certain corporate culture, and so on. Some companies have always been ethical and have structured themselves and their culture to reinforce ethical behaviour. Johnson & Johnson's well-known Credo was written and published by General Robert Wood Johnson in 1943. But

Most companies in the 1960s had paid little attention to developing such structures. That slowly began to change, and the change became a movement when more and more companies started responding to growing public pressure, media scrutiny, their own corporate consciences, and, perhaps most importantly, to legislation. One can see that big corporate responded to criticism in the 1960s by turning to corporate social responsibility, and the movement can be traced back to that period.

The U. S. Civil Rights Act of 1964 was the first piece of

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Association (APA) in legislation to help jump start the corporate ethics movement. The Act prohibited discrimination on the basis of race, colour, religion or national origin in public establishments connected to interstate commerce, as well as places of public accommodation and entertainment.

Many corporations added equal opportunity offices to their human resources departments to ensure compliance, and in general the consciousness of corporate about discrimination, equal opportunity, and equal pay for equal work came to the fore.

This in turn led to more consciousness of workers' rights in general, and corporate America's need to respect them. The U. S. Occupational Safety and Health Act of 1970 enforced the mandate to take those aspects of workers' rights seriously. In the same year the Environmental Protection Act forced corporate to start internalizing the costs of what had previously been considered externalities—such as the discharge of toxic effluents from factory smokestacks.

Legislative Support to the Development of Ethical Corporate Conduct-

- The Seven Conventions of the International Labour Organization (ILO);
- The United Nations Universal Declaration of Human Rights (UDHR) 1948,
- The Ensuing International Covenant for Civil and Political Rights (ICCPR), And
- The International Covenant For Economic And Social Rights (ICESR), Both Are In Force From 1976.

These have given structural legislative support to the development of guidelines for ethical corporate conduct, especially for multinational corporations.

6. Ethical Challenges and Issues in HRM



Ethical challenges and issues are unlimited in HRM-

- Each day, in the development of performing and interconnecting HR decisions, managers have the potential to change, shape, redirect, and fundamentally alter the course of other people's lives.
- Managers make hiring decisions that reward selected applicants with salaries, benefits, knowledge, and skills, but leave the remaining applicants bereft of

these opportunities and advantages.

- Managers make promotion decisions that reward selected employees with raises, status, and responsibility, leaving other employees wondering about their future and their potential.
- Managers make firing and lay-off decisions in order to improve corporate performance, all the while harming the targeted individuals and even undermining the commitment and energy of the survivors.
- Even when managers complete performance appraisals and deliver performance feedback, they may inspire one employee and devastate another.
- For each HR practice, there are winners and there are losers: those who get the job, or receive a portfolio of benefits, and those who do not.

It is therefore a reality of organizational life that managers engage in acts that harm people. These tasks have important moments for individuals, organizations, and society

The Unethical Practice of Harm -

- The unethical practice of HRM itself has also hit public attention:
- Off-shoring and exploiting 'cheap' labor markets;
- Using child labor;
- Defaulting on company pension agreements;
- Longer working hours;
- Increasing work stress;
- The use of disputed and dubious practices in hiring and firing of personnel.

7. Steps that Indian Companies Must Proceeds to Cultivate An Ethical Strategic Reinforcement for Career Planning System Of Organization :

- Establishing a code of ethics: In most Indian companies, ethics is rarely formally addressed as an important management agenda. So there is a great need of formulating appropriate code of ethics.
- Communicating the code: While drawing up the code of ethics is a significant task in itself, it just marks the beginning of the journey to build an ethical culture. The organization must have processes to effectively communicate, implement, and update its code of ethics.

At a bottom, this includes the following steps:

- Making sure that every employee has a copy of the code of ethics or access to the same.
- Ensuring there is no ambiguity in understanding the code of ethics. The document should have adequate number of diverse examples about the code's deployment and



utility.

- Conducting training programmes to allow employees to review the code's provisions, to understand how the provisions apply to the individual's specific job responsibilities, to inform the specific behavior's and decision-making processes the organization would like the employee to use when confronting ethical challenges, etc. Ultimately, training efforts must result in employees feeling an increased level of confidence and comfort when actually having to make ethical corporate decisions.
- Communicating the policy repeatedly: Starting all meetings by highlighting the code of ethics is a good way to bring ethics to the center stage of the organization's working.
- Creating a habit of routinely talking about ethics at all levels: If an employee or a team in the company chooses to do something right even though it is difficult to do so, capturing such instances and using them as living examples to illustrate desired behavior goes a long way in reinforcing what is an ethically acceptable behavior
- In the organization. Using organizational newsletters to communicate such instances and stories of ethical conduct to everyone in the company is another powerful tool to reinforce ethical behavior in the organization.
- Going public with the ethics statements: Going public with the company's code of ethics would establish to employees the commitment of the organization towards its stated values and ethical standards. It would empower customers, vendors, and other stakeholders to know what to expect when interacting with the company's employees, making it easier for the company's employees to follow the codes. These codes helps to build trust and loyalty among various external stakeholders such as suppliers, customers, partners, governmental agencies, etc., and differentiates the company from its competitors.
- Establishing healthy processes for handling ethical issues: This includes taking immediate and fair action on reported violations, after due investigation of the claim. The processes should be transparent and encourage an on-going dialogue to empower individual employees to understand the ethics policy better and help them to take ownership of the same.
- Providing support structures: Mechanisms for reporting violations such as ethics hotlines and mailboxes must be instituted. The reporting mechanism must be secure, confidential, and available to all employees.
- Reviewing the codes: It is essential to review the ethics codes regularly, to meet the changing needs of the organization, marketplace, and regulations.

8. Enablers For Active Implementation Of A Ethics Policy :

There are three vital enablers for effective implementation of an ethics policy in a corporate sector. Those are-

- The first relates to the organizational culture necessary to implement corporate ethics.
- The second deals with the central role of the leadership in the organization, comprising the top management.
- The third relates to the key role of individual employees that is essential to make the ethical journey of the company a success.

The 3 R's: Prerequisites for a Corporate Sector to Build Connection between the Corporate Ethics and Career Planning System of Employees -

The 3R's, which are the fundamentals for corporate ethics are-

- Respect,
- Responsibility, and
- Results.

Building these three factors into the organization's culture would help to support the behavior of its employees in the ethical direction. Conversely, it is unlikely that an organization can manifest extensive ethical behavior in the absence of these three R's.

- **Respect:** People, organizational resources, and the environment (internal and external) must be looked upon with respect. Examples of such behavior include treating all stakeholders with dignity and politeness, making effective use of company resources for corporate purposes only, drawing a clear distinction between company and personal assets, abiding by the law, and refraining from abusing the natural environment in which the company operates.
- **Responsibility:** Demonstrating responsible behavior towards stakeholders and towards oneself is essential for corporate ethics. Examples of such behavior include delivering competitively priced products and services of high quality at the right time, working together to achieve the organization's goals, and meeting performance expectations.
- **Results:** Employees need to be encouraged to achieve results by employing means that are ethical, for satisfactory career planning system.

9. Conclusion : The present international operation of corporate creates extraordinary interactions of values and practice. HRM is a feature of both the public, private and voluntary sectors, and management practice differs accordingly. It is argued that HRM holds the moral



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Indian Programmers Gender Equality in terms of Productivity & Salary

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Abstract : Too often women in Industry are doing supportive work than shouldering main responsibility. The state of affairs is improving and Indian IT industry is proving it. This research study focuses on Male & Female Indian IT programmers in terms of work they carried out & salary they get in return. The primary data was collected for their perceived work, & salary they earn. The non-parametric Chi-squared analysis was carried out to analyze the data. The result showed that both male & female are equal in producing work & earning salary. This proves further that when it comes to knowledge work women are equal to men!

Keywords : programmer productivity, off-shore on-shore programming, function points, chi-square test

1. Introduction : The research theme relates to productivity of computer programmers. Computer programming, in turn, is the process of designing, writing, testing, debugging and maintaining the source code of computer programs. There is an on-going debate on the extent to which the writing of programs is an art, craft or engineering. (In general, good programming is considered to be a combination of all three). At the outset, it may be stated that objective measurement of programmer productivity becomes difficult because of the programming being considered as 'art' or 'craft'; it would be fairly easy if programming was substantially 'engineering'.

The aspects of good programming are Reliability (producing consistent results), Robustness (being crash-proof in spite of mishandling), usability (user friendliness), portability (use across diverse hardware platforms, operating systems, and application programs), maintainability (ease and possibility of modification), efficiency (speed of operation) and performance (producing desired results). Despite the fact that Computer Technology drives robots, computer programming itself is carried out by humans; creating a need to control their efficiency and effectiveness – productivity for short.

It has been mentioned before that programming is a combination of art, craft and engineering. In the last decade, however, the 'engineering' aspect has been growing in importance with the availability of better tools and structured, well-established processes. Controlling programmer productivity has become more viable as a result. The need for improving the productivity has increased manifold due to complexity of software and global competition between product and project companies.

The reason to choose this topic : IT industry is built entirely on human capital and its quality. IT Industry in

India is contributing to lot of employability in India. This Sector has also led to a massive employment generation in last 2 decades. It has provided direct employment to about 2.8 million and indirectly employs 8.9 million people in India.

According to NASSCOM Indian IT industry may achieve a revenue target of \$200 Billion by 2020; to do so it needs to grow 13% year-on-year basis for next 7 years. This is only possible if the industry is competitive. In this context it is very essential to know whether the software programmers are carrying out their job effectively and efficiently. Are they productive enough? If so, how these companies are measuring their productivity? Unless we measure their productivity we will not be able to improve it.

Measuring programmer's productivity presents a number of challenges ranging from the difficulty of quantifying and measuring programmers work to resistance of the programmers toward the concept. Productivity can be measured based on different metrics. These can range from work-hours spent on a project to money spent per line of code to money spent on defects and more. Project-wise productivity, specifically in the software industry, needs to be maintained (and measured) at micro rather than macro level.

The outline of research : The scope of the present research will be limited to various multinational, Indian, public and private sector software turnkey project industries in and around Pune city having turnover of rupees 50 crores and above, and employing minimum of 100 programmer's in the company.

Programmer Productivity: The term programmer productivity represents 'metrics' used in information technology organizations. Measuring software productivity



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is similar to measuring other forms of productivity in that it is measured as the ratio of units of output divided by units of input. The input consists of the effort expended to produce a given output. For software, the tangible outputs are source code and documentation. The product of software is processes and algorithms that drive a computer to do the work. (IEEE, 1992).

Programmer's Productivity is the "ability to create quality software product in a limited period with limited resources". (Arthur, 1993). At the measurement level, the productivity of programmer can be a ratio of number of source codes of lines developed or Number of Function points developed, on the one hand and effort of programmer measured in time units

2. Research Methodology :

Research Problem : The research gap points out two important reasons why this topic needs to be researched. One reason is the unique nature of the Indian software industry, with its own combination of Off-shoring and On-shoring. This has resulted into a model of software development which is not used in other parts of the world. The second reason is that the productivity of Indian software programmers, under whatever model, has not been well researched; most of the available literature is of western origin. On this background, the research problem addressed by the researcher can be stated as below.

"In view of a unique combination of on-shore and off-shore mode of software development, what is the influence of various factors that affect productivity of programmers employed by individual firms (i.e. software companies) in the Indian software industry?"

Exact set of Procedure : The study has been descriptive in nature. Descriptive information has been gathered through a structured questionnaire. It is divided into two parts. First part consists of demographic questions such as programmers experience, qualification, its position etc. The second part provided descriptive information about how productivity gets affected by factors such as work station design, work organization, work related health issues, office environment, HR practices, quality management system, domain knowledge, technology and software project planning and execution.

How do you select participants? : The respondents were approached via Direct Contact, On Line survey and through email survey. All the respondents were Programmers or software developers. This reflects positively on the reliability of the information obtained given the respondents had a high level of familiarity with the subject matter. The questionnaire comprised of 52 questions and would take around 10 minutes to fill up the responses.

The researcher has referred Industrial and commercial

Directory of Pune, published by NASCOM and MCCI and Maharashtra Industry website for listing the software industries. In selecting the industries consideration has given to the following factors: a) Turnover of units - Rs 50crores and above and b) Number of employees more than 100. Appropriate sample size has taken to survey IT industries fulfilling the above criteria.

Hypothesis : To study if there is any difference in Developing Function Points per 8 Hrs. by Male Software developers and Female Software Developers.

Statistical Test : Chi Square Test

H₀ : There is no difference in Developing Function Points per 8 Hrs. by Male Software Developers and Female Software developers.

H₁ : There is high difference in Developing Function Points per 8 Hrs. by Male Software Developers and Female Software developers.

Level of significance $\alpha = 0.05$

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. ((1-sided)
Pearson Chi- Square	2.019 ^a	1	.155		
Continuity Correction ^b	1.273	1	.259		
Likelihood Ratio	2.194	1	.139		
Fisher's Exact Test				.242	.128
Linear-by-Linear Association	1.993	1	.158		
N. of Valid Cases	77				

Conclusion : We sampled 77 Male and Female software developers and evaluated whether both Male and Female software developers are Developing equal number of Function Points per 8 Hrs. The data was analyzed using the Chi Square test of Contingency. The cross tabulation table shows that there is no much different between (Actual) count and expected count for both Male and Female software developers. The null hypothesis is accepted, $\chi^2 (1) = 2.019$, $p > 0.05$, in his case $p = 0.155$. We can conclude that Male and Female software developers develop equal number of Function Points per 8 Hrs.

Hypothesis : To study if there is any difference in salary receives per month of Male Software developers and Female Software Developers.

Statistical Test : Chi Square Test of Contingency

H₀ : There is no difference in salary received per month

of Male Software Developers and Female Software developers.

H1 : There is high difference in salary received per month of Male Software Developers and Female Software developers.

Level of significance $\alpha = 0.05$

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.838 ^a	4	.585
Likelihood Ratio	2.730	4	.604
Linear-by-Linear Association	.466	1	.495
N of Valid Cases	187		

Conclusion: We sampled 187 Male and Female software developers and evaluated whether both Male and Female software developers are getting equal monthly salary. The data was analyzed using the Chi Square test of Contingency. The cross tabulation table

Shows that there is no much different between (Actual) count and expected count for both Male and Female software developers. The null hypothesis is accepted, $\chi^2 (4) = 2.838$, $p > 0.05$, in his case $p = 0.585$. We can conclude that Male and Female software developer's gets equal monthly salary.

3. Discussion :

Limitations of study : The study carried out by the researcher has been severely handicapped by the data shearing inability of the Indian IT Companies; many have sited security of the data as a major concern in this fiercely competitive industry. Metric departments of carry out productivity related analysis on a very professional basis however much of this information could not be used for the study. Lack of availability of time in this high target achievement industry was also a limitation. Many of the findings are based on programmer's perceptions, their truthfulness and sincerity in responding to the survey questions.

Suggestions & directions for future study : Measurement of Productivity would be the first step in productivity development of software sector industries. The scope for future study will be to study and finding out ways to improve the productivity of the software sector industries. With adequate data available within the industry and adequate expertise available as well, this certainly is a feasible proposition

4. Conclusion : There is no statistically significant difference between male and female programmers regarding function points developed in a day. It suggests that both male and female programmers are equally productive in their work.

Also there is no statistically significant difference between

male and female programmers regarding salary level to earn. It suggests that both male and female programmers monthly earnings are equal.

This proves further that when it comes to knowledge women are equal to men!

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Carbon Credit is an Eco Friendly Approach

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Abstract : Over the past one hundred years the capitalist economy we live in has improved our of living. Deposit of that capitalism fails to recognize the impact global warming has on earth due to carbon emission. Carbon credit helps to reduce carbon emission into our atmosphere. Also by trading this carbon credit we can use market forces to reduce carbon emission at least lowest cost for society. This paper tries to elaborate the concept of carbon credit along with its challenges and advantages.

Keywords : Carbon credit, Environment, Green House Gases, Climate, Carbon Project

1. Introduction : A carbon credit is a generic term for any tradable certificate or permit representing the right to emit one tone of carbon dioxide or the mass of another green house with carbon (tCO₂e) equivalent to tone of carbon dioxide. Carbon credit is a generic term to assign a value to a reduction or offset of green house emissions. One carbon credit is equal to one metric ton of carbon dioxide, or in some markets, carbon dioxide equivalent gases. Carbon credits and carbon market are a component of national and international attempts to mitigate the growth in concentrations of greenhouse gases (GHGs).

Greenhouse gas emissions are capped than markets are used to allocate the emissions among the group of regulated sources. Since GHG mitigation projects generate credit, this approach can be used to finance reduction schemes between trading partners and around the world.

2. Objective of Carbon Credit :

- To study the concept and various aspects of Carbon Credit.
- To study the concept of 'Global Warming' And its impact on the economy and industry.

3. Research Methodology : An analytical method is used for conducting the study. The study is based on secondary data which has been collected from journals, books, periodicals, newspapers and websites. The data and information have been arranged logically in order to draw certain conclusions.

4. Definition of Carbon Credit : The Collins English dictionary defines a carbon credit as a "certificate showing that a Government or Company has paid to have a certain amount of carbon dioxide removed from the environment".

Birth of Carbon Credit : At the 1997 Climate Change Convention in Kyoto, the primary topic of discussion was the reduction of GHGs, which are believed to be the main cause of global warming. With increasing awareness of the need to control GHGs emissions, the Intergovernmental Panel on Climate Change (IPCC), noted that a tradable permit system was one policy instrument that had been proved to be environmentally effective in the industrial sector, and thus led to the birth of the concept of carbon credit for controlling GHG emissions.

Concepts of Carbon Credit :

- A Green Trading encompasses all forms of environmental financial trading, including carbon dioxide, Sulphur dioxide (acid rain), nitrogen oxide (ozone), renewable energy credits and energy efficiency. Which is making the environmental cleaner through the use of financial market?
- Eco-commerce is a business, investment and technology development model. The eco-commerce is best solutions to balancing the World's energy needs and environmental integrity.
- A Green job is also called as Green collar job. According to United Nations Environment Program, "work in agriculture, manufacturing, research and development (R&D), administrative that contribute to preserving or restoring environmental quality. It also helps to protect the ecosystem and biodiversity.
- An Environmental enterprise is a business that produces value in the same manner which an ecosystem does neither producing waste nor consuming unsustainable resources.
- Renewable energy is defined as energy that comes from natural resources such as sunlight, wind, rain tides,



waves and geothermal heat. Renewable energy replaces conventional fuels that are electricity generation, hot water or space heating, motor fuels and rural (off-grid) energy services.

Advantages of Carbon Credits :

- The biggest advantage of carbon credit is that they help in reducing the global warming because this is being implemented across the world.
- It helps the companies of developing world in generating extra income from carbon credits.
- Energy saving initiatives becomes more popular because of the awareness generated by carbon credits.
- It is also an alternative investment for people who are looking for some innovative investments.

Disadvantages of Carbon Credits :

- Right To Pollute: It gives corporate sector permission to liberate pollutant gas of specific quantity. This will also cause pollution in the environment.
- Lack of Centralized system or global framework : Due to absence of centralized system and global framework effective monitoring and controlling are not possible.
- No effective Carbon reduction in the atmosphere: There is no provision for carbon reduction, present in the atmosphere

5. Important of the Carbon Credit : Carbon Credit is important because our Global Warming, surface, air, temperature due to effect of green house gases.

1. Carbon credit projects are used to additional to the business as well as scenario represent a net environmental benefit.
2. Carbon credit is achieving a zero net increase in GHG emission.
3. It is also important to prove a concept of carbon credit.
4. Carbon Projects are yield strong financial returns even in the absence of revenue from carbon credit.
5. Each offset credit allows facilities whose emission are capped to emit more in direct proportion to the GHG reduction

Table no:1

Sr. No.	Name	Percentage
1	Residential	20%
2	Commercial	10%
3	Manufacturing	27%
4	Agriculture	28%
5	Mining	8%
6	Construction & other	9%

6. Causes of the emission of the Carbon : Percentage

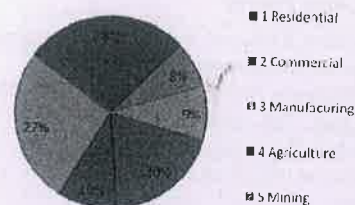


Chart 1:- Causes of the emission of the Carbon

Residential causes of the emission of carbon-dioxide that main part of the natural gas and petroleum products for heating and cooking needs emits carbon dioxide (CO_2), methane (CH_4), and Nitrous oxide (N_2O).

Agriculture : Green house gases emission from agriculture come from live stock such as cows, agriculture soils and production. Industry primarily come from burning fossil fuels for energy as well as green house gas emission from certain chemical reactions necessary to produce goods from raw material.

Table no:- 2

Sr. No.	Name	Percentage
1	Nitro Oxide	6%
2	Ozone	7%
3	Methane	12%
4	Cfc	20%
5	Carbon Dioxide	55%

Percentage Share of Green House Gases :

Percentage Share Green Houses Gases

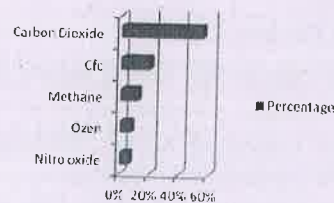


Chart:-Percentage Share Green Houses Gases.

CO_2 - Carbon : Climate change is incompatible with human civilization that 350-PPM- stands for parts per million which is simply a way of measuring the ratio of carbon dioxide molecules to all of the other molecules in the atmosphere. They said that 350 PPM is the safe level of carbon dioxide right now we are at 400 PPM & were adding 2 PPM of carbon dioxide to the atmosphere every year.

CH_4 - Methane : CO_2 emission of (1 ton of CH_4 is equivalence between them by a factor of 21 tons of CO_2) as regular greenhouse effect generation consequently carbon



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e Carbon :

- 1 Residential
- 2 Commercial
- 3 Manufacturing
- 4 Agriculture
- 5 Mining

of the Carbon
of carbon-dioxide in
petroleum products
emits carbon dioxide
(N₂O).
ion from agriculture
culture soils and rise
from burning fossil
gas emission from
produce goods from

Percentage
6%
7%
12%
20%
55%

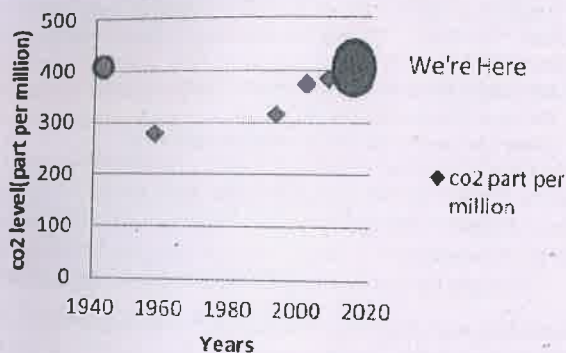
emitted as methane would have an effect 8 times larger than that carbon dioxide in the which it will be converted.

N₂O –Nitro Oxide

The farmer study calculated new values for N₂O agricultural emissions include the full impact of agriculture on the global Nitrogen Cycle & show that N₂O emission from soils are the largest term in the budget

Table no: 3 CO₂ current level

Sr. No.	Years	CO ₂ parts per million(ppm)
1	1958	315
2	1993	360
3	2002	372
4	2008	384
5	2013	400

CO₂ part per million**Chart 3: CO₂ current level**

7. Towards a Carbon Offset System : A carbon offset is a reduction in emissions of carbon dioxide or GHG's made in order to compensate for or to offset an emission made elsewhere; Reductions in emissions of GHG's are not enough. Implementation of new technologies is needed for carbon offset but it will work for medium or long term basis. In the mean time.

Emission of GHG's can be controlled through "Carbon Credit" generated by agriculture. It consists sequester carbon amount in soil & trees. This will achieve double goal, mitigating the impact of climate change and stimulating agriculture itself to become more efficient in the use of energy & more sustainable. It is practiced in North Italy.

8. Types of Carbon Project : The following types of project are listed in Carbon Catalog. Click to view projects of each type.

- a. **Solar energy :** We get heat from the sun. In fact it is the main never ending source of energy. It can be used to produce energy we can make use of solar energy for our daily needs by using devices such as the solar

heater & the solar electric cell.

- b. **Hydro Electricity Power :** Water falling from a great height is used for generation electricity. You know that this is done in hydro electric power plants. In Maharashtra a major hydro electric project is located at the koyna dam.

- c. **Wind Power :** A wind mill harnesses the wind to generate electricity can also be generated using sea waves.

- d. **Bio- gas :** Cow dung, plant refuse etc. are used as energy sources in gobar gas or biogas plants. In a goober gas plant, Micro organisms are made to act up animal dung. E.g.: Local Awareness Regarding Carbon Credit

- e. **KOLHAPUR :** The Kolhapur Zillah Parishad, with its one lakh biogas plants, might well become the first local civic body in the Maharashtra to earn carbon credits. Officials have begun preparations to count the district's carbon footprint, which will pave the way to apply for carbon credits.

The carbon credits are awarded for saving emission of greenhouse gases and implementing eco-friendly technology. With the ample grazing land and abundant water, Kolhapur residents have traditionally reared large number of cattle, with the district now counting for 5.25 lack cattle. The dung, which would otherwise be dumped or burnt, has been used over the last few years to generate biogas

- f. **Forestation :** Capturing & storing already released carbon entrees & other plants is known as carbon sequencing & requires the protection of existing forests or the planting of additional tress & plants

9. Legal aspect of Carbon Trading in India : The Multi Commodity exchange started future trading on January 2008 after Government of India recognized carbon credit as commodities on 4th January. The National Commodity and Derivative Carbon credit in India is traded on NCDEX only as a future contract. Futures contract is a standardized contract between two parties to buy or sell a specified asset of standardized quantity and quality at a specified future date at a price agreed today (the futures price). The contracts are traded on a future exchange. These types of contracts are only applicable to goods which are in the form of movable property other than actionable claims, money and securities. Forward contracts in India are governed by the Indian Contract Act, 1872.

10. How to Sell Carbon Credits : A Selling carbon credits to large companies that produce a large volume of pollution can be a lucrative way for some smaller companies to earn revenue. Business that are involved in reducing carbon emissions, who produce low emissions in general

can sell carbon credits on the Chicago climate exchange (CCX) Business may be able to sell carbon credits include farms, logging companies, solar power businesses and any company or business that produces low or no carbon emissions.

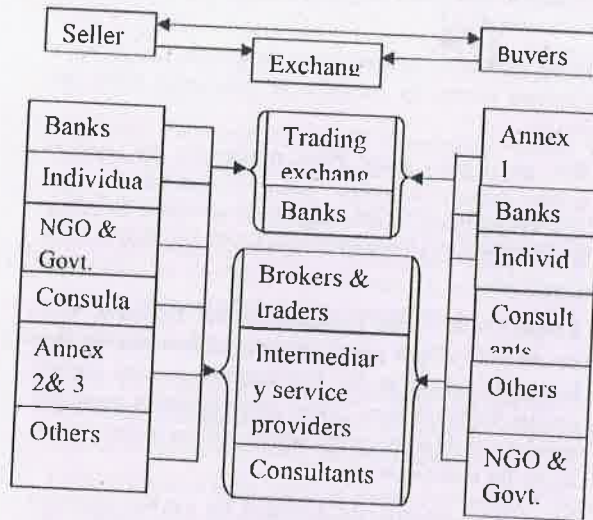


Fig.1 Carbon Network

11. Conclusion : Carbon credit are now a key component of national and international emission trading schemes. They provide a way to reduce green house emission on an industrial scale by capping total annual emission and letting the market assign a monitor value to any short for through trading. Credit can be exchange between business or bought and sold in international markets add the prevailing market prices. Credit can be used to finance reduction scheme between trading partners around the world.

There are many company that sale carbon credit to commercial customers who are interested in lowering there carbon foot-print on voluntary basis.

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Copyright Infringement : An Introduction

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Abstract : Copyright infringement is the use of works protected by copyright law without permission, infringing certain exclusive rights granted to the copyright holder, such as the right to reproduce, distribute, display or perform the protected work, or to make derivative works. The copyright holder is typically the work's creator, or a publisher or other business to whom copyright has been assigned. A copyright infringement is a violation of an individual or organization's copyright. It describes the unauthorized use of copyrighted material, such as text, photos, videos, music, software, and other original content. In the computer industry, copyright violations often refer to software programs and websites.

Keywords : Copyright infringement, copyrights, IPR

Research Methodologies : The doctrinal all method has been adopted. Here we have consulted Bare Act, books, websites, cases, articles and journals for conducting the research attained from various University / College Library and resources from the World Wide Web.

Type of Research : Since we have to carry out Analytical study of all the facts and other information before giving some of the new concepts, abstract ideas for a research work, it would be more appropriate to call it a combination of the Descriptive, Analytical and Empirical type of research.

1. Introduction : The Word "Copy right" one is derived from the expression "copies of Word". First used in this Context in 1586. The word "copy" alone is probably dated from 1485 and was used to can note manuscript or other matter prepare for printing. It is an exclusive right to dispose of, sell and commercially exploit an intellectual work, by means of printing, lithograph, graphic production, copying Moulds, caste, photography, a Cinematography film, gramophone, record or roll for mechanical instrument, broadcast transmission or any other form of reproduction multiplication of copies or dissemination. It is a monopolistic right to reproduce a work and for certain works the right of public performance copyright is made up of all the legal principles and rules envisaging the protection of those who produce intellectual works in this field of literature, music and the fine arts including photography films and performance of artists.

Copyright infringement occurs when someone other than the copyright holder copies the "expression" of a work. This means that the idea or information behind the work is not protected, but how the idea is expressed is protected. For example, there have been many movies about Pirates, but only one Jack Sparrow. Copyright infringement can occur even if someone does not copy a work exactly. This example

of copyright infringement is most easily apparent in music and art. Copyright infringement occurs if the infringing work is "substantially similar" to the copyrighted work.

2. How to Avoid Copyright Infringement :

- 1. Understand the scope of copyright law :** It does protect literary works, paintings, photographs, drawings, films, music (and its lyrics), choreography, sculptures and many other things. It generally doesn't protect the underlying ideas, and it does not protect facts.
- 2. Don't take anything from the Internet, or anywhere else, because it is almost always copyrighted, by default :** "I found it on the Internet" is not a defense against copyright infringement; works on the Internet are as copyrightable as any other kind of work. Nor is "it didn't say it was copyrighted."
- 3. Don't confuse copyrights, trademarks, and other forms of "intellectual property" :** The term "intellectual property" itself, and the kind of thinking it encourages, has led to these very different things being confused with each other
- 4. Be creative.**
- 5. Learn about the public domain laws for your jurisdiction :** "Public domain" is short-hand for "uncopyrighted", not "publicly distributed". A work can be out of copyright due to age, by the nature of authorship, or other reasons.
- 6. Don't rely on "fair use" Called "fair dealing" in many jurisdictions, fair use is simply a guarantee that copyright laws do not infringe freedom of speech and make critical commentary impossible :** Some uses of text under "fair use" are teaching, critiques, comments, reporting, and research.

7. **Be wary about writing fiction based on other works :**
It was said above that "ideas cannot be copyrighted". However, fictional characters, story-lines, and settings can be copyrighted.

3. **Rights owned by the owner of a copyright:**
Copyright infringement occurs when the copyright owner's rights are violated so to fully understand copyright infringement, you must understand what rights you hold as a copyright holder. An owner of a copyright owns a "bundle" of rights. Each of these rights can be sold or assigned separately. Copyright infringement occurs when one of those rights are used without the express consent of the copyright owner.

The rights owned by the owner of a copyright include :

- The Right to Reproduce the Work :** This is the right to reproduce, copy, duplicate or transcribe the work in any fixed form. Copyright infringement would occur if someone other than the copyright owner made a copy of the work and resold it.
- The Right to Derivative Works :** This is the right to modify the work to create a new work. A new work that is based upon an existing work is a "derivative work." Copyright infringement would occur here if someone wrote a screenplay based on his favorite John Grisham book and sold or distributed the screenplay, or if someone releases or remixes of one of your songs without your consent.
- The Right to Distribution :** This is simply the right to distribute the work to the public by sale, rental, lease or lending. The music industry lawsuits targeting file-sharing web services claim that these services violate the right to distribution held by record labels.
- The Public Display Right :** This is the right to show a copy of the work directly to the public by hanging up a copy of the work in a public place, displaying it on a website, putting it on film or transmitting it to the public in any other way. Copyright infringement occurs here if the someone other than the copyright holder offers a work for public display.
- The Public Performance Right :** This is the right to recite, play, dance, act or show the work at a public place or to transmit it to the public. Copyright infringement would occur here if someone decided to give performances of the musical "Oliver!" without obtaining permission from the owner.

4. **Conclusion :** Copyright infringement is a growing problem. Everyone is affected by it. Only you can prevent yourself from falling victim to copyright infringement. And only you can avoid copyright infringing someone else. By simply educating yourself on the issue, you can join in with those who are trying to put an end to copyright infringement.

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A Study of Critical Indirect Inventory

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Abstract : A study of inventory management at CUMMINS INDIA LTD PHP PLANT, Phaltan. Unit is undertaken in order to know the inventory performance and position of the mile and to know the strength and weakness and to assess the profitability of the company. It is therefore absolutely very important to manage inventories efficiently and effectively in order to overcome unnecessary investment. Inventory control is the process whereby investment in materials and parts carried in stock is regulated within predetermined limits set in accordance with inventory policy established by the management. In modern competitive one of the burning problem of every business and industries that of cost control and cost reduction. An all pervasive effort for cost control and cost reduction is of paramount importance for survival and growth of every industrial enterprise. This is why inventory management as a scientific device for controlling inventory cost and eliminating wastage, is now regarded as an integral part of industrial management. Inventory management does not involve any human factor, as it concerns itself not with men but with inventory. The paper also includes Literature Review, Research Methodology, Data Analysis and Interpretation, Findings, Suggestions, Conclusion and Bibliography.

Keywords : Indirect Inventory, Critical Inventory, EOQ, A B C Analysis

Introduction : "Adequate inventories facilitate production activities and help to customers satisfaction by providing good service".

The basic financial and enterprise is maximization of its value. At the same, a large both theoretical and practical meaning has the research for determinants increasing the firm value. Most financial literature contains information about numerous influencing the value. Among those factors is the net working capital and elements creating it, such as the level of cash tied in accounts receivables, inventories and operational cash balances. A large majority of classic financial models more suitable for firms, which want to maximize their value, some of the influence of changes in a limiting the cost of inventory. It is the essential problem of the corporate financial management.

Review of Literature

Inventory

An inventory can be defined as a stock of goods which is held for the purpose of future production or sale. The stock of goods may be kept in the following forms:

- Raw Materials
- Partly Finished goods
- Finished goods
- Spare parts etc.

Variables in an Inventory Problem: The variables associated with the inventory problems are classified into two categories.

- The controlled variables
- The uncontrolled variables

The variables that may be controlled, separately or in combination are following:

1. The quantity acquired- By purchase, production, or some other means. The decision maker may have a control over the production or purchase level.
2. The frequency of timing of acquisition- The decision maker may have control over how often or when the inventory should be replenished.
3. The stage of completion of stocked items- The decision maker may have a control over the stage at which the unfinished items be held so that there is no delay in supplying customers.

The uncontrolled variables- The variable that may not be controlled in an inventory problem are divisible into cost variables and others.

Inventory management :

1. Inventory management is the branch of business management concerned with planning and controlling inventories.
2. Inventory is stock of items held to meet future demand.
3. It deals with two basic questions:
 - How much to order
 - When to order?



Author- Jon Schreibfede 1992 : He said that it is easy to turn cash into inventory, the challenge is to turn inventory back into cash. In early 1990's many distributor recognize that they needed help controlling & managing their largest asset inventory. In response to this need several companies developed comprehensive inventory management modules & systems. These new package include many new features designed to help distributors effectively managed warehouse stock. But after implementing this many distributors do not feel that have gained control of their inventory.

Author-Wolf Bagby, managing inventory : In this study, Mr. W. Bagby explains that by managing the inventory it becomes easier for the organization to meet the profit goals, shorter the cash cycle, avoid inventory shortage, avoid excessive carrying costs for unused inventory, and improve profitability by decreasing by decreasing cash conversion & adopt JIT system. According to this study companies need to get smart about inventory.

Boosting large number financial performance is another is another benefit that comes better inventory management. Infect large number of manufactures enjoy savings & better performance by choosing of inventory reduction.

For this company, maximize the cash flow & profitability & this includes keeping a watchful discerning on charge in supply & demand.

Author- Asfague Ahmed October 12, 2004 : He said the most of the manufacturing company vendors ,have planning & scheduling product which assume either infinite production capacity for calculating quantities of raw material & work in progress (WIP) requirement or infinite quantities of Raw material & WIP material for calculating production capacity. There are many problems with this approach & how to avoid these by making sure that the product you are indeed taken into account finite quantities of required materials as well as finite capacities of work centers in your manufacturing facilities.

Author- D . Hoopman April 7,2003 :

(Article from Inventory planning & optimization)

In this circle said that inventory optimization recognize that different industry have different inventory profiles & requirement Research has indicated that solutions are priced in large range for tens of thousands of dollars millions of dollars. In this niche market sector price is definitely not on indicator of the quality of solution, ROI & usability are paramount.

Author- Silver, Edward A Dec. 22,2002

(Article from Production and inventory management Journal)

This article consider the context of a population of items for which the assumption underlying the EOQ derivation

holds reasonably well. However as is frequently the cash in practices there is an aggregate constraint that applies to the population as a whole. Two common forms of constraints are:

- The existence of budget to be allocated among the stocks of the items. &
- A purchasing production facility having the capacity to process at most a certain number of replenishment par year. Because of the constraint the individual replenishment quantities cannot be selected independently

Author- Charles Atkinson (A Study of Inventory Management) : In the study Mr. Charles Atkinson, he explained the inventory management & assessment of inventory levels. As per this study inventory management need to address two issue:

Part 1: How to optimize average inventory levels.

Part 2: How to assess (evaluate) inventory levels.

This study tells about what the manger should do and not to do, and how much amount should be order in one placed orders. Average inventory can be calculated by simplistic method.

Average Method= $\frac{\text{Beginning in inventory} + \text{Ending inventory}}{2}$

Author- Delaunay C, Sahin E, 2007

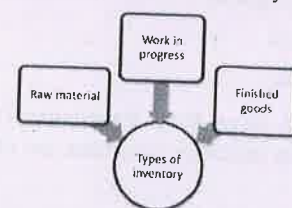
A lots of work has been done but now if we want to go ahead we must have good visibility upon this field of research. That is why we are focused on framework for an exhaustive review on the problem of supply Chain Management with inventory inaccuracies. The author said that their aim in this work is also to present the most important criterion that allows a distinction between the different type of managing the inventory.

Meaning of Inventory

Inventories are resource of any kind of having an economic value. An inventor, consist of raw material, work in progress & finished goods, consumable stores. The inventory control is all about planning & devising procedure to maintain an optimal level of these resources.

Type Of Inventory

Figure No. 3.1 Type of Inventory





Purpose of Inventory Management : Inventory management must tie together the following objectives, to ensure that there is continuity between functions

Company's Strategic Goals

Sales forecasting

Sales & operation planning

Production & material requirement planning

Inventory Management Techniques

The various techniques applied for inventory management are as follow

- Selective inventory control
 - i. ABC analysis
 - ii. FSN analysis
 - iii. XYZ analysis
 - iv. SDE analysis
 - v. GOLF analysis
 - vi. SOS analysis
- Setting various stock levels
- System of various stock levels
- Economic order quantity
- Re-order point & safety stock
- Application of computer in inventory management
- Just in time
- Material requirement planning
- Inventory audit
- Economic order quantity

Research Methodology :

Definition of Research Methodology :

1. Research is a systematic investigation to establish facts
2. According to Clifford,

"Research comprises defining & redefining the problem formulating hypothesis or suggested solution collecting organizing & evaluating data making deduction & reaching conclusion & at least carefully testing the conclusion "

The course of any striations in superficial information available about to its research should as quietly in form about the service range is force entering in to the field boo knowledge was objection through executive.

Objectives Of The Study :

1. To see the present inventory management technic in Cummins India Ltd.

2. To test out EOQ technique for critical indirect inventory in Cummins India Ltd.
3. To see comparative of present ordering technique and EOQ
4. To apply the A B C analysis for the indirect inventories in Cummins India Ltd.

Scope of the Study : Inventory management being a very important concept in all the company's having a void coverage often calls for the managerial attention. In the modern times inventory management has become the integral part of the all companies, so all the firm gives special importance for inventory management. The major objective of the study is to examine the effectiveness of inventory management system adopted by Cummins India Ltd. The study mainly focuses on the techniques used by this company to control the inventory.

Data Collection : There are two methods of collection of making the research

1. Primary Data

Primary data has been collected through the discussions with the concerned suppliers

And staff members of the Cummins India Ltd.

- Observation Method
- Telecommunication Method
- Schedules

In this paper primary data was collected by visiting the Cummins India Ltd PHP Plant, Phaltan.

2. Secondary Data

The secondary data that are already available in various reports, books, letters etc. The secondary data are those which have been used previously for any research & now used for second time

- Sources
 - Internet
 - Books, magazines, journals, newspaper, & various publication of government
 - Annual report
 - In this Paper secondary data was collected from various books, Annual reports & Internet.
 - www.cumminsindia.com

Data Analysis & Interpretation : The researcher has analyses and interpreted EOQ model and ABC analysis in this section at 1st ABC analysis is maintained and find outs of optimum quantity of orders for 50 indirect inventories. In the lateral part of this section the researcher has analyses indirect inventories through ABC analysis.

**Calculation of ABC Analysis**

Item	Po Unit Price	Consumption Per Engine	Per Month	Annual	Annual Value	Cumilative	Classification
Diesel is required for PHP plant.	60.7	100	11700	140400	8,522,280	8,522,280	A
Volvoline Engine Oil is required for PHP plant.	105	40	4680	56160	5,896,800	14,419,080	A
THREEBOND 1207D SELEANT (333 ML.)	1540	1.5	176	2106	3,243,240	17,662,320	B
Nailcoils 2.5" X 15 degree	74	30	3510	42120	3,116,880	20,779,200	B
All 36 Items							C

Calculation of EOQ Level :

Item Description	Price	Annual Consumption	Ordering Cost	Accpu	Eoq	Actual Order Quantity
Self Lock Plastic Bag Size 12x10" Required For Php Store	3.5	5616	1	196.56	8	780
Veg Oil Required For Php Store (Dhara)	95	90	1	85.3632	1	14
Threebond 1207d Seleant (333 ML.)	1540	2106	1	32432.4	0	351
Nailcoils 2.5" X 15 Degree	74	42120	1	31168.8	2	4680
Anti Rust Polybag Size (44"x88"x69") Required For Php Plant	220	2808	1	6177.6	1	248

Findings And Concluding Remark:

The researcher has analysis predecided objectives with the help of advance tools and methods like ABC analysis and EOQ analysis.

ABC Analysis : Based on ABC analysis the researcher founds that there are 3 categories of inventories as per ABC analysis.

- Category A- Highly valuable items in the Cummins India ltd the researcher analyzed all indirect inventories and found that. there are 50 in total indirect inventory. out of these only 2 items are belongs to A category.

these are 1.Diesel, 2.Volvoline engine oil.

- Category B- Moderate valuable items in the Cummins India ltd the researcher analyzed all indirect inventories and found that. there are 50 in total indirect inventory. out of these only 2 items are belongs to B category.

these are 1. THREEBOND 1207D SELEANT (333 ML.), 2. Nailcoils 2.5" X 15 degree.

- Category C- Least valuable items in the Cummins India ltd the researcher analyzed all indirect inventories and found that. there are 50 in total indirect inventory. out of these only 46 items are belongs to C category.

EOQ Analysis : Based on the EOQ analysis researcher found that is considerable variation in the quantity of ordering and this is not economically suitable as per the EOQ analysis the researcher focus on valuable items and

recommended economic order quantity for highly valuable items. like A and B those names are as follows.

Sr. no	Name of item	actual qty of order	suggested qty of order as per EOQ
1	DESEAL	1248	773
2	Volvoline engine oil	4636	406
3	Three bond sealent	351	584
	Nailcoils	4680	256



Emerging Trends in Customer Relationship Management (CRM)

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Abstract : Customer relationship management (CRM) has one again gained prominence amongst academics & practitioners. However, there is a tremendous amount of confusion regarding its domain and meaning. In this paper, the authors explore the conceptual foundations CRM by examining the literature on relationship marketing & other disciplines that contribute to the knowledge of CRM. A CRM process framework is on proposed that builds on other relationship development process models. CRM implementation changes as well as CRM's potential to become a distinct discipline of marketing are also discussed in this paper. The only source of competitive advantage is the one that can survive technology-fuelled digital disruption an obsession with understanding, delighting, connecting with, and serving customers. This means effectively managing the four key areas of customer relationship management (CRM): Trends, strategy, process, people, and technology.

Keywords : Customer Relationship Management (CRM), CRM Process, CRM Trends, CRM strategy, CRM Features

1. Introduction : The biggest management challenge in the new millennium of liberalisation and globalization for a business is to serve and maintain good relations with the king-the customer. In the past, producers their customers for granted because at that time customers were not demanding nor had many alternative sources of supply or suppliers. Since he was a passive customer, the producer dictated terms and had little customer commitment. But today there is a radical transformation. The changing business environment is characterised by economic liberalisation, increasing competition, high consumer choice, enlightened and go back a long way, most entrepreneurs used to rely on generic means to attract potential customers and gain loyal ones. Before the dawn of CRM, most companies were not ingenious when it came to having personalized customer relationships.

History : CRM has reached its full potential, allowing businesses to maximize their own potentials as well, to achieve superior customer service. Benefits enjoyed by customers such as bonus points and loyalty rewards are also advantageous to the companies that award these benefits: now they can easily track the behaviour, spending history and patterns of their customers. As shown by CRM history, customer relation management has indeed empowered consumers to choose the companies worth patronizing. CRM has made customer service a global interaction so consumers can now easily switch to better services if

unsatisfied with current one. CRM history shows that the 90's saw great improvement in terms of Customer Relationship Management. Companies began to see the benefits of offering perks to customers and potential ones in exchange for relevant customer information or for repeat purchases. Companies also began to regard customer service as a continuously evolving skill rather than a stagnant service to be picked up and used whenever necessary. Database marketing wasn't as intricate as the well-developed CRM of today.

2. Objectives of Study :

- To study the concept of CRM.
- To study the process of CRM.
- To study the customer perception towards CRM in private sectors bank.

3. Research Methodology : The objective of this study is to analyse the conceptual, theoretical information of CRM. Hence it is descriptive in nature. The data thus collected were analysed using mean scores and of the related websites, magazines and books.

4. CRM : CRM aims at focusing all the organizational activities towards creating and maintaining a customer. CRM is a new technique in marketing where the marketer tries to develop long term collaborative relationship with customers to develop them as life time customers. CRM

aims to make the customer climb up the ladder of loyalty.

Definition of CRM : "CRM is a process of business strategy that reduces cost & increase profitability of includes the customer royalty."

OR

"The process of developing a cooperative and collaborative relationship between the buyers and sellers is called CRM."

5. CRM Process :

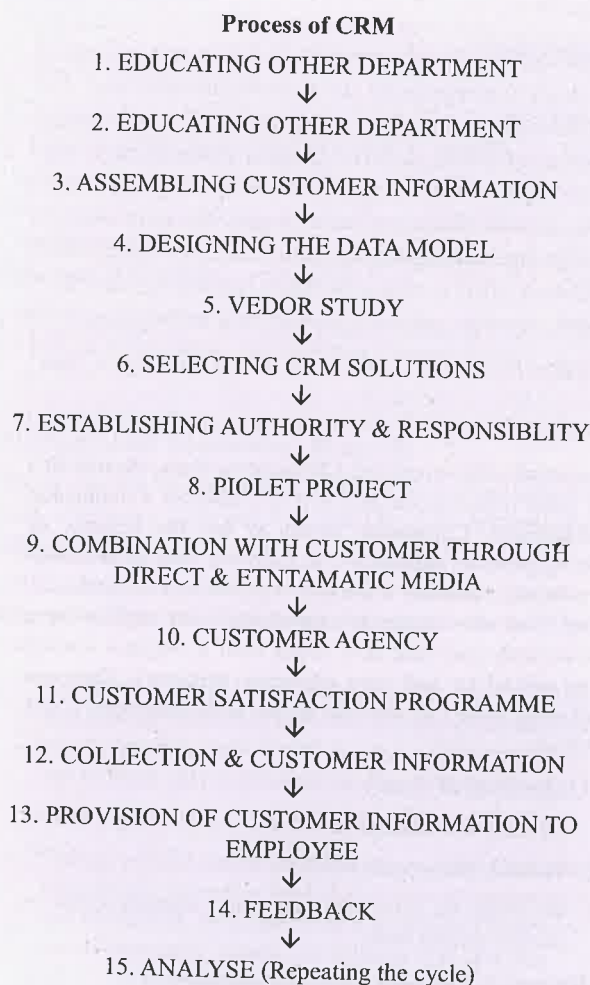


Fig.1. Process of CRM

6. CRM Trends : The only source of competitive advantage is the one that can survive technology-fuelled digital disruption — an obsession with understanding, delighting, connecting with, and serving customers. This means effectively managing the four key areas of customer relationship management (CRM): strategy, process, people, and technology. Reflecting on my client work during the past year, and delving in to Forrester's most recent research,

here are the top twelve CRM trends to consider as you finalize your plans for 2014. In current year emerging trends are given below.

Here are five CRM trends that every business organizations should be aware of :

- a. The Rise of social & mobile CRM-The growing popularity of social media it important of businesses to study trends in order to understand the changing mindset of customer. Social CRM (SCRM) can help your company monitor customer reaction, generate needs, improve customer relationship & loyalty, optimize brand promotion and management, and allow for quick and timely customer services.
- b. The Customer Experience-Too much automation of sales process has alienated many businesses for their customer-ensuring a lack of authenticity and trust. Delivering goods and services no longer ends the transaction with customers. Rather, it starts a long-term relationship that will ensure their loyalty and create scope for up-selling and cross-selling.
- c. The Growth of SaaS Solution-Software-as-a-services, or business process-as-a-service (BPaaS), is offering a health challenge to proprietary CRM products. According to a study by Gather, 35% of customer software implementation in 2014 used SaaS services. The growing popularity of SaaS CRM is mainly due to the elimination of software & hardware requirements; easy CRM customization over advantages over on-premise products; quick and timely deployment; accessibility, agility and portability; and integration solutions with other BI applications.
- d. Data Governance in SaaS CRM-The areas that demand attention are vendor selection, service level agreement, risk tolerance, data backup and disaster recovery, organizational skill and maturity, and cross border data portability governance. Organizations adopting SaaS solutions recognize that it is not only an alternative to traditional, on-premise solutions. But also that a completely set of policies need to be devised for the unique characteristics of SaaS services.
- e. CRM Integration-An increasing number of companies demand their CRMs to perform as a complete sales tool and therefore, vendors have integrated the marketing platform with the customer management application. The CRM market is evolving rapidly with changing customer requirements. Failing to stop these trends could result in a loss of competitive advantages and suboptimal performance of your customer management application and your business. These are the current trends in CRM.

7. CRM Strategy : There are four strategies available to



customer relations' managers:-

- To win back or save customers.
- To attract new and potential customers.
- To create loyalty among existing customers and.
- To up sell or offer cross services.

The future of banking business very much depends upon the ability of the banks to develop close relationship with the customers. In order to develop close relationship with the customers the banking industry has to focus on the technology oriented innovations that offer convenience to the customers. Today customers are offered ATM services, access to internet banking and phone banking facilities and credit cards. These have elevated banking beyond the barriers of time and space. Here are the CRM strategies to consider as your finalise your plans.

Strategy

Enterprises must navigate digital disruption.

Thanks to digital platforms, your customers live in a world of heightened expectations and abundant options; they can get more of what they want, in more places, at more times, than ever before.

Companies will transform to become experience-driven organizations.

More enlightened companies are defining customer management strategies from the outside in, articulating a customer management strategy defined in customers' terms that can be used to guide organizational improvement efforts.

Brands turn attention to CX design.

The right customer interactions, implemented the right way, don't just happen. Instead, they must be actively designed. Brands must understand and manage their customer experience ecosystems, which comprise all interaction points across customers' journeys.

8. Features of CRM :

Email Marketing : In just 4 steps, build, and send beautiful, relevant emails to your leads and customers that drive action, then view audience engagement to see what grabs their attention and build increasingly successful future campaigns. Finally empower prospect and customer facing teams with engagement information and insights to help them better identify interests and drive new revenue opportunities.

Project Management : Create projects associated with customers or support cases. Set project milestones and assign tasks to users or user groups. As the project progresses, use the comment system and file attachment to keep everything together, and along the way, keep track of progress and

recent events on the summary page.

Customer Portal : Professionalize the customer experience by providing customers with access to a tailored customer portal. Use it to maintain a channel of communication and to share records and files. Customers can also submit customer service request through the portal for more professional case management.

Calendar and Task Management : Use the Vtiger calendar to create, assign, and manager tasks and events associated with opportunities, customers, cases, or other records. Set calendar visibility between employees and managers, and configure event alerts, in window pop-ups to emails. Calculations directly within Vtiger, or export the data via CSV XLS for further analysis.

9. How to introduce CRM in the Organization :

There are four key steps for putting one to one marketing program to work-

Step 1: Identify your customers: To launch a one to one initiative the company must be able to locate and contact a fair number of customers of customers or at least substantial portion of its valuable customers. It is crucial to know the customer details as much as possible, not names or address, but their habits, preferences and so forth.

Step2: Differentiating your customers: Customers are different in tow principal ways, they represent different levels of value and have different need, and once the company identifies its customers differentiating them will help the company to focus its efforts to gain the most advantage with the most valuable customers.

Step3: Interacting with the customer: Interaction is also a crucial component of a successful CRM initiative. It is important to remember to that interaction just not occur through MARKETING and sales channels, customer interact in many different ways with many different areas of the organization so to foster relationship all the areas of the organization must be accessible to the customer.

Step4: Customize your enterprise's behaviour: Ultimately to lock a customer into a relationship a company must adapt some aspect of its behaviour to meet customer's individually expressed need this might mean mass customizing a manufactured product or it might involve tailoring some aspect of the service surrounding the project.

10. Advantages of CRM :

- The business learns what the need of its customer's are and can organise their operation accordingly. The goal is to provide the products/services they expect and maximise effectiveness and efficiency of the operations.
- It allows organisations to see how customer's need evolve overtime and adjust their operations



accordingly.

- CRM can increase customer retention, favour repeated purchases, increase profit and improve the quality of the products/ services provided.

Disadvantages of CRM :

- It seems to be mainly focused on retention of existing customers rather than on the acquisition new ones.
- Legal aspects (e.g. privacy) and ethical issues should be considered during its implementation.
- It may lead organisation to discriminate group of customers. More profitable customers may enjoy better treatments and conditions than occasional customers. This may damage the image of the company.

11. Definition of Bank Marketing : "Bank marketing is the aggregate of functions, directed at providing services to satisfy customers financial needs and wants, more effectively and efficiently than the competitors keeping in view the organisational objectives of the bank."

Customer Focus in Banking Services : As the intense competition becomes a way of doing business, it is the customer who calls the shot in deciding the nature of products and services offered in the market. The customers are becoming demanding, dominant and selective. In fact the perceptions and the expectations of the customers have undergone a sea change, with the availability of banking services to the customers at their door steps through the help of technology.

How Important Is CRM for Bank? : CRM is of course very important. What banks must achieve is to improve knowledge about the clients, improve achieve customer contact, improve the satisfaction of the client and improve the return per client.

The CRM concept is essentially about the following few things which contribute towards banks success:

- i. The bank cannot exist without customers.
- ii. The purpose of the bank is to create, win, and keep a customer.
- iii. The customer is and should be the central focus of everything the bank does.
- iv. Ultimate aim of bank is to deliver total satisfaction to the customer.
- v. Customer satisfaction is affected by the performance of all the personnel of the bank.

Other Services : Marketing of customer services aims at two important goals: prosperity to the bank and satisfied customers. Banks offer tangible services like loan schemes, interest rates and kinds of account and the intangible services like behaviour and efficiency of staff, speed of transactions

and the ambience. The banks may need to include customer oriented approach or customer focus in their five areas of businesses such as Cash accessibility, asset security, money transfer, deferred payment and FINANCIAL ADVICES.

12. Conclusion : he services sector in India is first growing their contribution to economic development is really impressive due to advancement in CRM. Among various services in service sector, banking service occupies a key role both in the development of individual customer in their business and in social life. The basic objective of this study is to improve quality of relationship between the bank and the customer and enriches with long term relationship benefits. To convert a perspective customer in to loyal customer, one of the important aspects is the quality service offered banking customer relationship.

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Role of Management School in Grooming Students

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Abstract : The role of management schools is after the students pass out their graduations viz 10+2+3 pattern of education system. The eligibility to take admission for management course is any graduate, science, commerce, arts, medical, engineering etc., with some admission criteria and procedures. The need of management education for grooming Manager was started way back 1936 by Tata Institute of Social Sciences (1936) and Xavier Labor Research Institute (1949) had already started training programs for Managers in Personnel function. This programs almost Training to the Managers when they are in job. But now the time has arrived to shape Manager before job and then recruit and induct for job. Then need was arose for the Management Schools at its role to shape the students, who are groom to fit and work in the industry as per the requirement and standard. In 1991 the push and pull of LPG-Liberalization Privation Globalization was begun and since then there was need and contemporary growth of Management Schools in India to feed the requirement of Industry. The demands of Management Students have mount-up by applied research and development in the industrial fold and being a great human in society.

Keywords : Contemporary, Mount & Induct

1. Introduction : The birth of Management School started in India way back in 1950 and thereafter the growth pathway of B-School has shown silver line. As on date AICTE approved, not-approved, University Department Colleges, Autonomous, University affiliated, UGC control etc. altogether almost 4000 B-school are existing in India.

As such the role of Management School to groom students over period of time is changing for instance MBO (Management by Objectives) was being taught till 2000 as a core USP (Unique Selling Proposition / Point) of Management School curriculum. But now the shift is made towards vales, culture or in short focus is on Indian Ethos, such as philosophy of Mahatma Gandhi (Father of Nation) is commonly used in Management for instance 'Customer is King', 'Customer giving favour to us', and 'Production by Masses but not Mass Production' etc. The modern Management Schools hitherto focuses on MBV (Management by Value).

Pre and post year 2000 has lot of differences in Management School teaching and grooming the students. Earlier B-Schools use to focuses only on business objective and making everything linked with financial supporting and in term of money. Management Schools were well known as Business School and had tunnel-view in other social-political aspect of the society. But the modern B-School is total hub of social-culture oriented and driven with the concept of CSR (Corporate Social Responsibility) is just one feather of Indian Ethos in their Management School and Studies.

Along with the above MBV hub the other core issue of today's Management School is the 'Employability and Entrepreneurship'

Among the students. In this situation the role of M-School is to enhance students' knowledge, skills, attitudes and abilities and at the same time empowering them as lifelong critical, reflective learners. It is revealed that Management education pattern have undergone significant change in the last decade on the strategic objectives etc. the change will be continuous. Therefore to cope with the changing scenario M-school should develop a contemporary approach which will be enough in itself to make Management graduates well equipped for facing the stern realities of the competitive market. To think of such contemporary approach, knowing the inadequacy among the students who are entering into the M-school is of foremost importance and focusing on the market reality to make these students fully equipped with proper employability skills, knowledge and lifelong learning ability is also need to be considered.

2. Research Methodology : Since the authors of this paper are associated with Management School in rural area of Pune Dist.-known as Baramati, hence this paper is driven based on the experience and ground realistic particularly in the Management School of rural area. Paper presenters and the authors of this paper have undergone a reasonable, relevant and required study of literature.

Primary fields survey/in-puts have taken into consideration as



well as closely held questionnaires were taken into account. The collection of required data was not a problem since the authors are themselves associated with Management School as non-teaching staff. The secondary data and basic primary data were collected from proper sources and judiciously used to arrive at meaningful findings and inferences.

3. Statement of the Problem : The change in the culture and pattern of Industries and society as a whole especial after 2000 and more particularly after 2010 the grooming of the M-students felt necessary to deal with society as well as industry in other words accountable for the entire stakeholders.

Students from rural back ground have more problems of understanding subjects, learning soft-skills, language, effective English speaking, stage courage, working in team and convincing ability etc., even they pass-out from M-school the problem remain same. The main reason is that students are not desire to learn but come to college for time pass and classroom study.

Attendance is the serious issue in the M-schools of rural area; most of the students never attend the classes and in the events organized at M-school. Few may attend but with lot of reservation and hesitation. The interest, involvement, initiative among rural students is total missing and cause a major setback to the M-school in the rural area to groom students as per the requirement of industry and society as well as of stakeholders.

In such a problematic environment the role of teachers as well as students is very crucial and integrated to each other. The cohesiveness between them certainly gives best grooming of the M-school students at large. Hence this paper is written with that backdrop.

4. Objectives of the Study : The objectives of the study are very simple and crux of the study. The objectives are,

- a. To study role of M-school in rural area.
- b. To analyse effectiveness of SWOT among students.
- c. To study modality of grooming the students.
- d. To evaluate the quality of students.

5. Discussion : The trend, syllabus, teaching methodology, teaching instruments and the learning environment of M-school has given new face and has lot of challenges in grooming the students, more particular rural area students. As a matter of fact there has been a paradigm shift and change in the learning system as a whole; it is disciplined-based knowledge and innovative learning pathways. Today's life line of M-schools is contemporary skills, knowledge pursuit in line with entrepreneurship and employability along with great inputs of ethos and value proposition.

The foremost main challenge is admission in the M-school of the rural area. The better number game is the only tool of

survival and hope of future existence. The second problem is the competent, dedicated, disciplined and resourceful teaching staff, who really takes the responsibility right from scratch to finish from his/her single window. At the same time the response, acceptance and improvement from the students side is very important. In this process of teaching, evaluating and re-learning the very significant point is 'Patience and Repetition' with greatness of coolness and goodness should be all along in the learning process.

This goes without saying that students are of poor quality, lack of learning perception, poor attendance, non-adaptability of savvy, poor students background, do not want to migrate, ineffective communication skills (lack of English language), comfort zone habits (students' practices), bunking the class and mass bunk are the very endemic problem of students in rural area. With this all limitation and handicaps teachers have to take lead for grooming students, indeed a very great task and challenge.

In primary survey and study it is noticed that, in past M-schools were dynamo for the Promoters but now draining the finance due to poor admission and lot of expectation by the stakeholders. However the overall study reveals that, the role of M-school issue is very chronic and teachers have very tough time and vital role to play.

The critical, case by case in sight reveals that the female students are very much perceptive towards learning and good response comparing to the male students. A class room interpretation indicates that, most of the male students have the inferior- complex. This is the main reason why students particularly male are not responsive for the teaching-evaluating-learning method. The inferior-complex is killing them and stopping them from the learning new things as well as participating in all students' wellbeing programs and events.

6. Expectation and Requirement : In the entire process of 'Grooming Students' by M-school, all the stakeholder namely, industry, society, students, promoters, marketer and what not, has very high and varying expectation.

Looking to the need of the stakeholders and pace with the employability and entrepreneurship, the main role of M-school has to tune-up and groom the students. The M-school is component of basically teachers, learning environment and ambience of college. One can say that, M-schools are name after 'Teachers' who are basic pillars of M-school. Hence teachers' role is very significant in grooming the students and it is always two-way model via teachers and students. Thus there should be see-saw of the following between them,

- a. Essentially it needs a very strong commitment and hard work on daily basis from both sides. The review and feedback and again working will certainly resolve the issue.



- b. Students' perception has to be changed with the help of motivation, positive feedback and continuous in-time learning modules.
- c. Fun base learning is always welcome and it reduces the learning stress and inferior-complex among students.
- d. Intact and effective monitoring in group of students, which can be further categories based on level and need of students also will have very great impact and main tool of grooming students at large.
- e. Practicing of spirituality and exchange of idea may help student to be good in the society and helpful to the general public. Such habits make the students more value base and cultured centric.
- f. The students' diversity and mix of students as well as co-education pattern have to be dealt with carefully especially in rural area.
- g. The rapport and healthy-relation of teacher is very significant while grooming the student.

7. Findings :

- i. The study made on the role of M-school in grooming students has following findings,
- ii. The students of M-school have to be more receptive for learning process and need to have urge to groom. The M-schools are creating platform and more number of soft skill programs.
- iii. The teachers as whole has lot of accountability and serious commitments while grooming the students in rural area. The major strength will be the 'Patience and Repetition' till the students learn something out of that.
- iv. The quality of teachers, students, infrastructure is vital and most important to have learning environment. The learning and effective environment gives grooming impact on the students.
- v. The industry inter-face and visit to the industries will develop skill and interest among students. Students may get applied knowledge and idea of situation handling.
- vi. As part of motivation among students, sports, extracurricular activities need to organize in the M-schools. The trophy and commendation to the students on their best performance is also yard stick to develop them.
- vii. M-schools have to start the different but need base sectorial programs like, family business, tourism, agri-marketing, hotel-management, health-care, etc., which instigate students forge grooming.
- viii. Overall the stakeholders require working hand in hand for grooming the M-school students but there should be effective and intact track between teacher and student in the course of grooming.

8. Conclusion : It is well said that, 'Soft Skill are Hard to Learn' in entire process of grooming M-school students the soft skill plays very important and significant role. The scale of students' perceptiveness and receptiveness is the major yard-stick while grooming them. As we know learning for teacher never ends and teacher will be remain as student for his entire life. Teachers practice of learning and equipping with latest day today's happening is making teacher as Master of his domain.

The industry-institute interface, students' development programs, faculty development & dedication, entrepreneurship development and placement will groom the student in tune with market and industry. The most important, the promoter of the M-schools needs to take care of staff from all area. The revitalization the role of M-school in rural India more crucial and important.

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Ethical Dilemma in Leadership : An Indian Scenario

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Abstract : *Ethics is the heart of leadership. "The power that comes from being a leader can also be used for evil as well as good." When we assume the benefits of leadership, we also assume ethical burdens. An understanding of ethics begins with an analysis of values, both individual and organizational. Effective managers and leaders must be aware of their values, morals, and system of ethics and ethical decision making. Internal and domestic business is not free from ethical dilemma. Leader needs to provide ethical leadership to his/her business. This paper focus on the concept of ethical dilemma in leadership, what qualities required to become good leadership, identify the process of ethical decision making, how to familiar with resolving dilemma and the current Indian scenario towards ethical leadership.*

Keywords : *Ethical dilemma, Leadership, Business ethics, Workplace, Resolve*

Phrases : "think, say, and do", "winning is the only thing", "Do or Die", "walk the talk", "right vs. right", "Mera Bharat Mahaan", "Sau me se 99% beimaan", "White collar crime"

1. Introduction : Leadership is not a genetic gift or a family legacy. Becoming a leader is an intentional process of growth that must be lived out experientially. Leader must be ready to define his/her values, his/her character, and his/her leadership style. For durable, strong leaders, the process will not end. It will become a way of life, not only in business, but within our families, our various communities, and the world. Once an ethical environment is created by leader employees and management develop trust in one another. Good leaders garner trust. Most leaders, particularly in important positions, are equipped with a good education and hopefully a basic knowledge of right and wrong. And still, when faced with an ethical challenge, they know what the "right" thing to do is, but do what is wrong anyway. Ethical dilemmas occur when important values come into conflict, and the decision maker (the leader, in many cases) must make a choice between these values. Since both values are important, success and honesty.

2. Objectives of the Study :

1. To study concept of ethical dilemma, process of ethical decision making and its various aspects.
2. To study the Indian scenario towards ethical leadership
3. To find out remedial measures to overcome ethical dilemma.

Research Methodology : The present study is based on the secondary date where the researcher tried to explore the facts and finding about the subject by analysing the data collected from the magazine, internet, books etc.

What Is Ethical Dilemma? : An ethical dilemma is any situation in which guiding moral principles cannot determine which course of action is right or wrong. An ethic deals with right and wrong from a moral perspective. In ethics you ask yourself, 'Is this the right thing to do?'

A dilemma is a problem offering two possibilities, neither of which is practically acceptable. One in this position has been traditionally described as "being on the horns of a dilemma", neither horn being comfortable. This is sometimes more colourfully described as finding oneself impaled upon the horns of a dilemma", referring to the sharp points of a bull's horns, equally uncomfortable.

An ethical dilemma is one in which a person has to choose between two options, both of which are morally correct but in conflict. Ethics and morals are inseparable. They both deal with questions of right and wrong. What constitutes ethical behaviour is determined by societal or cultural norms. What constitutes moral behaviour is up to the individual to decide based on his own sense of right and wrong. Fig.1.1 helps to understand ethical dilemma.

Table I

Paradigms of Ethical Dilemmas:

Paradigms of Ethical Dilemmas	
1.	Truth vs. Loyalty: honesty vs. promise-keeping
2.	Individual vs. Community: interests of the one vs. group
3.	Short-Term vs. Long-Term: present vs. investment for the future
4.	Justice vs. Mercy: fair vs. sympathy for the individual.



Ethical Dilemma in Leadership : Ethics and leadership go hand in hand, and as Cuilla(1998), noted, ethics is the heart of leadership. Leadership has to do with change.

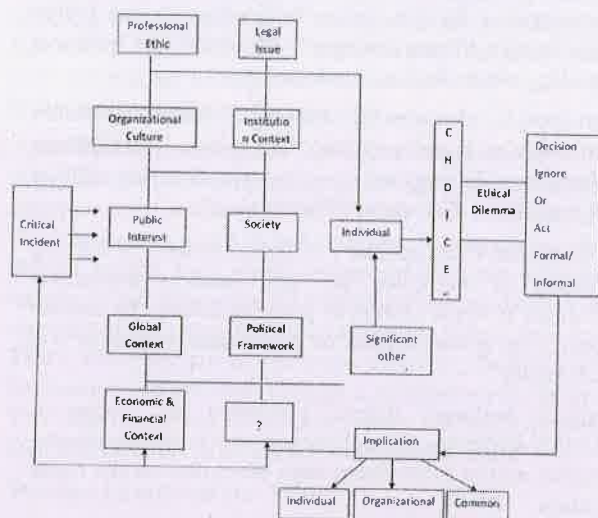


Fig. 1.1 "A model for understanding ethical dilemmas"

Leaders establish direction by developing a vision of the future, and working together with managers to reach company's goals. Leaders are the most important and powerful influence on the culture of an organization and are responsible for creating credibility and trust. It is obvious that employees contribute more when they are working for something they believe in.

In sport (ethics is ethics, after all), the "winning is the only thing" mentality is the root

of much of the unethical behaviour. Business parallels sports in that there is a need to win

by prevailing over competition and gaining a competitive advantage, sometimes unfairly. So ethical leadership plays most important role in conflict situation for right decision making.

Quality To Become Good Leadership : There are some qualities mentioned which are must to become good leadership:

1. Trustworthiness - honesty, integrity, reliability, loyalty, keeping promises and not deceiving others.
2. Respect - using the Golden Rule or treating others as you wish to be treated, in addition to being courteous, listening to others, and accepting individual differences.
3. Responsibility - accountability, self-control, the pursuit of excellence, and considering consequences of our actions prior to making them.
4. Fairness - playing by the rules, not taking advantage of others, making informed

judgments without favouritism or prejudice, and not blaming others.

5. Caring - kindness, compassion, and altruism, acting to minimize hardship and to help others whenever possible.
6. Citizenship - working to make one's community better, protecting the environment, making our democratic institutions work, and operating within the law an ethical environment might likely be created, and in turn, employees might follow.

Process of Ethical Decision Making: The following process is defined for how a leader can take appropriate decision in critical situation when arises in organization. There are three steps for ethical decision making:

Step I-

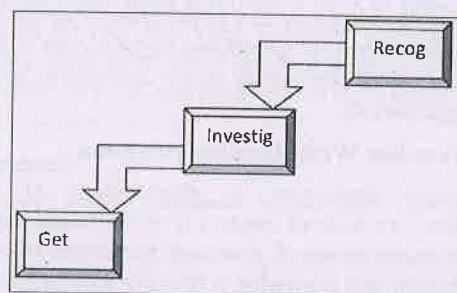


Fig. 2.1 Step I: "Process of ethical decision making"

Here in first step fig.2.1 shows the leader/manager should recognize the basic situation where occurs in organization. e.g. what is situation is happen in union and top level management as problem of strike. Then which ethical dilemmas will occurs because manager gives importance to all aspect related with corporation. Again after reorganisation of problem the leader should investigate the all matters and again finally get the feedback about that investigation and situation. In above Situation what will manager do as ethical decision?

Step II-

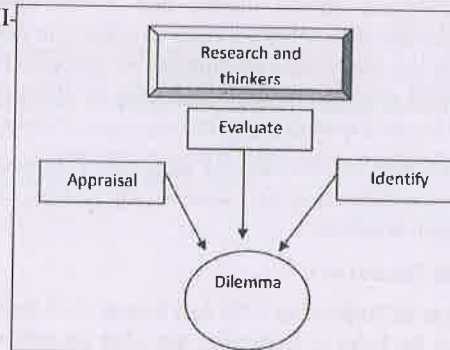


Fig. 2.2 Step II: "Process of ethical decision making"

In second step fig 2.2, here explaining about the researcher and thinkers who are analyze the process of ethical decision taken into corporate .firstly evaluate the problem that are



occurred after identify the situation and finally appraisal getting for the ethical decision in organization. Here in above example define s how a another organization can also do a unethical things for competition-

Step III-

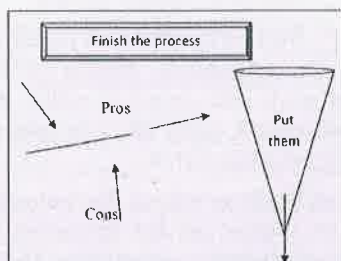


Fig. 2.3 Step III: "Process of ethical decision making"

In step III fig 2.3shows,the leader has to evaluate the situation with their reasons and importance to define the problematic situation after identifying the pros cons of that situation then take a appropriate ethical decision as far all aspect in organization.

How To Familiar With Resolving Dilemma :

1. Employees participate in development of the organization's code of conduct is useful to create by-in and commitment. It is critical to include the top management and leadership in the code's development and implementation.
2. Ethics training for companies and organizations is another solution that has been used extensively and effectively. Given the possibility that some might shy away from the term "ethics" training, a more creative and less threatening title could be substituted.
3. For this to be an effective tool, as in the use of codes of conduct, there must be commitment from the leadership of the organization to participate and embrace the program.
4. All employees should attend, and to the extent possible, they should have a voice in putting an ethics program together. Ethics training can be centred on the company's mission statement and code of ethics, but should be participatory in nature.
5. Ethics training should have an academic component, where decision making models are taught, and evaluation is critical.

The Indian Scenario :

Political view of leadership : We had honest, God-fearing politicians at the helm of leadership just after we achieved independence. However, due to their naivety, they adopted policies that were detrimental to growth. PV Narsimha Rao is probably one of India's greatest prime ministers, simply because the fiscal crisis of 1991. Gandhi Babu would lose the exclusive tag of being the only ethical politician to have

lived in the last century. Mahatma Gandhi recommended that politics should be a branch of ethics. The 'Modi sarkar' has amended service rules to ensure that the Indian Administrative Service, Indian Police Service and Indian Forest Service officers maintain "high ethics" and "political neutrality" while discharging their duties.

Corruption is a character flaw but lack of vision and wisdom from a leader is unforgivable. The phrase 'Mera Bharat Mahaan' would come back in vogue and without the addition of the next line, 'Sau me se 99% beimaan'.

View about Corruption : In Indian context, a working definition of corruption is, "any business transaction performed in black market to generate income by anyone – poor, rich, private citizen or government employee – is black money.

Business dictionary defines corruption as, "giving or obtaining advantage through means, which are illegitimate, immoral, and/or inconsistent with one's duty or the rights of others."

Two Categories of Corruption :

1. Corrupt have a broken regulatory system of moral and ethical values
2. Corruption is money transactions enforcing laws of the country.

Black market in India feeds parallel economy estimated to be about \$640 billion a year and about 50% of the white economy. "if it is specified that the fee for a birth certificate is 100 rupees but the clerk wants something above and beyond that, we have a deviation and hence corruption." Black market is also a deviation and a "white collar crime."

Black market exists as proper legal system/framework is not in place in India.

Recently several articles that the black money held by Indians in foreign banks may be as much as \$1.5 trillions. In 1995, an estimate was Indians had stacked away in foreign banks about \$225 billion, which in 2008 was valued at under \$500 billion. This number appears to be a third of what some politically motivated commentators claim to be the amount of black money held by Indians in foreign banks

Indian Ethical Leader-Ratan Tata

India have great corporate leaders also. e.g.

Principle of TATA Group of Industries:

1. "Tatas don't bribe"
2. "Tatas don't indulge in politics".

Tata Group, one of the leading business

houses in India, The group had a long-standing reputation for ethical leadership and was well known for its corporate social responsibility Under the leadership of 'Ratan Tata'



India contributes for Leadership: By Giving 'Forbes India Leadership Award'

About The Awards: Award launch in May 2009, Forbes India has been a champion of entrepreneurial capitalism, in line with the Forbes' DNA. They also share the vision that over the next ten years, India has a never-before chance to create an entrepreneurial renaissance.

Apart from chronicling that journey, the magazine seeks to play a catalytic role in spotting and recognizing outstanding entrepreneurs. Instituting The Forbes India Leadership Awards is one big step in that direction. In many ways, the themes behind each award category reflect the editorial agenda of our magazine. At Forbes India, they believe in the spirit of fair play: entrepreneurs need to follow the rules. That's why they put in enormous effort to research each nomination and put them through a stringent methodology. This is the fourth year of the Forbes India Leadership Awards, their annual effort to recognize outstanding leaders.

Women Leader of the Year :

2011: Vanita Bali-MD, Britannia industry.

2012: Malika Shrinivasan-TAFE

2013: Chitra Ramkrishnan-MD and CEO, NSE

Remedial Measure :

1. It is found that there is a need for creation of awareness about ethics among employees to improve work environment/organization environment.
2. It is noted that the employee discrimination is one of the reason responsible for ethical dilemmas.
3. It is noted that the international and domestic business suffer from ethical dilemma. There is need to improve corporate culture and ethical climate among all business.
4. It is found that there is a corporate hoes and non-government organization also government organization must focus on ethical standards.
5. There is need for every organization to use training programs to encourage ethical dilemmas.
6. It is recommended that good business ethics should be part of every business and every manager must fallow his/her own idea to be become familiar with resolving dilemmas.
7. It is noted that there is gap of performing ethical standard in an organization. Company should continually monitor the ethical values that are part of business they are into.
8. It is noted that the ethical dilemma are difficult to make and need to be improving ethical dilemma making.
9. With honourable exception, Indian businessmen are

unethical there is a need to follow ethical practices in decision making.

10. It is noted that there ethics is important as it corresponds to basic human needs, helps better decision-making, helps in a firm earn profit in the long run and protect society. Every organization must fallow all rules and act which seek to ensure fair business practices in our country.

Conclusion : Ethics are the core aspects of business and heart of leadership .When law and government fails to protect moral practices of business then ethics succeed. The situation of 'Do or die' always faced by leader and at that point ethical dilemma occurs which make worst impact on decision making. In ethical dilemma leader must follow 'Think, say and do'. The percentage of corruption and increasing scope show that there is need to follow ethical standards for each and every business. Training program and awareness about ethics can help to improve situation. 'In the light of truth' everything can be clear which focus on ethical decision making.

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- 11.1. Dictionary defines corruption, "corruptness: lack of integrity or honesty (especially susceptibility to bribery); use of a position of trust for dishonest gain."
- 11.2. *A handbook on political corruption is compiled by Arnold J. Heidenheimer, Michael Johnston*



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Is E-Commerce Gearing up in India?

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Abstract : Internet has drastically altered the way in which information is shared, and has had a profound impact on marketing. Over the past few years, there has been more of a shift toward inbound techniques, while many outbound tactics have become antiquated. More businesses are finding success publishing original content rather than embedding advertisements within external content, because of the additional benefits these tactics offer, such as branding and audience growth. E-commerce has also changed the way the world satisfies their diverse needs. The youth of today is constantly demanding change with innovation. E-commerce has unleashed yet another revolution, which is changing the way businesses and consumers buy and sell products and services this is e-retailing. From shoes to cheese everything is shall be delivered to you in mere 24hrs and that too from any part of the world. Trends and fashion is something that drives the youth. The internet has created a new economic ecosystem, the e-commerce market place which has become the virtual main street of the world. Creating a valuable website is crucial in capturing the attention of young shoppers, who have never experienced a time in their lives without technology. India has been experiencing remarkable growth, successfully changing the way people transact. It also has paved way for budding entrepreneurs to experience and enjoy the new opportunity market which follows the asset light method. But isn't this trend gearing up to early even after 10 yrs. of presence in developing countries? This research paper studies the sustainability of E-commerce in Indian markets for budding entrepreneurs

Keywords : E-Commerce, E-Retailing, Budding Entrepreneurs, Advertisements

1. Introduction : E-commerce in India has evolved significantly in the last decade, and there are many aspects of e-commerce like TV shopping, online shopping and mobile, which are all part of what is digital commerce. That journey has happened over the last decade. Internet is a new medium of acquiring and disseminating information. It has transformed the way the world views each other. People today Walk & talk the web language. It has broken all barriers to communication. They say if it's not on Google then it doesn't exist. This is the impact of Internet.

Internet is one component which has recently become the key ingredient of quick and rapid lifestyle. 'Internet' has become the central-hub for all, be it for explorations or mere connection. This essentially states that internet has everything and anything that a man needs virtually which satisfies his tangible needs. The 21st century has been termed as the E-Revolution Era, Internet being the vital tool in integrating boundaries. The internet began largely as an information and research vehicle. Although it has rapidly shifted from being an educational tool to an engine of commerce, it is still an important information source.

"Not found anywhere, please check GOOGLE for the same."

Consumers can now sit down in the convenience of their own home and learn about your product. In fact, chances are good they will look to the internet to do preliminary research about a new product area regardless

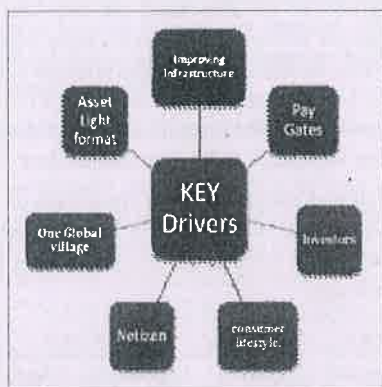
of how they buy the product. Brick and mortar stores are also learning that many of their consumers will do research on the internet before buying at the store for any kind of product even for Low involvement products. As a business owner, it is important to be open and make information easily available to customers.

With the information age, customers are often more hungry for information about a product and anxious to make more informed decisions. Easily available information is no longer something nice to have -- it is expected. The consumer demands the delighting factor. Prior to this the consumer viewed lived in the world of information-barren 30-second commercials, consumers now demand more information. The Entire format of E-retailing is Consumer Centric. It is a challenge for the marketer to constantly provide and protect consumers from misrepresentation of information about the company. Understanding these dynamics is the only way the marketer can enter the Black box. Today the consumer



wants the marketer to follow them. Hence the analysing these changes is fundamental to harnessing the power of the internet to capture the loyalty of your customers and build your business. Hence the marketer is using every medium to reach the consumer and tell him "I am Here?"

The intensive competition and the easy enter into the industry is pushing E-tailers to capitalize the available opportunity. The marketer knows today consumers will soon start applying the three S's of E-retailing. Hence various strategies are adopted to grab every popping opportunity as they sense the Maturity of the industry will be soon near.

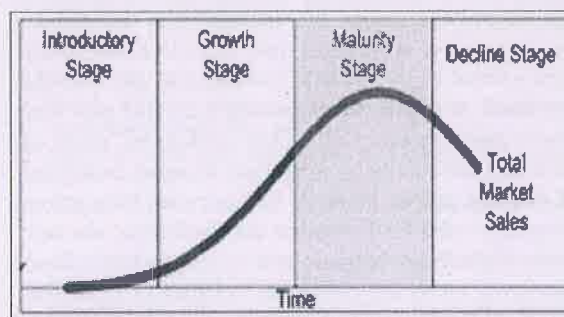


2. Review of Literature : E-Commerce has unleashed yet another revolution, which is changing the way businesses and consumers buy and sell products and services this is E-retailing. E-Commerce in India has been experiencing remarkable growth, successfully changing the way people transact. It almost took a decade for E-retails to earn recognition in the minds of the consumers. People today can shop literally everywhere within minutes, be it their workstations or homes, and most importantly, at any time of the day at their leisure. The online market space in the country is escalating in terms of offerings range of products & services from travel, movies, hotel reservations and even finding a life partner through matrimonial services, electronic gadgets, fashion accessories and even groceries. This kind of shopping is not only enjoyed by young but also the senior and junior segment of consumers. They are termed as "Netizens". The low cost of the personal computing and the growing use of the Broadband Internet & telecom connections and busy lifestyle are few reasons why E-Commerce is growing in India. The changing Income patterns and taste also adds to the growth in demand for E-retailing. E-retailing is nothing but the purchases made by consumers in small units through the electronic medium.

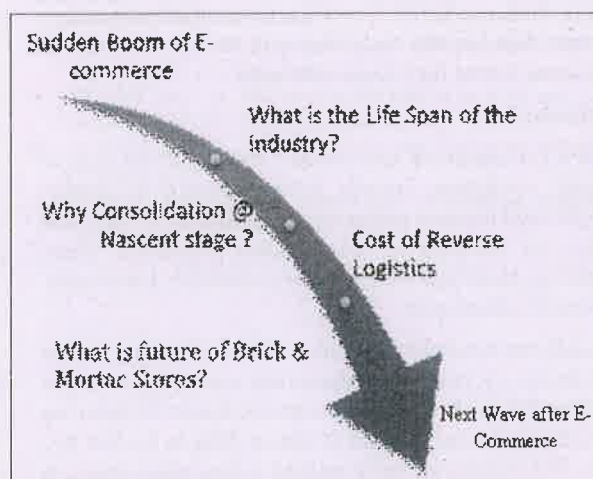
The E-retails has to face lot of challenges from returns, fast delivery to payment gateways. Along with these limitations also Indian E-market has shown tremendous growth in contributing about \$1.6 billion to the Economy. E-retailing is still at a nascent stage in India as compared to other

developed economies. It is estimated that in the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries. This will lead to higher level of competition increasing the bargaining power of the buyers and suppliers. Also the new entry threats are also higher as the cost of starting up is also low. The buyer will have higher bargaining power.

Isn't this industry moving too faster as compared to its performance in other economies? What was seen by Chinese and US E-markets at the Growth stage is visible at nascent stage in India. There is no doubt about the growth but what is its life acceptance of this industry? Why are these E-tailers looking out for mergers at and nascent stage of an industry? Are the E-trailers are sensing early maturity of markets. Will E-markets be another Mall in the city with has now become a window shopping Mall? Where people go only to enjoy the sight rather than shopping? How would they retain the attention span of the Indian consumer who demands constant change? What's the future of Bricks & mortar stores? Can a Virtual world provide the personal touch to the selling process?



Gap Analysis : Questions yet to be Answered



3. Scope of Study : The purpose of the study is to understand consumer's perception on the acceptance of E-Commerce in the near future. It aims at building a model that would help E-retailer sustain the forecasted maturity.



The study also focuses on the forecasting and understanding the next wave that would help ecommerce industry to survive..

4. Research Methodology : The study would be largely based on descriptive evidences through observations and literature review. The secondary data is thoroughly analysed and the Collection of secondary data is done through reports, magazines, books, Journals, past research data, etc.

In the context of the above, following are the objectives of the study

- To identify problems and challenges faced by E-Retailers
- To study the Industry Life Cycle of E-Commerce industry in India
- To determine the next wave of E-Commerce.

Research Problem : E-Commerce in India is not a new phenomenon. It's been 10yrs since the first E-Commerce industry started. But it caught eyes only when heavy IMC techniques were applied by the budding Entrepreneur. It's the latest FAD among the consumers to buy thanks to the impressive advertising and attractive temporary discount offered by E-retailers. But this Fad has hurt the sales of Brick & mortar stores making them find new way to survive this E-wave. COD Cash-on-delivery mode of payment and discount of an asset light business model has paved way for sudden boom in E-Commerce transaction. Pumping only sales for E-retailers not Profit. Also the cost of reverse logistics has to borne by E-retailers which cannot be transferred on to the consumers because of Price war among E-retailers. This speedy growth of B2C E-retailers is indicating an early maturity for these businesses. It would be a major challenge for the E-retailers to satisfy the consumers and earn their Loyalty for a long span and that too without the current format for E-business model.

5. Discussion :

India's E-Commerce Ecosystem : India is at the cusp of a digital revolution. Initially India it seemed the perfect place to build a robust online economy. Internet has become oxygen for the growing urban Indian population. These E-retailing Asset light model is not profitability sustainable. It has many drawbacks:

Although the trend of e-Commerce has been making rounds in India for 15 years, the appropriate ecosystem has now started to fall in place. The e-Commerce market in India has enjoyed phenomenal growth of almost 50% in the last five years. The number of users making online transactions in India is expected to grow from 11 million in 2011 to 38 million in 2015. Venture capitalists (VC) and private equity players have demonstrated their faith in the growth of e-Commerce in the country. This is amply substantiated by the significant

increase in the total investments (US\$305 million in 2011 against US\$55 million in 2010). But this rolling stone already has started cumulating moss around it. Problems with logistics, payment gateways, and intense competition for too few customers have created an environment in which companies are struggling to survive. As a result, investors are holding their money close, creating a funding drought just as the industry hits major growing pains. The war for each vertical has often become a test of who can outlast the siege of their competitors, who can survive the longest in the face of price wars. India's e-commerce retail sector is caught in a peculiar bind. On the one hand, the sites are gaining customers as people become more comfortable with buying things online. But on the other, the government's decision in September to bar foreign direct investment (FDI) in the online retail business has led to some amount of desperation among shopping sites, especially the smaller ones.

All these E-retailing Companies are burning cash on chasing customers, investors are not convinced with this the model. They are not finding it sustainable and are cutting back on investing in start-ups.

Pro's	Con's
<ul style="list-style-type: none">• Annual disposable income per household to grow by two-and-a-half times by 2015• Discretionary spending expected to form a major portion of expenditure in India• Proliferation expected in the sales of PCs, tablets and smartphones• More Indians increasing time spent online• Probability of growth in internet user base, mirroring that of the voice user base• Volume and average value of transactions higher for credit cards than debit cards• Increase in the number of payment options	<ul style="list-style-type: none">• Low average broadband speed and flat average internet speed cause for concern• Online payment landscape marred by low penetration of credit and debit cards• Reverse logistics• Lack supplementary Infrastructure• High demand for COD• Urban Phenomenon FADs behavior of Consumers• Absence of e-commerce laws• Manpower shortage• Low entry barriers leading to reduced competitive advantages

6. Conclusion & Recommendation : The study indicates the slope of E-commerce will soon start moving down ward. The consumers for now are enjoying the trends it's the FAD season. Also the porter 5 forces will act against the mechanism of the Asset light model. As in this asset light model entre & exist is not a tedious task many budding entrepreneurs have made their way into this industry but the life span is questionable taking into consideration the high competitiveness the big players are showing. The parallel



physical retail market will also make full attempts to face the wave and it has also begun taking effective measures in doing so. Big retail brands like future group and Aditya Birla have started innovating their retail formats to face the changing needs of the consumer. Also the experience of physical buying cannot be replaced with online buy. Indian consumers for whom shopping with family is an occasion or family time will not stick to online shopping for a long. As the number of e-trailers rise the bargaining power of supplier will also rise giving them hand on choice. This will again lead to high rivalry among the players. Also the availability for buyers will be vast hence their interest would soon fade away leading decrease in demand. Also the kind of Customer relationship practices done by these e-retailers affects consumers choice.

The M-commerce is the next way that would bring movement to E-commerce once it reaches maturity. Big players have already sensed this that its why change that why they have are making all possible attempts to promote M-commerce application and heavy discounts, advertising, sales promotion etc. Hence E-commerce is gearing up for the moment but this gear will soon slope down.

Recommendation : The E-retailers have to make way for Consolidation between physical buying & online buying that would be only mantra through which both industries can enjoys the customers share. Also Omni marketing channels needs to be adopted by your entrepreneurs.

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A Study on Mass Customisation

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Abstract : Mass customization, in manufacturing is the use of flexible computer-aided manufacturing systems to produce custom output. Those systems combine the low unit costs of mass production processes with the flexibility of individual customization. A company engaging in mass customization may offer a basic package for a product and then allow a customer to add or subtract different features at his/her discretion. China is one of the largest and most rapidly growing markets in the world. In such a dynamic environment, mass customization is considered crucial to developing and maintaining the competitiveness of suppliers. Mass customization focuses on providing customers with good value for their money and increasing company profits.

Keywords : Mass Customization, Computer-aided Manufacturing,

1. Introduction : If buyers want custom, built-to-order products, but you need to make and sell enough at a low price to compete with mass production, mass customization is the solution. Mass customization refers to a customer co-design process of products and services which meet the needs of each individual customer with regard to certain product features. China's manufacturing industry has the reputation for being able to produce very large quantities of product rapidly and at extremely low cost, but in very few varieties

Theoretical Background : Mass customization refers to a customer co-design process of products and services which meet the needs of each individual customer with regard to certain product features. Some more discussion of the main points of the definition:

a. Customer co-design : The genus of mass customization is customer co-design. Customers are integrated into value creation by defining, configuring, matching, or modifying an individual solution. Customization demands that the recipients of the customized goods transfer their needs and desires into a concrete product specification. Co-design activities are performed in an act of company-to-customer interaction and cooperation. Without the customers' deep involvement, the manufacturer would be unable to adequately fill each individualized product demand. Customer co-design in a mass customization context establishes an interaction between the manufacturer and customer which offers also possibilities for building up a lasting relationship. Once the customer has successfully purchased an individual item, the knowledge acquired by the manufacturer represents a considerable barrier against switching suppliers.

b. Meeting the needs of each individual customer : From a strategic management perspective, mass customization is a differentiation strategy. Customers gain from customization the increment of utility of a good that better fits to their needs than the best standard product attainable. To match the level of customization offered by a manufacturer with the customers' needs becomes a major success factor.

c. Stable solution space : The space within which a mass customization offering is able to satisfy a customer's need is finite. A successful mass customization system is characterized by stable but still flexible and responsive processes that provide a dynamic flow of products. Value creation within a stable solution space is the major differentiation of mass customization versus conventional customization. A traditional (craft) customizer re-invents not only its products but also its processes for each individual customer. But a mass customizer uses stable processes to deliver high variety goods.

Adequate price and cost level : Mass customization practice shows that consumers are frequently willing to pay a price premium for customization to reflect the increment of utility they gain from a product that better fits to their needs than the best standard product attainable. But mass customization goods are still targeting the same market segment that was purchasing the standard goods before. Traditionally, craft customization is related to price premiums of such an extent that it targets a completely different market segment. Premiums of mass customization offerings may be substantial, but have to be still affordable.



2. Research Methodology :

Open (User) Innovation : Open innovation describes collaboration for innovation within networks of firms and external entities like customers, retailers, suppliers, competitors, and other research labs. It is opposed to the conventional model of closed innovation taking place just within the boundaries of a manufacturer. Open innovation in the is focused on cooperation between manufacturers and customers and users.

The main benefit of open innovation is to capture the large base of information and knowledge about needs, applications, and solution technologies that resides in the domain of the users of a product or service. Analogous to the open source idea, users can build upon other users contributions or collaborate with other users to develop a final product without the help of a manufacturer. If user interaction platforms also provide features for consumer-to-consumer interaction in online communities, powerful user networks around a core product can be established.

A major instrument to enable open innovation are toolkits for user innovation and co-design. Toolkits for user innovation as a technology that (1) allows users to design a novel product by trial-and-error experimentation and (2) delivers immediate feedback on the potential outcome of their design ideas. The idea is to build and operate platforms where (communities of) customers and users create, develop, and discuss new products and services with the objective to capture the joint creativity and knowledge of both the company and its customers. The result shall be innovative products and service that better meet the requirements and needs of their users. Some very complex toolkits offer a large solution space and can not be employed without a precise technical understanding. They depend upon the customer taking on a very active role as designer and allow substantial innovations.

Customer Integration : Both mass customization and open innovation integrate the customers deeply into a firm's systems of value creation. Customer integration describes a mode of value creation in which customers are taking part in both operational and innovational value creating activities which used to be seen as the domain of the firm. This co-creation builds the basis for a voluntarily cooperation between both actors, which is driven by specific (not compulsory coherent) motives of both parties

Customer integration can supplement traditional economics by a new set of economies resulting from the integration of each customer into value creation. This is called as this effect 'economies of integration'. Economies of integration arise from postponing some activities until an order is placed, from more precise information about market demands, and from the ability to increase loyalty by directly interacting with each customer.

Personalization : Personalization must not be mixed up with customization. While customization relates to changing, assembling or modifying product or service components according to customers' needs and desires, personalization involves intense communication and interaction between two parties, namely customer and supplier. Personalization in general is about selecting or filtering information objects for an individual by using information about the individual (the customer profile) and then negotiating the selection with the individual.

Thus, personalization compares strongly to recommendation: From a large set of possibilities, customer specific recommendations are selected. From a technical point of view, automatic personalization or recommendation means matching meta-information of products or information objects against meta-information of customers (stored in the customer profile). Personalization is increasingly considered to be an important ingredient of Web applications. In most cases personalization techniques are used for tailoring information services to personal user needs.

3. China as a market for customized goods : China is such a large local market with a more and more heterogeneous consumer base. While in many segments still the focus is on fulfilling early demand in local households, other segments, mostly in the large eastern cities, have already a large and sophisticated consumer base. The increasing chasm between income levels creates two more or less separated markets form many goods. Companies like Youngor target with their mass customization offerings the upper end of the market. Here, demand for customization may be strong according to a number of cultural specialties of Chinese culture:

- a. China has a long tradition in craftsmanship, providing the country both high flexibility and a highly skilled workforce, but also a dedication of some customers regarding highly personalized service.
- b. Crowded cities and communities: Society is still rather uniform but changing fast into a way where uniqueness is honored and appreciated, so customization has a special appeal to many (especially younger) consumers.
- c. Food culture: The Chinese cuisine is highly regional and customized to specific tastes; many Chinese people are highly sensitive to shop for their favorite dish. This may also encourage them to adopt or even demand custom offerings.

And there is weak evidence that China is already moving towards customization: Car manufacturers report that since 2004, more and more cars for the consumer market are not made-to-stock, but are being configured and made-to-order. Haier, a large manufacturer of appliances, offered already in 2002 customizable refrigerators. While this offering flopped in the consumer market due to a lack of an adequate



front-end, it became a hit in the retail market where retailers can order custom versions to differentiate themselves from local competition. And Youngor has introduced mass customization of suits to the Chinese market at a price point of about 320 Euro / 378 USD a piece.

4. China as a manufacturer for customized goods :

Most often, China is however discussed in western countries as a manufacturing place for custom goods. While there is a large debate if logistic disadvantages would not favor local manufacturing of custom goods close to the markets, several western brands are sourcing the custom goods from China: Most custom sneakers and fashion shoes are produced in Guangzhou for the US and European market. Also, several large US brands like Nordstorm, Polo Ralph Lauren or Tommy Hilfinger are producing some of their custom garments in China.

This trend may increase. China has shown in the past years that its main capability is to build lacking infrastructure very fast. In addition, it can counterbalance coordination demands and complexity handling still with cheap human labor (in one factory, almost each single custom order was coordinated and tracked by an individual worker – an easy way to balance the lack of an ERP or MRP system).

But more importantly, Chinese factory managers show no resistance to switch to custom manufacturing if they see a profit opportunity. In many industries, the steadily decreasing order size of standard variants has increased the flexibility and switching capabilities of manufacturers anyway. In addition, the organization of Chinese manufacturing around local industry clusters supports customization perfectly as all players along the value chain are in close proximity to each others.

Consider an example of a Youngor, one of the largest Chinese manufacturers for apparel, including an own custom apparel operations. Youngor produces about 60% of its garments for the local market. Its suit manufacturing capacity is about 2 million pieces p.a., and within this segment, custom suits are the strongest growth factor, targeting about 15% of the total capacity. The suits are sold in about 100 of 2000 retail stores owned by the company in China and Japan, using a simple, but clever measurement system combining traditional tape and an easy procedure to set reference points.

The retail price is between 1200 and 5000 RMB (about 150-600 USD), quite a heavy price tag for the Chinese market. Production took place in a very modern, integrated production facility in Ningbo at the corporate headquarters. Individual cuts are calculated in a CAD room, cutting is performed on modern single-ply cutters, sewing operations are performed to a large extent within the normal line producing also standard garments.

Youngor, provided a very insightful introduction into mass customization which was very much ahead of the state of

discussion beyond many western manufacturers. For mass customization, this is a bright future.

5. Example of Mass Customisation : As an example, there are a couple ways that you can go about buying a computer these days. One way (the old fashioned way) is to get in the car and go to the store. At the store, there will be a whole bunch of computers to choose from. You pick the one that, more or less, has what you are looking for and you buy it. Done.

The new way is to leave the car keys on the table and jump on to the, you guessed it, Internet. Here, you can go onto the Dell.com site and build a computer by your very self that has only what you want, nothing more, nothing less. Want more RAM? No problem, add more RAM. Need a DVD instead of a CD-ROM? Not a worry. Got to have that extra disk space for all those MP3s? Not a concern, just choose it. With only a few clicks of the mouse, you get the exact computer you want, not what just happened to be in stock.

But, how can Dell have so many versions of one computer? Simple; they don't. This is all possible because you are buying a computer that does not yet exist. Rather than sitting on a shelf, waiting for a customer to take it home, the computer you buy at Dell.com only exists as a bunch of parts that someone at Dell is going to build, sell and ship to you in less than 24 hours.

It sounds a little complicated, but it really is very simple. Customization or Mass Customization is a way of building and selling products such that the product features are broken down and offered to the consumer as choices. For example, if Dell has twenty or so product features that make up every computer (RAM, disk space, processor speed, modem, operating system, etc.), the customer can pick and choose between all twenty of these, resulting in a computer that is customized to the particular customer needs.

6. Mass customized products and implementation

Strategy : Different from the current standardized products or configured products, mass customization manufacturing is developing a different product type, known as Parameterized products. Compare the following concepts:

- **Standardized products :** Standardized products refer to products that have standardized functions, features, geometries, and installation procedures, such as bolts, electrical outlets, videotapes etc. Intense competition occurs at the introduction of the product, when their standards are established. The aim is to minimize product variety, hoping everyone uses the same product.
- **Configured products :** Configured products let customers pick and choose only from among predefined options. For example, manufacturers can ask: "from our 54 options, which one do you like?" The challenge

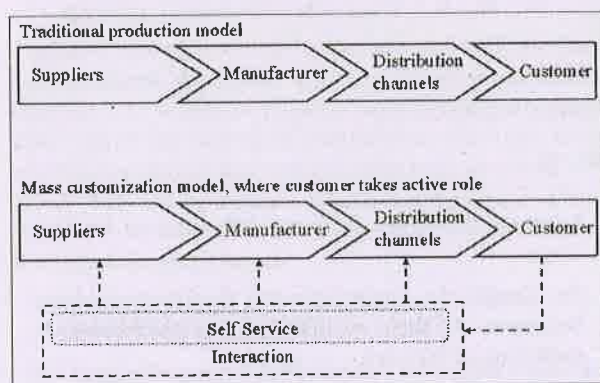


for engineers is to design a framework-and-module mode, instead of one product design. In the game of configured products, manufacturers have to produce and stock different options to guarantee rapid product delivery and maintenance.

- **Parameterized products :** Parameterized products possess a series of attributes called parameters. These parameters allow customers to change the actual design of the product, for example, by creating new sizes, or modifying performance Characteristics. Each parameter can be chosen by customers within a certain scope, and the scope itself can also be defined as one of the parameters.

Fig. 1 :

Comparison between Traditional Production Model & Mass Customisation Model



7. Conclusion : Manufacturing industry with the help of mass customisation has the reputation for being able to produce very large quantities of product rapidly and at extremely low cost , but in very few varieties. When considering the economy as a whole, mass customisation utilises resources more efficiently than mass production. The most obvious benefit to the customers is that goods that can meet the exact needs and wants of an individual are available at prices comparable to those of standard mass produced goods.

A major concern of customers is whether there would be higher prices for customised product. A key problem of mass customisation is deciding on the customisation options to offer to the customers.

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Challenges Faced by the Fishing Folks of North Karnataka

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Abstract : In this paper attempt has been made to know the various challenges faced by the fishing folks of North Karnataka and the adverse impact of those challenges on the development of fishing folks is study and an attempt is been made to create an awareness among the people and governmental bodies working for the benefit of fishing folks. The study covers the major areas of fishermen community in Bhatkal taluk and their Socio-Economic aspects. There are many areas which should be looked into regarding the problems and prospects of the fishing occupation as the fishermen have been subject to various difficulties. Starting from the catching of the fishes, they have to face lot of inconveniences due to non-availability of fishes, not getting prominent market, problems of storage and gradation, financial difficulties etc. The fish famine, ban on fishing and other grievances would pose the fisher-folk to think of undertaking alternative employment. All these aspects are to be considered while drawing conclusions and suggesting suitable redial measures, with this study an attempt can be made to improve the condition of the fishermen's of Bhatkal taluk.

Keywords : Socio-Economic, storage and gradation, fish famine

1. Introduction : The coastal length of Karnataka is 300 Kms. The state has a rich continental self of 2700 sq. Kms with an Exclusive Economic Zone of 87000 sq. Kms. Karnataka has a fishermen population of 3 lakhs of which active fishermen are about 1 lakhs in the coastal districts. The state has only three districts in the coastal region via, Uttar Kannada, Udupi and Dakshina Kannada, with marine resources. The remaining districts have inland fisheries. Of the 25 fish landing centres along the coastline, 03 are in Dakshina Kannada district, 10 in Udupi district and 16 centres' are in Bhatkal taluk. The study covers the major areas of fishermen community in Bhatkal taluk of their Socio-Economic aspects viz. There are many areas which should be looked into regarding the problems and prospects of the fishing occupation as the fishermen have been subject to various difficulties. Starting from the catching of the fishes, they have to face lot of inconveniences due to non-availability of fishes, not getting prominent market, problems of storage and gradation, financial difficulties etc. The fish famine, ban on fishing and other grievances would pose the fisher-folk to think of undertaking alternative employment. All these aspects are to be considered while drawing conclusions and suggesting suitable redial measures, with this study an attempt can be made to improve the condition of the fishermen's of Bhatkal taluka.

2. Objectives of the Study : The research study is conducted with the following objectives:

- To analyze Traditional livelihood pattern of fisher-folk of Bhatkal taluk.

- To study the salient features of fisheries of Bhatkal taluk.
- To identify the Socio-Economic background of the fishermen & their involvement in production & marketing of fisheries.
- To do critical review of fisheries Co-operatives in Bhatkal taluk.
- To identify various problems of fishermen including marketing of fisheries products.
- To know their present condition their problems and external factors affecting them.

3. Research Methodology : Selection of the area: The coastal area of Bhatkal taluk is one of the important fishing center's on the West Coast of Karnataka. Bhatkal taluk is the study area of the present research work. The fishing town on the coastal line of Bhatkal taluk has been selected for obtaining the responses from the selected fishermen's and their Societies / union.

Data collection: The present study is an empirical study and survey. The data is collected both from primary and secondary sources. Primary data was collected from fishermen, intermediaries and fisheries cooperative societies. Secondary data was collected from publications of government and non-government sources. Personal discussions were also held with fishermen, intermediaries, officials of fisheries cooperative societies, government and other officials connected directly or indirectly with the fisheries trade.



Selection of the fishermen: A total number of 60 fishermen's and their Societies/union have been selected for personal interview. The selection of the fishermen at each center has been made on a random sample basis taking 15 percent of the total in each category. The fishermen were approached personally and data on various aspects of marketing their fish collection was obtained as per the pre-tested questionnaire schedules.

Data base : The data has been collected from both primary and secondary sources. Primary data has been collected from;

- a. Fishermen selected for personal interviews.
- b. Intermediaries operating in the areas covered by the study.
- c. Fisheries Cooperative Marketing Societies / union operating in the study area.

Primary data has been collected through personal interviews with the above respondents as per the pre-tested questionnaire schedules prepared separately for the above three type of respondents. In addition to the data collected as per questionnaire personal discussions were also held with others related to the fisheries industries and their views have been recorded separately. Secondary data has been collected from the following sources:

- i. Published Report of the Department of fisheries of the Government of Karnataka.
- ii. Annual Reports of the Fisheries Cooperative Marketing Societies
- iii. Library of the Marine Station of the Karnataka University – Karwar P. G. center
- iv. Publications of the Uttar Kannada Cooperative Fisheries Marketing Federation Ltd. Karwar
- v. Publications of FAO of the UN and department of fisheries Bhatkal.

Data Analysis /Design : The primary and secondary data collected from the relevant sources have been compiled and tabulated in well-structured statistical tables. The data in the statistical tables have been interpreted accordingly and appropriate inferences have been derived to arrive at useful conclusions. Simple statistical tools like averages, percentages and ratios have been used for arriving at conclusions useful for the study. Growth trends and other statistical tools have been used wherever necessary and useful for the study. Graphical representations have been provided with regard to some parameters to highlight their significance.

The data has been collected from both primary and secondary sources. Primary data has been collected from

- i. Fishermen selected for personal interviews

- ii. Intermediaries operating in the areas covered by the study

- iii. Fisheries Cooperative Marketing Societies operating in the study area.

Primary data has been collected through personal interviews with the above respondents as per the pre-tested questionnaire schedules prepared separately for the above three type of respondents. In addition to the data collected as per questionnaire personal discussions were also held with others related to the fisheries industries and their views have been recorded separately

4. Findings : Most of the harbors lack proper hygiene and sanitation conditions. Fish landing centers are below the normal specifications due to inadequacies in the design and construction of the facilities and partly due to poor maintenance.

The Marine Products Export Development Authority has been alerting the exporters about the stringent quality control in importing countries especially in European Union MPEDA wants exporters to tap the full potentials of US market. The world market for sea food has doubled in value during the last decade reaching \$ 52 billion. The share of sea food in India's export of all commodities is 3.16 percent. The MPEDA is motivating processors to produce more value added shrimp based products for exports.

Karnataka has a rich continental self of 2700 sq. Kms with an Exclusive Economic Zone of 87000 sq. km. It has a fishermen population of 3 lakhs of which active population of fishermen is 1 lakh. There are 5 fishing harbors in 3 districts of Dakshina Kannada Udupi and Uttar Kannada. There are 182 ice plants, 36 cold storages, 17 freezing plants 14 frozen storages 7 canning plants and 17 fish meal plants. It is necessary to arrange for proper storage preservation and prompt disposal or transport services since spoilage of fish starts from the time it is caught. Greater attention should be given towards the strengthening of post-harvest infrastructure viz. (i) Storage facilities (ii) ice plants (iii) cold chains (iv). Roads and transport and (v) effective marketing system in identified areas.

Month wise marine fish landings are low during the three months of the year i.e. June, July and August. Fish landings during two months of the year i.e. September and October are much higher compared to the fish landings during the other months of the year. These trends are noticed in all the three coastal districts of Karnataka. There has been a decline in the value of fisheries caught by the fishermen during the period from 1997-98 to 2002-03. The quantity of fish of all the three major type has also declined during the corresponding period.

Apart from all this activities there is no proper training or counseling given by the authority thru which they could



have improve their standard of work and living, it was also found that majority of them suffers from various health and other social problems.

5. Conclusions and Recommendations : The findings are narrated herein -

It is revealed that, fishermen are facing marketing problem. Fishermen should organize marketing cooperative societies and organize themselves into business partnerships and enter into wholesale and retail selling.

Financial help should be extended to these fishermen by the banks and the state Government through the State Fisheries Development Corporation. Proper arrangements should be made for post-harvest infrastructure to these fishermen in organizing their marketing operations on large scale.

A network of cold storages should be set up by the state government to help preserve the fisheries of these fishermen to enable them to sustain during the demand recession and price fluctuations so that they can sell their fish at a better price when prices are stabilized and demand pickup.

Fishermen's societies need to enter export of fisheries. It has great potential special type of marine products particularly the prawn variety of fish which has vast demand in western countries. Majority of these societies have confined their sales within the district. Hence it is necessary that these societies widen their market and enter the export market.

The fisheries cooperatives are selling their fish to the usual channel of distribution like commission agents wholesale merchants, retail merchants and hotels. These societies would better have a network of their depots in important marketing centers and distribute their fish through them. This would help in economy of sales and a better price for the consumers.

The societies should try to obtain accurate market information through appropriate print and electronic media. They should make use of internet and other such modern sources of information on various aspects of marketing.

Fisheries cooperatives should try to meet the credit needs of the fishermen on a much larger scale and prevent them from going in for high cost borrowings from money lenders and other private agencies.

Marketing expenses are determined by transportation of fish, icing and frozen costs. These problems have to be reckoned with since seasonality of fish production limits the possibilities for marketing of fish throughout the year unless it is frozen, dried or smoked or canned. All this requires better processing techniques.

Management and marketing aspects in the fisheries sector have not received the necessary attention with the result that the potential markets for Indian sea food have remained unexploited largely. Greater market potentials exist in the

US and Europe. The US market alone is worth \$ 10 billion.

There is urgent need for value addition to our exports of fisheries. At present the bulk of Indian supplies consist of block frozen materials that are used for processing consumer products at the importing end. Here after the focus should be on shipping value added products to all major markets including Europe.

Quick movement of fish catch from the fishing areas to the shore by mechanical boat is the obvious solution to the slow movement of indigenous craft. To get better economic returns it is necessary that the fishing boats are well designed and diesel powered. As a short terms measure it is necessary to motorize the local fishing crafts which do not require much capital investment. The fishermen should be given extensive training to handle these boats.

Fishing operations should do by mechanical methods. This would cut down the costs considerably and increase fishing yield. There is need for encouraging the use of selective fishing craft and gear for resource at the offshore areas for effective fishing and to tap unexploited resource.

The above are the suggestions, recommendation, and over all conclusion to improve the fishing industry in the North Karnataka.

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"Corporate Governance : A case Study of Thermax Ltd."

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Abstract : *It describes strategy formulation and implementation associated with decisions over investment and internationalization after the firm raised capital through an Initial Public Offering (IPO). While resolving top management succession issues, the firm finds itself in a business downturn that sharply erodes its shareholder value. The conflict between sustainable growth and shareholder value puts to test the core vision and values of the founders. This paper examines the status of Corporate Governance in Thermax Ltd. The paper attempts to understand the nature of corporate governance system & reflects the growing interest in company. The Company continues its commitment to high standards of corporate governance. In all its operations and processes, the company adheres to stringent governance norms so that its stakeholders are ensured of superior and sustained financial performance. The analysis of the papers indicates that there has been a Fast and growing interest in the field of Corporate Governance in the company.*

Keywords : *Corporate Governance, disclosure, transparency, Listing Agreement*

1. Introduction : Transparency and fair disclosure practices are essential for financial reporting. No company can function effectively if it is not have fair disclosure. A Fair disclosure practices show truthful and correct financial data and Corporate Governance is one that sustains in this direction. It helps to identify elements and factors responsible for fair and reliable corporate disclosure. Corporate Governance has changed way of reporting business data from financial point of view to show the reliability, acceptability and Truthfulness. The situation described requires company to review its Corporate Governance frame and to evaluate which businesses to retain and which to divest in its bid to recover from the double crisis it faces from sluggish domestic market conditions and uncertainty of international business. The company is committed to conserving energy and preserving environment that contributes in the field of Energy, Chemicals, Water Treatment, Power generation, Air Pollution Control, waste water treatment and Recycling, Boilers, Heaters, Absorption Cooling. This company has a high recognized status and Reputation in corporate and business world. The company always adopted a fair and transparent approach for its disclosure policy.

Objectives :

- To understand the concept of corporate governance practices in true sense.
- To understand the Corporate Governance processes of Thermax Ltd.
- To evaluate the implementation of Corporate Governance Code by assessing corporate governance Norms

Methodology : This study is based on the database of company. retrieved from the web. "Corporate governance" was used as the keyword to search titles, abstracts, and keywords. As a part of research I have used various Norms

of Companies Act and Listing Agreement. The records were downloaded into Microsoft office and precisely analyzed.

History of Corporate Governance : The Greek root for governance is 'Kebemau' to steer, to rule, the corresponding Sanskrit word is 'shasan'. Both indicate a common keynote in governance-disciplining. the ancient view of governance as depicted in Indian text –Arthshastra, by Channakya is a key concept behind the idea of Governance. Corporate Governance has become the latest buzzword in the corporate sector in India. Corporate Governance comprises the system and process which ensure the effective functioning of the firm in a transparent manner for the benefit of all the stakeholders and accountable to them. The focus is on relationship between owners and board and controlling companies as legal entities in perpetuity. It ensures: Adequate disclosures and effective decision making to achieve corporate objectives;

- Transparency in business transactions;
- Statutory and legal compliances;
- Protection of shareholder interests;
- Commitment to values and ethical conduct of business.

Concept of Corporate Governance : The Cadbury committee report (1991) defines corporate governance as- "a system, by which corporate are directed and controlled." It deals with a how a company fulfill its obligations to investors and other stakeholders. It is about commitment to values and ethical business conduct and a high degree of transparency. Corporate Governance is Transparency or accountability in its operation to the provider of the Capital & investors for efficient utilization of resources.

Thus corporate governance is the process whereby people in power direct, monitor and lead corporations, and thereby either creates, modify or destroy the structure and systems under which they operate.



Corporate Governance Norms :

Particulars	Provisions in the Companies Bill 2012
A. Composition of the Board- Independent Directors	Clause 149 (4) "Every listed public company shall have at least one-third of the total number of directors as independent directors and the Central Government may prescribe the minimum number of independent directors in case of any class or classes of public companies."
B. Definition of Independent	<p>Clause 149(6) "An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—</p> <p>(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;</p> <p>(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company; (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;</p> <p>(c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;</p> <p>(d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed whichever is lower, during the two immediately preceding financial years or during the current financial year;</p> <p>(e) who, neither himself nor any of his relatives :</p> <p>(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;</p> <p>(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -</p> <p>(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or</p> <p>(B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;</p> <p>(iii) Holds together with his relatives two per cent. or more of the total voting power of the company; or</p> <p>(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or</p> <p>(f) who possesses such other Qualifications as may be prescribed."</p>
C. Remuneration to Independent Directors	Clause 149(9) "Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members."
D. Number of Directorships	Clause 165 "No person, after the Commencement of this Act, shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time: Provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten."
E. Provisions regarding Meetings	Clause 173(1) "Every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board"
F. Constitution of Audit Committee	(1) Clause 177 "The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. (2) The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement."
G. Meetings of the Audit Committee	No similar requirement



	Provisions in the Listing Agreement
A. Composition of the Board-Independent Directors	<p>Clause 49 (I) (A) – “The Board of directors of the company shall have an optimum combination of executive and nonexecutive directors with not less than fifty percent of the board of directors comprising of non-executive directors.</p> <p>Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise of independent directors and in case he is an executive director, at least half of the Board should comprise of independent directors.</p> <p>Provided that where the non-executive Chairman is a promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the company shall consist of independent directors.”</p>
B. Definition of Independent	<p>The expression ‘independent director’ as defined in Clause 49 of the Listing Agreement, signifies non-executive director of the company, who:</p> <ol style="list-style-type: none"> apart from receiving director’s remuneration, does not have any material pecuniary relationships or transactions with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of Director. Is not related to promoter’s or persons occupying management position at the board level or at one level below the board Has not been an executive of the company in immediately preceding three financial years is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following: <ol style="list-style-type: none"> the statutory audit firm or the internal audit firm is associated with the company and, the legal firm and consulting firm that have a material association with company. is not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect independence of the director, and is not a substantial shareholder of the company, i.e. owning two percent or more of the block of voting shares. is not less than 21 year’s age.
C. Remuneration to Independent Directors	<p>Clause 49(I)(B) “All fees/compensation, if any paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors and shall require previous approval of shareholders in general meeting. The shareholders’ resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, including independent directors, in any financial year and in aggregate. Provided that the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 1956 for payment of sitting fees without approval of the Central Government.”</p>
D. Number of Directorships	No provisions
E. Provisions regarding Meetings	<p>Clause 49(I) (C) (i) “The board shall meet at least four times a year, with a maximum time gap of four months between any two Meetings</p>
F. Constitution of Audit Committee	<p>Clause 49(2) (A) “The audit committee shall have minimum three directors as members. Two-thirds of the members of audit committee shall be independent directors. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise. The Chairman of the Audit Committee shall be an independent director”</p>
G. Meetings of the Audit Committee	<p>Clause 49 (II) (B) “The audit committee should meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present.”</p>



2. Results and Discussions :

A. Composition of the Board :

Name of the director	Pecuniary or business relationship with the company	Relationship with other Directors	No of other Directorship@	Committee position (excluding private foreign & section 25 companies)		No of shares held in the company
				Chairperson	Member	
Non executive promoters						
Mrs. A. R. Aga	Non except*	Yes	-	1	-	6888305#
Mr. Meher Pudumjee	Non except*	Yes	1	2	3	2275500\$
Mr. Pheroze Pudumjee	Non except*	Yes	1	2	4	357000
Independent						
Dr. Raghunath A. Mashelkar	None	No	5	1	8	-
Dr. Valentine Von Massow	None	No	1	1	1	-
Mr. Tapanmitra	None	No	1	1	4	-
Dr. jairamvaradaraj	None	No	8	-	6	-
Nawshir Mirza	None	No	3	4	1	-
Executive						
Mr. M. Sunnikrishnan	N.A	No	2	-	6	-

(Source : Annual Reports of Thermax Ltd. 2013-14)

B. Attendance and remuneration of each director on the board :

Name of the director	Total attendance at board meetings	Attendance at AGM held on July 25, 2013	Sitting fees * (Rs.)	Salary and perquisites (Rs.)	Commission (Rs.)	Total Remuneration (Rs.)
Mr. Meher Pudumjee	5	Yes	240000	NA	2000000	2240000
Mrs. A. R. Aga	5	Yes	140000	NA	1100000	1240000
Dr. Raghunath A. Mashelkar	3	Yes	60000	NA	1100000	1160000
Dr. Valentine Von Massow	5	Yes	160000	NA	2475000	26350000
Mr. Tapanmitra	5	Yes	260000	NA	1600000	1860000
Mr. Pheroze Pudumjee	5	Yes	380000	NA	1100000	1480000
Dr. Jairam Varadaraj	5	Yes	280000	NA	1100000	1380000
Nawshir Mirza	5	Yes	180000	NA	1100000	1280000
Mr. M. S Unnikrishnan	5	Yes	NA	22024986	4800000	26824986

(Source: Annual Reports of Thermax Ltd. 2013-14)

C. Board Committee : The Board at present has seven committees :

1. Audit Committee,
2. Nomination and Remuneration Committee (erstwhile Human Resources Committee),
3. Stakeholders' Relationship Committee (erstwhile Share Transfer and Shareholders' Grievances Committee),
4. Borrowing and Investments Committee,
5. Strategic Business Development Committee
6. International Investment Committee and
7. Corporate Social Responsibility Committee.

The Board constitutes the committees and defines their terms of reference. The members of the committees are co-opted by the Board.

Audit Committee : The committee presently comprises four members, all non-executive directors. The chairman of the committee, TapanMitra, is a Fellow of The Institute of Chartered Accountants of India. Pheroze Pudumjee, Dr. JairamVaradaraj and Nawshir Mirza are the other members of the committee. The committee has met four times during the financial year 2013-14 on May 21, 2013, July 21, 2013, November 5, 2013 and January 20, 2014. Details of meetings attended by the members are as follows:

**Committee members Category Number of meetings attended**

Committee members	Category	No. of meetings attended
Mr. Tapan Mitra	Independent	4
Mr. Pheroze Pudumjee	Non-executive promoter	4
Dr. Jairam Varadaraj	Independent	4
Nawshir Mirza	Independent	4

(Source: Annual Reports of Thermax Ltd. 2013-14)

D) Summary of complaints :

Name	Opening balance	Received	Resolved	pending
Non-receipt of dividend	Nil	32	32	Nil
Letter from statutory authorities	Nil	1	1	Nil

(Source: Annual Reports of Thermax Ltd. 2013-14)

E) Strategic Business Development Committee :

- The primary objective of this committee of the Board is to review and guide the strategic initiatives of the company.
- The committee comprises five members, Dr. Valentin A. H. von Massow (chairman), Meher Pudumjee, Pheroze Pudumjee, M. S. Unnikrishnan and Dr. Jairam Varadaraj.
- The committee met three times during the financial year 2013-14 on May 21, 2013, July 25, 2013 and January 20, 2014

F) Shareholders Holding Pattern :

(Source: Annual Reports of Thermax Ltd. 2013-14)

3. Results : The study deals with analysis of Corporate Governance system of the Company. The Company have adopted healthy Corporate Governance practices. Following are major conclusions regarding.

- The company has adopted all the norms of clause 49 towards Corporate Governance.
- Company maintains healthy Corporate Governance practices so as to improve its performance from the point of view of different stakeholders.
- The company has enhanced its standard of disclosure by adopting appropriate disclosure policies.

- The relationship of directors and their relationship with other companies are disclosed in the Annual Report of company.
- The information regarding attendance of meeting, participation in various activities of company is also disclosed.
- The remuneration paid to directors, their attendance of various meetings and nature of remuneration in companies meetings and affairs is also presented in Annual Report.
- There are audit and board committee to disclose various issues related to performance of company, financial activities of the company.
- The audit committee act as monitor to regulate control it also discloses information regarding complaints received, resolved and pending in annual report.
- The company has adopted part of the non-mandatory code of corporate governance recommended under Clause 49 of the Listing Agreement
- The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the company's Code of Conduct or complaints regarding of the company.

Thus it can be said that Company Has presented well so far as Corporate Governance practices has concerned.

4. Conclusion : Company continues to improve its governance model and create value for all shareholders. What was created from this good governance initiative is an unquestionable success. Some significant results on the corporate governance system characteristics and trends throughout the period were obtained. Company has presented well so far as a Corporate Governance practice has concerned. And the significant growth in the recent year of 2014 was illuminated. "Ownership structure" headed the most frequently used author keywords and was followed by "board of directors" and "executive compensation". Finally, the "agency theory" is the most applied or adopted theory to corporate governance research and it shows continual increment.

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Performance Auditing : Effective Tool to Increase Social Awareness in Business Organizations

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Abstract : Performance audit is primarily intended to evaluate the value for money of the output and outcome. The performance auditor uses all available audit techniques, tools and methodology, including statistical sampling and computer-aided audit tools, for evidence gathering, data drilling and analysis. The most important attributes of an auditor are adherence to ethical principles and professional code of conduct which comprise integrity, objectivity, confidentiality, and technical competence. Performance audit is primarily meant to gauge the performance of an entity, project, scheme or programme in achieving its mission critical objectives. It involves evaluation of the programme from the planning stage to completion, evaluating, monitoring, reviewing and following-up action, and providing recommendations

Keywords : Performance , Audit, Economy , Efficiency and Effectiveness

1. Introduction : Performance audit refers to an examination of a program, function, operation or the management systems and procedures of a governmental or non-profit entity to assess whether the entity is achieving economy, efficiency and effectiveness in the employment of available resources. The examination is objective and systematic, generally using structured and professionally adopted methodologies. In most countries, performance audits of governmental activities are carried out by the external audit bodies at federal or state level. Many of these audit bodies have established guides for conducting performance audits which explain how performance audits are planned, conducted and its results reported.

Performance Audit versus - Financial Audit : By contrast with financial audit performance audit involves:

- More judgment and interpretation
- More selective coverage
- Criteria for evaluation are not pre-defined
- Evidence tends to be at best persuasive, rather than conclusive
- Reports contain more discussion and reasoned argument

Also in this bases they have some differences :

- Study selection stage
- Study design Stage
- Consulting the audited entity
- Team work
- Additional review

Study approach : The Social Auditor(s) should decide on the kind of information needed for the purpose of Social

Audit and must decide on the period of information. Many stakeholders may not be in a position to recollect the programmes put into service long time ago, and therefore, it is advisable to collect and process information on the programmes implemented during the last one year. The Social Auditor should make a list of all the information needed in the required format. Once this is ready, the Social Auditor(s) can share the responsibility of data collection with others. This can be done through selection of focus groups of 6-8 persons in each location to correlate quantitative and qualitative aspects of economic and social indicators pertaining to the people living in the vicinity of the area taken up for study.

Data sources : Primary survey will be from personal field observations, personal interviews and obtaining information through questionnaires. Social Auditor(s) must go around and meet local administration and Gram Panchayat members, particularly Panchayat Secretary and the Sarpanch and update them about the plan of conducting a audit. The Social Auditor should also use relevant secondary data such as reports of official and/or unofficial agencies including media, previous studies, NGOs etc.

The Social Auditors often adopt a research methodology in which data is collected using a mixture of techniques that will facilitate the researcher in capturing both quantitative and qualitative information. The Social Auditor(s) should have clarity on 'why' they do this exercise and 'how' they proceed to research an issue. The Social Auditor should also aim towards matching time and resources to the needs of the community. Accordingly, the designers of Social Audit should make sure that they fulfill the expectations of all those involved in the process.

**Objective of Performance Auditing :**

- The main objective of performance auditing is constructively to promote economical, effective and efficient governance.
- It also contributes to accountability and transparency.
- Performance auditing focuses on areas in which it can add value for citizens and which have the greatest potential for improvement.
- It provides constructive incentives for the responsible parties to take appropriate action.
- Performance auditing promotes transparency by affording parliament, taxpayers and other sources of finance, those targeted by government policies and the media an insight into the management and outcomes of different government activities.
- It thereby contributes in a direct way to providing useful information to the citizen, while also serving as a basis for learning and Improvements. In performance auditing, SAIs are free to decide, within their mandate, what, when and how to audit, and should not be restrained from publishing their findings.

2. Elements of Performance Auditing : The elements of a audit auditor, responsible party, intended users, subject matter and criteria in performance auditing. Auditors should explicitly identify the elements of each audit and Understand their implications so that they can conduct the audit accordingly.

The three parties in performance auditing

a. Auditors :

- Auditors frequently have considerable discretion in the selection of subject matter and Identification of criteria, which in turn influences who the relevant responsible parties and intended users are.
- Auditors can give recommendations,
- Auditors in performance audits typically work in a team offering different and complementary skills.

b. Responsible Party :

- The role of responsible party may be shared by a range of individuals or entities, each with responsibility for a different aspect of the subject matter.
- Some parties may be responsible for actions that have caused problems.
- Others still may be responsible for providing the auditor with information or evidence.

c. Intended Users :

- The intended users are the persons for whom the auditor prepares the performance audit report.
- The legislature, government agencies and the public can all be intended users. A responsible party may also be an intended user, but it will rarely be the only one.

Confidence and assurance in performance auditing :

As in all audits, the users of performance audit reports will wish to be confident about the Reliability of the information which they use for taking decisions. Consequently, performance auditors should in all cases provide findings based on sufficient appropriate evidence and actively manage the risk of inappropriate reports.

The level of assurance provided by a performance audit should be communicated in a transparent way. The degree of economy, efficiency and effectiveness achieved may be conveyed in the performance audit report in different ways:

Audit reports should only include findings that are supported by sufficient appropriate evidence.

3. Principles Of Performance Auditing :

- Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.
- Auditors should choose a result-, problem- or system-oriented approach, or a combination thereof, to facilitate the soundness of audit design.
- Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.
- Auditors should choose a result-, problem- or system-oriented approach, or a combination thereof, to facilitate the soundness of audit design.
- Auditors should establish suitable criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.
- Auditors should plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.
- Auditors should obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions and issue ommendations.
- Auditors should strive to provide audit reports which are comprehensive, convincing, timely, reader-friendly and balanced.
- If relevant auditors should seek to provide constructive recommendations that are likely to contribute significantly to addressing the weaknesses or problems identified by the audit.
- Auditors should seek to make their reports widely accessible.
- Auditors should follow up previous audit findings and recommendations wherever appropriate.
- Follow-up should be reported appropriately in order to provide feedback to the legislature together, if possible, with the conclusions and impacts of all relevant corrective action.



4. The Three E's : Now we shall elaborate the concepts of economy, efficiency and effectiveness in relation to performance auditing.

(a) Economy : While reviewing acquisition of resources for economy, the auditor tries to ascertain whether resources have been procured in the right amount, at right place, at right time and at right cost. Such a review presumes availability of acceptable standards. But the real life situation is that ready-made standards are not available. Therefore the auditor has to determine his criteria with reference to the primary objectives of the organisation. While determining the right amount of resources, he would see if the management laid down its needs clearly and, as far as possible, quantitatively. The assessment of needs should normally, lead to identification of requirements for which alternatives are analysed to determine minimum cost.

Right time to acquire a resource is also linked to the need to be fulfilled. The resource should be available to satisfy the need when it is required. It should neither make other resources 'wait' nor should wait for other resources. Therefore, the auditor reviews procedures to foresee demand, procurement and availability of resources.

Right place for a resource is the one where it is needed. The resources may be available where they are not needed. For example, there may be jobs which are unmanned and there may be men who do not have work. The auditor reviews the system for signaling the resource gaps.

Right Cost refers to lowest cost in the life-cycle of a resource. The lowest cost is determined in the following manner:

- Capital cost (+)
- Operating cost (+)
- Maintenance cost (+)
- Downtime cost (-)
- Salvage value

The above costs are estimated in the form of streams over the life-time of the asset. The cost streams are then discounted to the present using an appropriate discount rate.

It would be obvious that the above method is not a simple comparison of one-time capital cost, which is usually done in traditional auditing.

The calculation of minimum cost presumes that estimates of cost would be prepared for all available alternatives.

Economy should be perceived in relation to the achievement of other goals. Economy in an absolute sense may mean not to spend anything at all. But in a relative sense it has to be related to the achievement of goals of an organisation. Thus 'economy' means spending only that much which is barely essential to achieve the organizational goals. For example, it may be most economical to buy certain supplies from the lowest bidder but if it leads to interruption in the operations of the organization then it may not be the most economical manner of buying these supplies. Therefore, while reporting

on economy the, auditor should keep in view effectiveness of the organisation in achieving its goals.

(b) Efficiency : Efficiency is a difficult concept in government organisations. It presumes that standards of input and output are available. But in a large number of cases the standards are not available and the auditor has to work with the auditee management to determine agreed standards. The most commonly used standards, however, are planned outputs for given inputs laid down by the auditee itself. Where they are not available then other techniques are used to assess the level of efficiency. Some of the commonly used techniques are as follows:

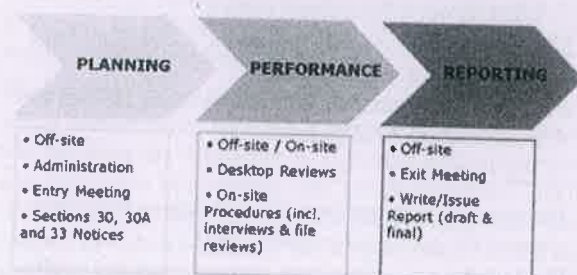
(c) Effectiveness : Review of effectiveness presumes existence of measurable objectives or outcomes of public programmes. These objectives or outcomes serve as criteria for the auditor. Expressing an opinion on the effectiveness is an important and vital breakthrough in the traditional scope of auditing. In certain countries performance auditing is known as effectiveness auditing, since issues of economy and efficiency are adequately covered by traditional auditing.

5. Effectiveness auditing : Audit of effectiveness is perhaps the most important area for a performance auditor. Resources may have been obtained economically and efficiently but the auditee may not have achieved the objectives. The performance auditor shall see:

- i. whether the objectives have been defined by the auditee as precisely as practicable?
- ii. how far the objectives have been based on facts and forecasts which appear reliable?
- iii. to what extent the objectives have been achieved?
- iv. whether the policy instruments chosen to carry out objectives are based on detailed analysis of alternatives?
- iv. whether the progress can be reasonably attributed to the activities and policies of the auditee?
- v. whether the auditee has a satisfactory arrangement to monitor the effectiveness of a policy instrument?

6. Audit Process :

Key steps in the audit inspection process



Planning : The inspection planning process is important as it lays the foundation for executing the inspection in an efficient and effective manner. The planning process



consists of meeting with the firm to discuss the inspection process and issuing notices requesting information from the firm that relates to audit quality and auditor independence.

Performance : During the onsite phase, interviews are conducted with audit firm personnel holding key leadership positions and staff, in order to clarify and confirm the audit quality and auditor independence policies and practices in place at the firm.

Reporting : Private and confidential report for the firm inspected describing the inspection process, observations and findings and suggested remedial actions. The firm's responses to our observations and findings are included in the final report.

7. Equity and Ethics : The performance auditor conducts his audit using mutually agreed-upon criteria and evaluates the performance of the organization or programme or project in measurable quantitative parameters, as well as qualitative criteria relating to economy, efficiency, effectiveness, ethics and equity in execution of the project or service delivery. He frequently asks the fundamental audit questions: 'Are things being done in the right way?' and 'are the right things being done?'. The auditor evaluates the performance with reference to the objectives and the means provided for achieving the objectives; assesses the effectiveness of utilization of public funds; compares the impact, outcome and achievements with standards, targets and criteria; analyses the bottlenecks, systemic and procedural deficiencies to suggest improvements.

Besides assessing the results on the basis of value for money based on criteria of economy, efficiency and effectiveness, the performance auditor uses equity and ethics in his auditing framework, because ethics in management of public funds becomes indispensable for public accountability, and infringement of standards of equity and ethics impinges on the achievement of results and adversely affects the outcome. Ethical and equity parameters make the performance auditor duty bound to analyze the outcome of the project, modus operandi of implementation and ethical and equity implications in outreaching the beneficiaries intended, in compliance with the laid-down policy framework and applicable laws, regulations and procedures. Though the auditor is not mandated to discuss the merits and demerits of a programme, his systematic analysis of implementation of a project gives enormous insight to the policymakers to review and improve the systems and procedures for better effectiveness by learning valuable lessons from experience.

8. Uses and Functions of Social Audit : Social Auditing can be used as a tool to provide critical inputs and to correctly assess the impact of government activities on the social well-being of the citizens, assess the social costs and measure the social benefits accrued as a result of any programme implementation. The performance of government departments is monitored through various

mechanisms, in different states. However, these practices do not capture adequately the broader social, community and environmental benefits.

Social Audit can be used to provide specific inputs for the following :

Equity, Social Responsibility, Trust, Accountability, Transparency, Inclusive, Caring and Peoples' Well Being

- To monitor social and ethical impact and performance of the organisation;
- To provide a basis for shaping management strategy in a socially responsible and accountable way and to design strategies;
- To facilitate organisational learning on how to improve social performance;
- To facilitate the strategic management of institutions (including concern for their influence and social impact on organisations and communities)
- To inform the community, public, other organisations and institutions about the allocation of their resources (time and money); this refers to issues of accountability, ethics (e.g., ethical investment) etc.

9. For Good Governance :

- To monitor social and ethical impact and performance of the organisation;
- To provide a basis for shaping management strategy in a socially responsible and accountable way and to design strategies;
- To facilitate organisational learning on how to improve social performance;
- To facilitate the strategic management of institutions (including concern for their influence and social impact on organisations and communities);
- To inform the community, public, other organisations and institutions about the allocation

Benefits of Social Auditing for Government Departments :

1. Enhances reputation
2. Alerts policymakers to stakeholder trends
3. Affects positive organizational change
4. Assists in re-orienting and re-focusing priorities
5. Provides increased confidence in social areas:

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Indian Ethics and Corporate Management A Review of Various Aspects of Indian Ethos

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Abstract : This article aims at analyzing connect between Indian ethical principles and its application to corporate management. India is a country with rich cultural heritage and known for its rich knowledge and literature related to morality, ethics and ethical behavior. These literatures encompass various facets of individual behavior, political and military ethics, ethics in the public administration, management of business etc. In the business context various businesses refers to these ethical principles at the root of their vision, mission and values. A number of business organizations in Indian follows a various philosophies while conducting their business and relay on this principles to show them a guiding path.

This article analyses some of these ethical principles and their relevance to the corporate management. The article also tries to analyses the aspect of adopting Indian to the Corporate Management practices.

Keywords : Indian Ethics, Corporate Management, Social Responsibility

1. Introduction : The term ethics is defined in different ways by different people. In simple words ethics can be described as rules of our conduct in the society which are valued by the members of the group, mutually accepted and respected. These rules are an outcome social policies, cultures and philosophies which determine what is good and bad.

In the business context the word ethics as defined by Carter McNamara reads as "Business ethics is generally coming to know what is right or wrong in the work place and doing what is right- this is in regard to effects of products/services and in relationship with stakeholders." Ethics makes distinction between the rightful and unjustified conduct in the business.

In the Indian Context a variety of literature is available which talks about the conduct of any individual or government in terms of ethical conduct. Texts like the Vedas, Bhagavad-Gita, Ramayana, Upanishads draws various ethos which are practiced by Indians in their social and personal conduct. These texts talks about various concepts like Karmayoga, Satya, Samta and throw light on duties of a human being at various life stages.

2. Indian Ethics and Its Key Focus Area : In the ancient Indian Literature the word "ethics" can be closely described by the term "Dharma" or the duty of the Individual which is righteous and based on truth. The word Dharma emphasizes on the right conduct of individual. The Term Dharma is used in connection with discharge of one's religious duties and practice of Moral and truthful norms in the daily life. Our focus of the Dharma in this context is about performing the duties on the righteous and moral ways.

The another concept which is brought out in the Vedic period is that of "Karma", which means that there is a uniform moral law, governing actions of man and which has consequence according to the righteousness of the action taken. Thus if one does a "Sat karma", he will get an appropriate benefits of rewards in the next life [1].

In the Vedic sense, the one whose conduct is Ethical shall reach the highest attainment in life which is "Moksha". It is the liberation from the physical existence and cycle of birth and life.

The famous Bhagavad-Gita emphasis on both on Karma Yoga and Gnana Yoga (attaining knowledge) for the attainment of the Moksha or the highest attainment which free up the soul from the cycle of life. As per the Gita, Karma Yoga is superior to Gnyana Yoga. In Karma yoga the focus is to achieve Moksha by doing once duties without any attachment or desire for Materialistic rewards (Nishkam Karma).

3. Indian Ethos and its Relevance in Current Era of Globalization :

The various theories of management have evolved after the industrial revolution in last 200 years. Various management thinkers have given various ideologies of the management, but the key focus always remained as profitability of the concern. But the race for profits and growth led to a number of serious issues about management of corporations. With the globalization, corporations got access to various markets in different countries with different cultures, laws and socio-economic conditions. The recent economic downturn and turbulences in the economy pose a question on practices of these originations to maintain their profitability.



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Also the globalization has shown an increasing need to have a single code or universally accepted code of ethics which can be practiced irrespective of the nature of business and the geographical location. Today the Indian Corporate Management Scenario is flooded with the concepts from Western models of management. These are highly followed in India since it was assumed that what is considered good for west would hold equally good for India [2].

India, being one of the oldest civilizations with a wealth of knowledge and literature can be seen as a source of evolving one universal corporate ethos which can be applied to all businesses and can be easily adopted by corporations across the globe. The concepts of Ram-Rajya can be effectively applied to the corporate governance and administration. As Mahatma Gandhi once said about the Bhagavad-Gita “When doubts haunt me, when disappointments stare me in the face, and I see not one ray of hope on the horizon, I turn to Bhagavad-Gita and find a verse to comfort me; and I immediately begin to smile in the midst of overwhelming sorrow. Those who meditate on the Gita will derive fresh joy and new meanings from it every day.” Thus we need to look inwards to our core ethos coming out of these texts and philosophies to come up with a model code which can be universally accepted.

4. Adopting Indian Ethos to Corporate Management:

Indian ethics are about the people, society and every aspect related to its development by following the path of Dharma and Karma i.e. Ethics and Morale referred in Bhagavad-Gita as Karma-Yoga (Work action). It talks about attaining Knowledge, evenness of mind, objectivity of work, faith and that each and every person need to work efficiently with detachment from its result in order to keep moving the wheels of universe [3].

The concept of “Purushartha” given in Upanishads talk about developing character. This concept has four characteristics namely Dharma (Righteousness/Religion), Artha (Economic Development), Kama (Sense gratification), and Moksha (Liberation)[4]. These form important pillars for a civilized society.

There are numerous theories and concepts from Indian History that can be applied to the Management. The concept of Karma Yoga can be applied to the corporate management and leadership which talks about doing one's duties without getting into the race for profitability which give rise to unethical practices. The Concepts of Indian Ethics can give answers to any of the management problems. The teachings of Bhagavad-Gita, especially of that Karma Yoga gives importance of work and detachment from the materialistic rewards. Adoption of Karma Yoga can result into effective management of self and better servant leadership. As per Bhagavad Gita, management is not about managing others but it is management of self, self-control and being in the

right path all the times. Various lessons from Mahabharata and Ramayana can be applied to Corporate Governance and administration. Corporate Governance is “a conscious, deliberate and sustained effort on the part of the corporate entity to strike a judicious balance between its on interest and the interest of the various constituents in the environment in which it is operating [5].

The Indian Ideology of Satya and Dharma talk about truth and rightful governance which are essentials of good corporate governance practices and help the organization staying ahead of regulators. The Indian ethics when adopted in true sense will help organizations to avoid cost of corporate frauds, damages to its image due to litigations and unpleasant, unharmonious Industrial relations scenario.

5. Driving Business through Indian Ethos and Values :

The Indian Ethos looks at work as worship (Karma is Dharma). It gives immense importance to the customer and customer is considered as god. The Bhagavad Gita has shown a path of detachment from results and doing one's duty with peace and contentment. The guiding principles of Gita can be applied to corporate ethics. Some of these are self-control, steadiness, truthfulness, wisdom, and learning. It preached selfless ness which can avoid issues like conflict of Interest, frauds or using unfair means to achieve means to achieve ones goals.

The concept of “Guna” is also relevant in corporate and individual context namely, sattwa, rajas and tamas. These can be used to formalize guiding path or mission of any organization. If the organization mission is based on values of truth, honesty, knowledge and respect, it shall give a sustainable business to the organization. The organizations can bring in transparency, self-control and good corporate governance if its foundation is built on the concept of Dharma. The concept of Dharma is also gives a sense of what is right and wrong. It eliminates unethical behavior or “Adharma”.

Indian culture and ethos incorporate the views of various philosophies Vedas, Gita, Buddhism, Jainism etc and makes it a collection of values which are regarded as important in the concept of corporate governance, productivity enhancement and corporate social responsibility. These values such as nishtha (sincerity), samarpana (commitment), kartavya-parayanta (responsibility), aparigraha (non-possession), brahmacharya (moral conduct), jigyasa (curiosity to learn), kauslam (efficiency), vividha (innovation), samatva (impartiality), etc. are particularly relevant for corporate agovernance [6].

6. Corporate Social Responsibility and Indian

Ethos : Philanthropy and giving have always been a part of Indian Culture, the roots of which can be traced back to Arthashastra. The concept of CSR closely relate with the Concept of Dharma, sacrifice and sharing the wealth with



the less privileged. The Indian concept of CSR started with Philanthropy till 1990's and the welfare programs or initiatives were introduced not as a duty or a responsibility but as a form of charity that was supposed to indicate the virtues of the big organizations. Post liberalization the concept has moved to a more structured approach of stakeholder's participation model.

The various Indian literature like Vedas, Upanishads, Bhagavad-Gita, Ramayana and Mahabharata talk about the 'Raj Dharma' which are duties of the king or administrators which can be related to modern days' Corporate Social Responsibility. In CSR the organizations considers the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.

While speaking at the inaugural function of India Corporate Week 2010, our erstwhile Prime Minister Dr. Manmohan Singh had said "Our Corporate culture must be attuned to the universally accepted values of good governance – accountability, transparency, responsibility and responsiveness to stake holders. Our corporate endeavors have to be consonant with the demands of our eco system and the expectations of Indian democracy. The economic reforms of the last two decades have opened up many new opportunities. But just as over bearing controls stifle initiative; dogmatic adherence to extreme models of non-regulation can also be disruptive to sustainable growth. Ours is the middle path. We believe we must trust Corporate India as indeed you must trust us.

Modern day concepts like Corporate Social Responsibility and sustainable business are not borrowed from developed economies but have been nurtured over the millennia by our rich ethical traditions. It is indeed, now for us to add to the global repositories of evolving concepts by imprinting India's unique flavor on them". Thus it can be seen that there is a strong linkage between Indian Values and Corporate Social Responsibility activities [7].

7. Conclusion : From the above discussion, it is evident that the corporate management has a lot to learn from the Ethos of Indian Cultures and its ancient literature. It is important to note that the Indian wisdom is not just confined to a single religion or source but it encompasses a number of various philosophies which are interrelated to each other.

In the current era of globalization and when the developed economies are slowing down and tendencies to follow unethical practices are growing, It is important for the organization to look inward and work towards more practicing dharma which is focused on balanced growth and development of all stakeholders. We should undertake research and development activities to establish concepts of management based on the perspective of Indian values.

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Comparative Study of Gst Models for India With World Tax Systems

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Abstract : Indian Government plans to introduce dual GST structure in India. Under dual GST, a Central Goods and Services Tax (CGST) and a State Goods and Services Tax (SGST) will be levied on the taxable value of a transaction. This dual structure will ensure a higher involvement from the states, and consequently their buy-in into the GST system, thus facilitating smoother implementation. Both the tax components will be charged on the manufacturing cost. Indian government proposed to introduce GST in the country from the upcoming financial years. GST will bring about a change on the tax firmament by redistributing the burden of taxation equitably between manufacturing and services. It will lower the tax rate by broadening the tax base and minimising exemptions. It will reduce distortions by completely switching to the destination principle. It will foster a common market across the country and reduce compliance costs. It will facilitate investment decisions being made on purely economic concerns, independent of tax considerations. It will promote exports. GST will also promote employment. Most importantly, it will encourage growth. France was the first country to introduce GST system in 1954. The standard GST rate in most countries ranges between 15-20%. Most of the sectors are taxed except for few exemptions.

Keywords : India, GST, VAT, Tax system etc.

1. Introduction : The GST (Goods and Services Tax) is a value added tax on the supply of goods and services in Australia, including items that are imported. In most cases, GST does not apply to exports of goods or services, or other items consumed outside Australia. It was introduced by the Howard Government on 1st July 2000, replacing the previous Central wholesale sales tax system and designed to phase out a number of various State and Territory Government taxes, duties and levies such as banking taxes and stamp duty.

The government is deliberating on fixing the value of combined GST rate at the moment, which is expected to be between 14-16 per cent. After the combined GST rate is decided, the centre and the states will finalise the CGST and SGST rates. All kinds of goods and services, barring some exceptions, would be under the GST purview. The basic premise of the new tax was to broaden the tax base, which was heavily biased toward the provision of services.

2. Objectives : The paper has an intention to initiate broad discussions regarding the need for more reforms in the tax structure in India which shall provide more resources to the government. Following objectives are studied in the paper:

- To study the share of indirect taxes in total revenue be enhanced at the central & State level.
- To study measures to remove complexities in the tax

structure.

- To study the measures best suitable GST models for India.

3. Research Methodology : The research design and the steps adopted in research methodology kept in focus of objectives set for the study. In course of preparation of the paper, exploratory study has been undertaken. In the scope of exploratory research strategy, detailed search of the literature has been carried out. Since the GST is not introduced in India, the researcher unable to avail primary data. This may be limitation for the paper. Literature review has been performed in order to get secondary data. Also secondary data collected from various sources like books, journals, reports of various committees constituted to look into tax reforms; multiple sources like area based sources like government reports, budget documents, economic surveys and time-series based sources like statistical reports published by government have also been consulted.

4. Data Interpretations : India is a central republic, and the GST will thus be implemented concurrently by the central and state governments as the Central GST and the State GST respectively. Exports will be zero-rated and imports will be levied the same taxes as domestic goods and services adhering to the destination principle. 115th Constitutional Amendment Bill, 2011 ("Bill") was put



before the Parliament by the Finance Minister on 22 March 2011. In its current state, the Constitution of India does not provide concurrent powers of taxation to the Union and the States. The Bill proposes to amend the Constitution to empower the Union and States to frame laws for levying goods and service tax ("GST") on transactions involving the supply of goods and services. Keeping this overall objective in view, an announcement was made by Shri Palaniappan Chidambaram, the Union Finance Minister, during the central budget of 2007–2008 that it would be introduced from April 1, 2010 and that the Empowered Committee of State Finance Ministers, on his request, would work with the Central Government to prepare a road map for introduction of GST in India.

This is indeed a staggering sum and suggests the need for energetic action to usher the GST system at an early date. GST rates of some countries are given below. Country Rate of GST Australia 10%, Canada 5%, Germany 19%, Japan 5%, Singapore 7%, Sweden 25% and UK 17.5% (20% w.e.f. 4 Jan 2011).

5. Commencement of GST : GST will bring about a change on the tax firmament by redistributing the burden of taxation equitably between manufacturing and services. It will lower the tax rate by broadening the tax base and minimising exemptions. It will reduce distortions by completely switching to the destination principle. It will foster a common market across the country and reduce compliance costs. It will facilitate investment decisions being made on purely economic concerns, independent of tax considerations. It will promote exports. GST will also promote employment. Most importantly, it will spur growth. The following represents the movement of goods after GST.

- i. Taxes which cannot be set off will reduce
- ii. All India tax will be based on value added
- iii. No value added implies no tax to be paid to the government
- iv. Creation of a tax neutral supply chain.
- v. You follow any route; the tax given to the government will remain the same.
- vi. Entry tax, Octroi etc. Will be there, but as is evident, these are also being slowly removed. This will make the supply chain perfectly neutral to taxes

6. Impact of GST on various sectors : The subsuming of major Central and State taxes in GST, complete and comprehensive setoff of input goods and services and phasing out of Central Sales Tax (CST) would reduce the cost of locally manufactured goods and services. This will increase the competitiveness of Indian goods and services in the international market and give boost to Indian exports.

The impact of Goods and Services Tax on certain sectors are discussed hereunder.

6. Food Industry : The application of GST to food items will have a significant impact on those living under subsistence levels. It would have a major impact on the poor. But at the same time, a complete exemption for food items would drastically shrink the tax base. Food includes a variety of items, including grains and cereals, meat, fish, and poultry, milk and dairy products, fruits and vegetables, candy and confectionary, snacks, prepared meals for home consumption, restaurant meals, and beverages. In India while food as such is exempt from the

CENVAT, many of the food items including food grains and cereals attract the state VAT at the rate of 4%. Exemption under the state VAT is restricted to unprocessed food, e.g., fresh fruits and vegetables, meat and eggs, and coarse grains. Beverages are generally taxable, with the exception of milk. Even if food is within the scope of GST, such sales would largely remain exempt due to small business registration threshold. Given the exemption of food from CENVAT and 4% VAT on food items, the GST under a single rate would lead to a doubling of tax burden on food. Hence certain measures need to be taken in this regard.

7. Housing and Construction industry : In some countries in Europe, supply of land and real property are excluded from the scope of tax whereas in Australia, New Zealand, Canada and South Africa, housing and construction services are treated like any other commodity. When a real estate developer builds and sells a home, it is subject to VAT on the full selling price, which would include the cost of land, building materials, and construction services. Commercial buildings and factory sales are also taxable in the same way, as are rental charges for leasing of industrial and commercial buildings.

8. FMCG sector : Despite the economic slowdown, India's Fast Moving Consumer Goods (FMCG) sector has grown consistently during the past three to four years, reaching a size of \$25 billion (Rs 120,000 crore) at retail sales in 2008. Implementation of the proposed Goods and Services Tax (GST) and opening of Foreign Direct Investment (FDI) are expected to fuel growth further and raise the industry's size to \$47 billion (Rs 225,000 crore) by 2013 and \$95 billion (Rs 456,000 crore) by 2018, according to a new FICCI-Technopak report. The FMCG sector is also one of the major contributors to the exchequer with \$6.5 billion (Rs 31,000 crore) paid through direct and indirect taxes. Implementation of GST will have several benefits for the FMCG sector including uniform, simplified and single point taxation and thereby reduced prices.

9. Rail sector : There have been suggestions for including the rail sector under the GST umbrella to bring about significant tax gains and widen the tax net so as to keep the



overall GST rate low. The inclusion of the rail sector in the tax system which will do away with most of the indirect taxes should be done if the government wants to provide a level playing field to road and air transportation sector. This will have the added benefit of ensuring that all inter-state transportation of goods can be tracked through the proposed information technology (IT) network.

10. Financial services : In most of the countries Goods and Services Tax is not charged on financial services. For example in New Zealand, almost all goods and services are covered under the GST except that of financial services. The reason behind this is that the charge for services provided by financial intermediaries like banks and insurance companies is generally not precise, i.e. the fee is taken as a margin that is hidden in interest, dividends, annuity payments or such other financial flows from the transactions. If the fee was not a hidden one, then it would be easy to charge the service to tax.

11. Impact on small enterprises : The impact of GST on small enterprises is of great concern. There will be three categories of small enterprises in the GST system. Those below the threshold need not register for the GST. Those between the threshold and composition turnovers will have the option to pay a turnover based tax or opt to join the GST system. Given the possibilities of input tax credit, not all small enterprise may seek the turnover tax option. The third category of small enterprises above the turnover threshold will need to be within the GST framework. Possible downward changes in the threshold in some States consequent to the introduction of GST may result in obligations being created for some dealers. In such cases suitable provisions could be made to provide direct assistance to the affected small enterprises if considered desirable.

12. Complexity in Tax regime : In spite of the improvements made in the tax design and administration over the past few years, the systems at both central and state levels remain complex. Their administration leaves a lot to be desired. They are subject to disputes and court challenges, and the process for resolution of disputes is slow and expensive. At the same time, the systems suffer from substantial compliance gaps, except in the highly organized sectors of the economy. There are several factors contributing to this unsatisfactory state of affairs. The most significant cause of complexity is, of course, policy related and is due to the existence of exemptions and multiple rates, and the irrational structure of the levies.

The key problem with the service tax is the basic approach of levying it on specified services, each of which generates an extensive debate as to what is included in the base. Ideally, the tax base should be defined to include all services, with a limited list of exclusions (the so called "negative list"). The Government has been reluctant to adopt this approach for

the fear that it could bring into the tax net many services that are politically sensitive.

The complexities under the State VAT relate primarily to classification of goods to different tax rate schedules. Theoretically, one might expect that the lower tax rates would be applied to basic necessities that are consumed largely by the poor. This is not the case under the State VAT. The lowest rate of 1% applies to precious metals and jewellery, and related products—hardly likely to be ranked highly from the distributional perspective. The middle rate of 4% applies to selected basic necessities and also a range of industrial inputs and IT products. In fact, basic necessities fall into three categories—exempted from tax, taxable at 4%, and taxable at the standard rate of 12.5%. The classification would appear to be arbitrary, with no well accepted theoretical underpinning. Whatever the political merits of this approach, it is not conducive to lower compliance costs. Most retailers find it difficult to determine the tax rate applicable to a given item without referring to the legislative schedules. Consumers are even less aware of the tax applicable to various items. This gives rise to leakages and rent seeking.

Another source of complexity under the State VAT is determining whether a particular transaction constitutes a sale of goods. This problem is most acute in the case of software products and intangibles such as the right to distribute/exhibit movies or time slots for broadcasting advertisements. Compounding the structural or design deficiencies of each of the taxes is the poor or archaic infrastructure for their administration. Taxpayer services, which are a lynchpin of a successful self-assessment system, are virtually nonexistent or grossly inadequate under both central and state administrations. Many of the administrative processes are still manual, not benefiting from the efficiencies of automation. All this not only increase the costs of compliance, but also undermines revenue collection.

13. Findings : This Research suggests that GST Model for the country that could be adopted in short term and identifies issues that arise in designing and implementation of comprehensive GST in India.

There are three Options in this context :

- A. Option I : GST at Union Level Only :** This Model envisages principal indirect taxes on goods and services to be levied by Union Government only. No such taxes to be levied by State Governments leading to only one GST throughout the country.
 - i. Ideal structure from business perspective – greater stability and facilitation of decision making – also, businesses will have to deal with only one tax authority and comply with only one tax- there will be significant reduction of compliance costs



- ii. Excellent from consumer perspective as the consumer will know exactly how much is the indirect tax burden in the goods and service consumed by it
- iii. Cascading effect can be removed to a large extent as there will not be taxes at two levels leading to improved competitiveness
- iv. Feel good factor for anyone doing business with the country Cons
- v. Near impossibility of achieving the structure – will require modification of Constitution
- vi. States may not agree to give up power of taxation and depend on the Union for resources
- vii. Entire infrastructure developed for taxation at both levels will have to undergo huge change

B. Option II : GST at State Level Only : This Model envisages levy of GST by State Governments only meaning only State specific GST across the country and no GST by Union Government.

- i. Reduction of cascading effect of taxes as there will not be tax at two levels.
- ii. Amendment (s) will be required in Constitution which may be supported by industrial and large states and opposed by smaller states which do not have significant source of revenues
- iii. Businesses will have to comply with tax laws of each State – not worse off than current situation but not better off as well except that they will not have to deal with Central Level taxation which is the current position. At the same time, decision making will be impacted and may affect business stability
- iv. Governments, both local and Union will not find it workable as it will require complete change in its finances and allocation of resources.
- v. There may be unhealthy competition among states using local tax structure as a tool to attract investments within the states, which may be at the cost of other states. This could lead to retaliatory measures by other states.
- vi. Entire infrastructure for taxation will have to undergo change as States will need additional resources whereas Union's infrastructure will be freed up.

C. Option III : GST at both levels : This model envisages GST at two levels operating parallel – one, at Union Level and another at State Level.

- i. Achievable in the short term
- ii. No significant change required in the current

- structure of indirect taxation although, some amendments may be required to the Constitution
- iii. Partial removal of cascading effect of taxes
- iv. No change required in infrastructure of tax departments at the Union and State levels Cons

14. GST Model for INDIA : The Research Paper suggests that Option III - GST at two levels – Union and State operating parallels be adopted to begin with this reform process. Although, it is not ideal Model, we recommend the same to – kick start the move to GST as:

- It is the most workable model especially taking into consideration the changes required in the Constitution and achievability in the short term.
- This Model builds on the current structure of taxation of goods and services and does not envisage drastic changes in the broad mechanism for levy and collection of taxes.
- It results in allocation of taxes between Union and States and between states based on fair and transparent criteria of consumption within a state.

Implementation of this suggested Model will require following steps:

- Constitutional Amendments : Consolidate separate entries in the Constitution empowering Union and State Governments to impose taxes on manufacture and sale of goods and services into one entry which empowers both Union and State Governments to impose tax on sale and supply of goods and services. Optionally, modify Constitution only to the extent required immediately specifically, to extend CENVAT to consumer level and to authorize states to collect and retain tax on services.
- Amend CST law to introduce VAT on import of goods and introduce import VAT– tax on imports is within the jurisdiction of Union Government and Union Government could appropriate it to the State Governments. This collection would need to be allocated to the states where the goods move on importation since that is the state where the sale will take place and which will give credit for import VAT against output VAT.
- Consolidate taxes on services imposed under different enactments by State Governments e.g., duty on entertainment, and electricity, luxury tax.

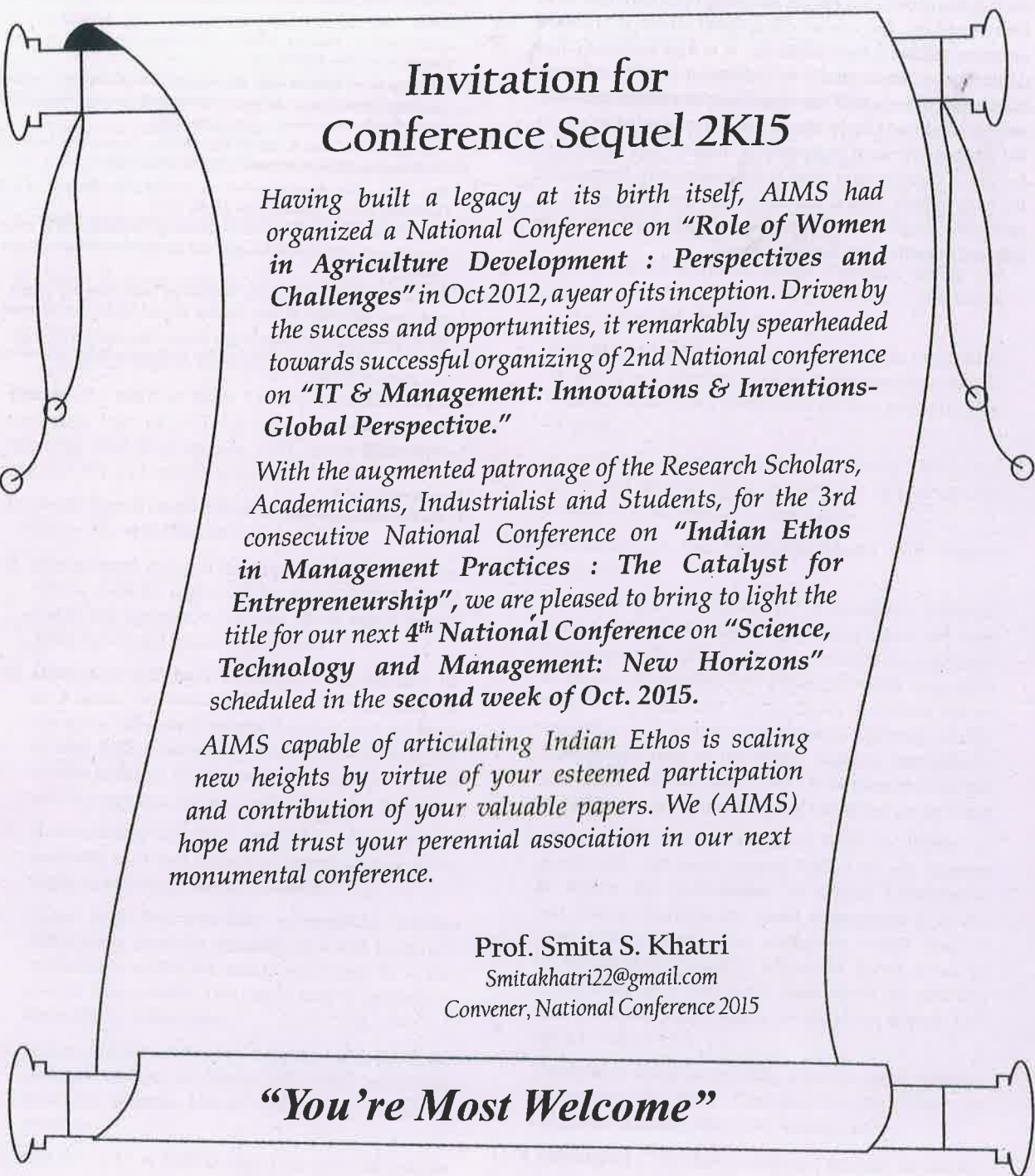
15. Conclusion : The abovementioned analysis shows that there has been a significant progress in tax reforms in recent years and that has helped to enhance the tax-GDP ratio close to the levels that prevailed prior to reducing customs. This, however, is only the beginning and considerable distance in reforming the tax system is yet to be covered. The tax system reform including reform in administration is a



continuous exercise. The reforms will have to continue not only at the centre, but also at state and local levels as well. One important objective of sub national reform is to ensure common market in the federation. It is also necessary that consumption taxes should be calibrated in a coordinated manner in the spirit of co-operative centralism. Domestic and external trade taxes should also be calibrated to ensure the desired degree of protection to industry and the desired burden of consumption taxes to the community. Broadening the base of both central and state taxes and keeping the tax structures simple are important international lessons to be adopted in calibrating further reforms.

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